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What if Hawaii Island residents owned their own electric utility?

That's the question being posed by a nonprofit group that filed on Feb. 11 a motion with the Hawaii Public Utilities Commission to intervene in the pending \$4.3 billion sale of Hawaii Electric Light Co's parent company, Hawaiian Electric Co. (HEI), to NextEra Energy.

The Hawaii Island Energy Cooperative is a group of Big Island community and business leaders exploring the idea of public ownership, according to group spokesman and director Marco Mangelsdorf.

"We seek to participate in the discussion of the unique perspective of the residents of our island, and, if appropriate, explore an option that would make for a fundamental change in the landscape of energy production and consumption on Hawaii Island," he said via a press release. "Being able to have more direct control over Hawaii Island's present and future energy profile would provide us with an extraordinary opportunity to showcase what can be done on our island on many different and innovative levels."

Mangelsdorf explained Tuesday that public ownership of the island's electric service would mean that there would be democratic and local control over the island's energy infrastructure, "providing greater benefits and retaining any excess over the cost of operations."

The energy cooperative is headed by a local board of directors, including Hamakua Springs president Richard Ha, former University of Hawaii at Hilo spokesman Gerald DeMello, Office of Mauna Kea Management senior advisor Wallace Ishibashi, and Mangelsdorf, who is president of ProVision Solar Inc.

The group came together shortly after the announcement that Florida-based NextEra intended to purchase HEI, said Ha.

"It occurred to us it would be a good time to talk to the folks (at the Kauai Island Utility Cooperative)," he said.

The CEO of the Kauai group, the state's only electric cooperative, David Bissell was invited to come to Hilo and speak with residents about his experience with forming and operating Kauai's publicly owned electric service. From there, the idea to duplicate Kauai's success on Hawaii Island gathered steam, Ha said.

Mangelsdorf admitted that much remains up in the air, including how financing for such a move could be secured. But, he said, the time to talk about forming a cooperative is now, so that Hawaii Island electric consumers can have a "seat at the table" as the PUC investigates the NextEra merger. He added that Hawaii Island Energy Cooperative "takes no position either for or against the proposed merger."

"HIEC desires to explore through the proceedings the unique perspective, goals and objectives of the residents and communities of Hawaii Island, and depending on the outcome of the proceedings, consider whether a different ownership model for energy services on Hawaii Island may provide a positive alternative." There are more than 900 utility cooperatives across the country, serving an estimated 42 million people in 47 states, according to the National Rural Electric Cooperative Association.



Mangelsdorf explained that co-ops can lower consumer electricity bills through their tax-exempt status, have lower capital costs, and don't have to contend with shareholders to whom they must distribute profits. They also have a tendency to be "more nimble" when it comes to adapting new technologies, he said, and can expend greater effort to develop less expensive, island-based power sources.