CBRE Order 37592 - Stakeholder Working Group Meeting #2

Monday, February 22, 2021

8:30am – 9:30am

WebEx

Attendees

Stakeholders:

- Gerald Sumida (Carlsmith Ball / Ulupono Initiative)
- Samantha Ruiz (Ulupono Initiative)
- Rene Kamita / Michelle Daigle (Consumer Advocate)
- Isaac Moriwake / Kylie Wager Cruz (Earthjustice/Hawaii Solar Energy Association/BluePlanet)
- Ryan Morita / James McCallen (Hawaii State Energy Office)
- Dr. Lewis Hashimoto (Arroyo Seco Consulting, CBRE Independent Observer)

Hawaiian Electric:

- Lani Shinsato, Director, CER Programs
- Mark Wong, Manager CER Community & Commercial Programs
- Aimee Etterling, Troy Milhoan, Christyn Senda, Ellyse Mazzi; Program Managers, CER Community & Commercial Programs
- Greg Shimokawa, Acting Director, Renewable Acquisition
- Kevin Oda, Sr. General Counsel
- Tracie Black, Associate General Counsel
- Marisa Chun, Regulatory Analyst
- George Willoughby, Manager, Customer Load Research

Objective

- Hawaiian Electric (HE) to gather feedback from stakeholders on recommendations on

Agenda

- Introductions
- Ground Rules
- 60 Day Filing Schedule
- LMI Customer Enrollment & Verification
- General Participation Requirements
  - Refine Filings
  - Program Requirements

Discussion

I.   **60 Day Filing Schedule**
   a. Decision making should be completed by first week of March to allow time for drafting
       i. Stakeholder: Would like to continue discussions on interconnection before the first week of March
       ii. Speaker: Due to scheduling conflicts, will continue with smaller discussions to keep topic moving

II. **Remove anchor tenant eligibility requirement** (i.e. non-profit or government entity that serves LMI)
   a. Speaker: Original idea of anchor tenant was to have financial capability to support an LMI project; government agencies and non-profits have restrictions and its doubtful they may be anchor tenants. If you had a large LMI community and you had a Best Buy / Walmart nearby, that could make an (LMI project) happen.
      i. Stakeholder: To add on; the way tariff is written there would be a lot of administrative burden on tracking eligibility, so removing the requirement altogether would increase participation
   b. Speaker: We were trying to address the 100% LMI projects but can see how hybrid projects are more successful
      i. Stakeholder: I believe we are agreeing with each other
      ii. Stakeholder: A lot of larger/medium size entities may find (LMI projects) worthwhile due to ESG and or community relations purposes

III. **Expand eligibility – Geographic**
   a. Speaker: If we're able to capture 80% of LMI using census tracks that could be acceptable; we could leverage API software enhancements in Portal to check a subscriber's residence
      i. Stakeholder: To quote another stakeholder, "let's not let the perfect be the enemy of the good." We know areas that are predominantly LMI on all the islands. Those could be areas of extra effort to sign people up there. You would still qualify (LMI) by family or household income.
      ii. Stakeholder: suggestion to not reinvent the wheel, in PBR docket it was mentioned to use the Hawaii Energy zip code methodology.
   b. HE Attendee: Could someone clarify the Hawaii Energy zip code methodology and the protections of "door-to-door fraud"
      i. Stakeholder: Suggest following up with Hawaii Energy and Nexamp (since they are not in this meeting) for those items; note that "door-to-door fraud" is related to outside fraud, not customers
   c. Speaker: We do need a way to hold subscriber organizations accountable to prevent any form of "gaming". Without having penalties in place, it would be hard to define a project as LMI.
      i. Stakeholder: According to other programs on the mainland, as long as a subscriber can show proof of enrollment in an LMI program (i.e. SNAP or EBT) that would qualify them
      ii. Stakeholder: Duke Energy in South Carolina and Florida works with other state agencies that verifies income to reduce administrative burden. Joint Parties suggested working with DHS.
   d. HE Attendee: We are in agreement in those items but want to get feedback on penalties for the subscriber organization if they don't follow the guidelines in the tariff
      i. Stakeholder: The burden on the subscriber organization is the right place for removing participants if they are not eligible
      ii. Stakeholder: Nexamp also suggested a self-attestation form used in Ilinois
      iii. HE Attendee: We do have an affidavit similar to a self-attestation
      iv. Stakeholder: Request to revisit prior discussions regarding projects that will support LMI customers as "pre-qualified" due to participation in other programs.
      v. Speaker: In an LMI Advisory Meeting, a stakeholder there suggested using DOE as a resource since they check income for subsidized meals

