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## HOUSE RESOLUTION

REQUESTING THE PUBLIC UTILITIES COMMISSION TO ALLOW HAWAII  
ELECTRIC AND LIGHT COMPANY TO CONTINUE ITS NEGOTIATIONS  
WITH KAHUA RANCH AND NA MAKANI MOA E KU, LLC, ON THE KAHUA  
FAST-RESPONSE HYDRO PROJECT.

1           WHEREAS, one of the foremost obstacles to the development  
2 and implementation of many renewable energy generating sources  
3 is the intermittent nature of these sources, such as a lack of  
4 sunshine or wind; and  
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6           WHEREAS, an electrical public utility such as Hawaii  
7 Electric and Light Company (HELCO) must ensure that its  
8 customers receive reliable and continuous service; and  
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10           WHEREAS, Kahua Ranch (Kahua) and Na Makani Moa e Ku, LLC  
11 (Na Makani), have developed the Kahua Fast-Response Hydro  
12 Project that utilizes wind energy as a renewable energy source  
13 but also as a part of a pumped hydro electric system that uses  
14 renewable energy during non-peak hours to pump water up to a  
15 storage reservoir, which services as a fast-response source of  
16 "stored" energy that is available on short notice when the wind  
17 energy is unavailable to ameliorate any sudden drop of energy  
18 from the renewable wind energy source; and  
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20           WHEREAS, Kahua and Na Makani have been negotiating with  
21 HELCO since 2006 on the problems of grid integration and the  
22 implementation of the Kahua Fast-Response Hydro Project as a  
23 pilot project that eventually may be used in other locations in  
24 the State to back up intermittent renewable energy sources; and  
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26           WHEREAS, in January 2009, the Public Utilities Commission  
27 ordered HELCO to terminate its negotiations with Kahua and Na  
28 Makani on the Kahua Fast-Response Hydro Project pilot project,  
29 presumably due to its desire to institute competitive bidding  
30 for renewable energy and to decouple renewable energy from  
31 fossil fuels based on "avoided costs" as mandated by federal law  
32 and regulation; and  
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1 WHEREAS, competitive bidding would not be applicable in the  
2 case of the Kahu Fast-Response Hydro Project pilot project  
3 because it is a pilot project located on a unique site that will  
4 demonstrate the feasibility of pump hydro as a new technology in  
5 grid integration and energy storage technology that will lead to  
6 open markets for competitive bidding by renewable energy  
7 projects in the future; now, therefore,  
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9 BE IT RESOLVED by the House of Representatives of the  
10 Twenty-fifth Legislature of the State of Hawaii, Regular Session  
11 of 2009, that the Public Utilities Commission is requested to  
12 allow the Hawaii Electric and Light Company to continue  
13 negotiations with Kahua Ranch and Na Makani Moe e Ku, LLC, to  
14 implement the Kahua Fast-Response Hydro Project as a pilot  
15 project to prove the efficacy of using pumped hydro as a  
16 reliable method of energy storage; and  
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18 BE IT FURTHER RESOLVED that certified copies of this  
19 Resolution be transmitted to Chairperson of the Public Utilities  
20 Commission, Kahua Ranch, Na Makani Moa e Ku, LLC, and Hawaii  
21 Electric Light Company, respectively.  
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23  
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OFFERED BY:

Calvin K. Au

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