



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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January 7, 2020

VIA EMAIL

State of Hawaii Land Use Commission
Department of Business, Economic Development & Tourism
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Subject: Hawaii State Energy Office Comments on Docket No. A87-610

Dear Land Use Commissioners:

The Hawaii State Energy Office (HSEO) offers the following comments on Docket No. A87-610; specifically pertaining to the 36 megawatt / 144 megawatt-hour battery energy storage system solar farm proposed by Waiawa Solar Power, LLC. HSEO's comments are guided by HSEO's statutory purpose to "promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean economy."¹ As an island community, Hawaii is vulnerable to external fuel and energy disruptions, unpredictable cost fluctuations, unintended fuel releases into marine environments, and the many impacts of climate change.

Hawaii state law requires that 100 percent of the electrical energy sold by Hawaii's electrical utilities must come from renewable energy sources by the year 2045, with upcoming interim mandates of 30% by 2020 and 40% by 2030.² On Oahu, the Hawaiian Electric Company (HECO) is now pursuing new renewable energy projects to replace the power HECO currently purchases from the 180 MW coal-fired AES Hawaii plant in Campbell Industrial Park, which is planned for closure by September 2022.³ As the solar farm included in this Motion is currently part of HECO's plans to retire the AES Hawaii coal plant by 2022, a timely decision on this Motion is needed in order for the various affected stakeholders to move forward or plan accordingly.

¹ Section 196-71, Hawaii Revised Statutes. HRS 196-71 (b)(3) states, "The Hawaii State Energy Office shall [p]rovide renewable energy, energy efficiency, energy resiliency, and clean transportation project deployment facilitation to assist private sector project completion when aligned with state energy goals."

² Section 269-92, Hawaii Revised Statutes.

³ According to HECO, the AES Hawaii plant is the largest single generator on HECO's system, meeting 16 percent of peak demand on Oahu. <https://www.hawaiianelectric.com/hawaiian-electric-companies-targeting-2022-in-move-to-acquire-more-renewable-energy> In 2016, the AES Hawaii plant emitted 1.55 million metric tons of carbon dioxide equivalent (MMT CO₂ Eq.) greenhouse gas emissions (GHG), or approximately 8% of total statewide GHG emissions that year. Hawaii Department of Health, Hawaii Greenhouse Gas Emissions Report for 2016, Final Report (December 2019) https://health.hawaii.gov/cab/files/2019/12/2016-Inventory_Final-Report_December2019-1.pdf

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The subject solar farm proposes to use approximately 200 acres within the Urban District, which makes it a permissible land use. In March 2019, the Hawaii Public Utilities Commission (PUC) approved the contract under which HECO will buy power from this solar farm and found the price to be reasonable compared to similar solar plus battery projects recently approved by the PUC (approximately \$0.10 per kilowatt-hour for the initial 20-year contract term).⁴

We appreciate the opportunity to provide these comments. If you have any questions, please feel free to contact me at (808) 587-3807 or scott.glenn@hawaii.gov.

Sincerely,



Scott J. Glenn
Chief Energy Officer

⁴ <https://dms.puc.hawaii.gov/dms/dockets?action=details&docketNumber=2018-0435>