



COLLEGE OF SOCIAL SCIENCES  
**HAWAII ENERGY POLICY FORUM**  
UNIVERSITY OF HAWAI'I AT MĀNOA

**Hawai'i Energy Policy Forum**

Mr. Robbie Alm, HECO  
Ms. Amy Asselbaye, Ofc of US Rep.  
Neil Abercrombie  
Ms. Madeleine Austin, World Business Academy  
Ms. Catherine Awakuni, Div. of Consumer Advocacy  
Mr. Warren Bollmeier  
Hi Renewable Energy Alliance  
Mr. Carlito Caliboso, PUC (Observer)  
Mr. Albert Chee, Chevron  
Mr. Kyle Datta, U.S. Biofuels  
Mr. Mark Duda Hi Solar Energy Assoc.  
Sen. Kalani English, HI State Senate  
Mr. Mitch Ewan, UH HNEI  
Mr. Carl Freedman  
Haiku Design and Analysis  
Mr. Mark Glick, OHA  
Mr. Steve Golden, The Gas Company  
Dr. Michael Hammett, RCUH  
Ms. Paula Helfrich, EDAH  
Mr. William Kaneko, HI Institute for Public Affairs  
Mr. Darren Kimura, Energy Industries Holdings  
Mr. Mike Kitamura, Ofc of US Sen. Daniel K. Akaka  
Mr. Kal Kobayashi, Maui County  
Mr. Laurence Lau, DOH  
Ms. Yvonne Lau, Ofc of US Rep. Mazie Hirono  
Mr. Allyn Lee, C&C of HNL  
Mr. Aaron Leong, Ofc of US Senator Daniel K. Inouye  
Dr. Stephen Meder, AIA-Honolulu  
Sen. Ron Menor, HI State Senate  
Mr. Robert Harris, Sierra Club  
Dr. Bruce Miller, UH Ofc of Sustainability  
Dr. Sharon Miyashiro, Social Sciences Public Policy Ctr.  
Rep. Hermina Morita, HI State House of Representatives  
Mr. Tim O'Connell, USDA/Rural Development  
Mr. Richard Paglinawan  
Pa Ku'i A Lua  
Ms. Melissa Pavlicek, Western States Petroleum Assn  
Mr. Randy Perreira, HI State AFL-CIO  
Dr. Rick Rocheleau, UH HNEI  
Mr. Peter Rosegg, HECO  
Mr. Steven Rymsha, KIUC  
Mr. Riley Saito, PowerLight Corp.  
Mr. Glenn Sato, Kauai County OED  
Ms. Carilyn Shon, DBEDT  
Mr. Bill Short, BIA of Hawaii  
Mr. Ray Starling, HI Energy Grp  
Mr. Lance Tanaka, Tesoro HI Corp  
Dr. Don Thomas, UH Center for the Study of Active Volcanoes  
Mr. Murray Towill, Hawai'i Hotel Assn  
Ms. Joan White, Hon Community Action Program

Testimony of  
**Carl Freedman**  
Chair, Regulatory Reform Working Group  
Hawai'i Energy Policy Forum

COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION  
Rep. Hermina M. Morita, Chair  
Rep. Denny Coffman, Vice Chair

Tuesday, February 10, 2009 9 a.m.  
Conference Room 325

**IN SUPPORT OF HB 1270 – RELATING TO RENEWABLE ENERGY**

I am Carl Freedman, Chair of the Regulatory Reform Working Group of the Hawaii Energy Policy Forum ("Forum"). The Forum is comprised of over forty representatives from the electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. We have been meeting since 2002 and have adopted a common vision and mission, and a comprehensive "10 Point Action Plan," which serves as a framework and guide for meeting our preferred energy vision and goals.

HB 1270 would delete the Hawaii State statutory avoided cost ceiling on wholesale energy contracts in section HRS 269-27-2(c) which is currently more restrictive than federal avoided cost limitations. This change would allow the Hawaii PUC to allow renewable energy producers to receive higher than "least avoided costs" when a price is agreed between the utility and the producer and the PUC finds the price to be "just and reasonable". Federal law limiting mandatory enforcement by the PUC of prices above avoided cost would still apply. The need for this change was identified by several parties in the Feed-in Tariff docket now in process before the PUC.

HB 1270 also amends the definition of "cost effective" in the Renewable Portfolio Standards section HRS 269-91 so that it properly conforms to the amended section HRS 269-27-2(c).

These amendments would allow the PUC to most effectively establish rates that support implementation of appropriate renewable energy resources while maintaining a standard that rates must be just and reasonable.

**Please note a typographical error in the bill:** The word "reasonably" in the language amending the definition of cost effective should be "reasonable". This detail would affect the meaning of the definition.

For the reasons above the Forum supports HB 1270.

Thank you for this opportunity to testify.

*This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies or organization*