

Energy Rates Working Group

Minutes

August 7, 2003

Attendance:

Ruby Hargrave, Dennis Doi, Kris Foster, Tom Matsuda, Dave Waller, Sharon Miyashiro, Regina Gregory

Dave Waller presented HECO data on residential energy consumption and demographics.

Residential customers have the highest electric rates per kilowatt-hour. It was suggested we should get more data on low-income people's energy bills and the rate of delinquency.

Charles Totto mentioned that a federal agency has already done a study on the impact of energy rate increases.

Patty Williams gave a brief description of the LIHEAP (Low Income Energy Assistance Program). This is a federal grant which fluctuates from year to year (e.g., \$3 mil. to \$1.7 mil.) and is based on "heating days" (which does not favor Hawai'i). It also has a number of conditions as to how the money is spent. They make direct payments to the utilities, an average of \$255/household/year, for people at or below 150% of poverty level who apply in June of each year. Targeted households are those with children and elderly. 10-15% could be used for weatherization (including conservation and solar water heating) instead of paying utility bills, but there is a problem with the administrative cost. Possibly this could be somehow combined with HECO rebates. Eileen Yoshinaka noted that about 47 states put the 10% into weatherization. But it was noted that the choice should depend on the

Hawaii Energy Policy Forum

household (e.g., for an elderly person living alone in an apartment, solar water heating does not make sense; for a large family in a house, it does).

Dennis Doi mentioned that his program has \$200,000 for weatherization, with the same target group as LIHEAP. At about 30 devices installed per year, this is far less than the demand for such services.

Charles Totto suggested we make a list of low-income programs. Eileen Yoshinaka mentioned there is also the HUD rehabilitation program. Also, the Dept. of Agriculture has provided money for a solar energy program on Moloka'i.

The idea of lower electric rates for lower-income people was suggested. It faces problems of administrative costs and cross-subsidization issues.

The next meeting will be on Wednesday, September 10, 12:00 to 1:30 at HCAP conference room.