

LATE

**Testimony before the
House Committee on Consumer Protection & Commerce**

HB 461 – Relating to Net Energy Metering

**Monday, February 11, 2013
3:30 PM, Conference Room 325**

**By Tanay Panalal
Supervisor, Net Energy Metering
Hawaiian Electric Company, Inc.**

Chair McKelvey, Vice-Chair Kawakami and Members of the Committee:

My name is Tanay Panalal. I am the Supervisor of Net Energy Metering for Hawaiian Electric Company. I am testifying on behalf of Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company.

HB 461 proposes to amend HRS Sec. 269-106 by allowing eligible customer-generators to donate to charitable organizations, unused excess net energy metering credits that would otherwise be forfeited. As a result, the recipient charitable organization would have its electric bill reduced by the amount donated.

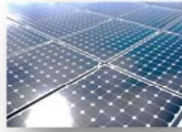
The Companies support continued growth for customer-sited renewable energy generation and have a very successful Net Energy Metering program. While the intent of this bill is admirable, we oppose this measure because it would be inconsistent with the fundamental concept behind net energy metering, which is to encourage “right-sizing” of customers’ energy generating systems to be used primarily to offset part or all of the customer's own electrical requirements.

The net energy metering statute is clear in its intent of allowing qualified customer-generators to offset their electricity usage by way of crediting excess electricity generation such that established credits could be applied to eligible energy charges during a 12-month period. Any unused credits are forfeited at the end of the 12-month period. This

energy offset mechanism is the fundamental concept behind net energy metering, since the forfeiture of unused credits discourages customer-generator oversizing.

Forfeited credits currently accrue to the benefit of all ratepayers and should not be transferrable at the discretion of the customer-generator. There are other interconnection arrangements for customer-sited renewable generation such as the feed in tariff that would monetarily compensate a customer-generator for any and all excess electricity generated. Payments made through such interconnection arrangements would enable eligible customer-generators to make donations to charitable organizations of their choice. We therefore ask that this bill be held.

Thank you for the opportunity to testify.



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HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 11, 2013, 3:30 A.M.

Room 325

(Testimony is 3 pages long)

TESTIMONY IN SUPPORT OF HB 461

Chair McKelvey and members of the Consumer Protection & Commerce Committee:

The Blue Planet Foundation supports HB 461, which allows an eligible customer-generator in a net energy metering agreement to donate credits for excess electricity that remain unused after each twelve-month reconciliation period to any charitable organization.

While most customers size their system to simply meet their needs, some provide excess power to the grid at the end of the one-year reconciliation period. While we believe that customers should be compensated for this clean electricity production, this measure proposes a creative option to enable that free electricity to benefit Hawaii's charities.

Thank you for the opportunity to testify.