IV. **Remove annual verification requirement**

a. Speaker: We want to be mindful of costs but want to ensure there are true LMI participants
    i. Stakeholder: We agree to minimize administrative burden, could consider an annual or once every 3 years require a certification from the subscriber organization

V. Removal of 6 month residency requirement
a. Speaker: LMI subscribers move locations frequently which would put them at a disadvantage; our reason for the 6 month requirement was to size their system and prevent oversizing, which came from the original CBRE framework. Some alternatives could be lowering to a 3 month residency requirement. Completely removing would add risk of oversizing and would affect the current Portal development.
    i. Stakeholder: Who would monitor? If it's the utility how would you monitor?
    ii. Speaker: Portal automatically checks our back end system
b. Stakeholder: Isn't there a mechanism in the tariff that prevents a subscriber to exceed their monthly bill (to address oversizing)?
    i. Speaker: In terms of an audit, Hawaiian Electric would be doing that
    ii. HE Attendee: This also address the securities issue; we need some kind of mechanism to provide boundaries.
c. Speaker: Is the 3 month requirement still a barrier?
    i. Stakeholder: Suggest doing 6 months as a temporary requirement
    ii. HE Attendee: We could keep the 6 months for regular participants and make exceptions for LMI participants
    iii. Stakeholder: That seems in line with the Commission so we can agree to that

VI. Remove digital barriers (i.e. add paper contract or direct email contract options)
a. Speaker: To clarify, a subscriber does not have to use the Portal, the subscriber organization can sign up subscribers themselves
    i. Stakeholder: Great, this mechanism addresses this issue

VII. Develop outreach plan for contracting pre-qualified customers (without sharing personal information)
a. Stakeholder: Key is those who are qualified know about it
b. HE Attendee: Some people aren't appreciative of cold calls especially when you are presuming their situation
    i. Stakeholder: Calling is very expensive, could do newsletter marketing and reach out to strategic allies and ask them to reach out
c. Speaker: We do have a communications plan and can share that to get feedback. Getting partner agencies was a key part of that.
    i. Stakeholder: There is a difference between communications and marketing, and you are in the marketing business. Leveraging with partners can result in focused outreach.

VIII. Participation Requirements – remove 100% transferability requirement
a. Stakeholder: Return to the commission's directive where customers can transfer 50% of their subscription to another participant & rely on the minimum 1kW subscription requirement to prevent potentially infinite transferability.
b. HE Attendee: Portal will have already determined eligibility so, can rely on that to ensure the transfer doesn't exceed their qualified subscription size.

IX. Restore to 50% minimum interest transfers with 1 kW minimum subscription
a. Speaker: see above

X. **Remove 6 month enrollment requirement and 2 year disconnection notification**
   a. Speaker: Considering keeping this requirement for non-LMI, with a possible reduction in the timeframe & removing this requirement for LMI

XI. **Remove time limits on CCRP back-up queue, or extend CCRP back up queue through**
   a. Speaker: Open to extending backup queue to the end of the tranche, mostly want to ensure there's no overlap where projects from either tranche could be moving forward with different rules.
      i. Stakeholder: This is what we originally proposed

XII. **Remove 40% residential customer requirement/quota**
   a. Speaker: Not comfortable removing this requirement to avoid a repeat of phase 1 where we have only commercial enrollment
      i. Stakeholder: Prefer to see this removed

XIII. **Reducing filing size**
   a. Speaker: Will circulate ideas in another meeting or offline

Takeaways

- HE and Joint Parties agree on many of the LMI enrollment & verification items in principal but need to refine accountability of the Subscriber Organization
- Leveraging partnerships with government agencies and non-profits key to reach out to LMI subscribers and reduce administrative burden of checking eligibility

Next Steps

- Send any follow up emails to group or to Mark Wong at mark.wong@hawaiianelectric.com
- Hawaiian Electric will work on taking comments back and assessing feasibility
- March 5 is next Working Group Meeting (via WebEx) to discuss Grid Services and RESOLVE