



Star Advertiser

POSTED: 01:30 a.m. HST, Sep 06, 2015

Crowds fill Maui school to oppose sale of HEI

By Kathryn Mykleseth

KAHULUI >> About 200 residents gathered Friday night at Lihikai Elementary School on Maui to voice their concerns to the Public Utilities Commission about the proposed merger of NextEra Energy Inc. and Hawaii Electric Industries.

At the “public listening session” hosted by the PUC — the state regulatory agency tasked with deciding on the buyout — some residents said they were worried about what level of control they would have over the electric utility after an out-of-state company takes over, while others said they believe NextEra is the company to get Hawaii to its 100 percent renewable energy goal.

“I want to work with companies that are here,” said Fumito Yoshisato Jr., a Wailuku resident. “We may have trouble with Hawaiian Electric Co. and Maui Electric Co., but these businesses are here. I don’t believe we can get transparency out of this big company.”

But Joseph Kentz, a retired utility worker who supports the sale, said: “They aren’t going to control us. They are going to help us.”

Over the course of three hours, families, retirees and college students listened as members of their community stepped up to a microphone before state regulators to voice their concerns or support for the HEI sale. Each speaker had three minutes to address the commissioners. PUC Chairman Randy Iwase asked residents to clarify their stance on the sale; the majority who testified said they were opposed.

HEI, parent company of HECO on Oahu, MECO, and Hawai’i Electric Light Co. on Hawaii island, supplies most of the state’s electricity. If the sale is finalized, HEI’s utilities under the name Hawaiian Electric Holdings will become a third principal business of NextEra. NextEra’s other subsidiaries include Florida Power & Light Co. and NextEra Energy Resources.

Commissioners Lorraine Akiba and Mike Champley sat on either side of Iwase, taking note of public opinion.

Gary Passon, a Kihei resident, said he believes the state can accomplish its renewable targets without the help of NextEra.

“I believe we can lead. We don’t have to go this direction. Let’s give alternatives to NextEra a chance,” Passon said.

On Thursday, more than 40 elected state and county officials called for an exploration of alternatives to private ownership of the state’s largest electric utility.

Many of those who stood up in opposition were workers from the solar industry.

“I’m afraid that this merger will hinder rooftop solar,” said Hugo Lau, a photovoltaic installer at Rising Sun Solar and student at University of Hawaii Maui College. “I feel like my job is in jeopardy.”

NextEra’s history at its Florida utility is what worries solar industry employees.



Star Advertiser

There are about 3,000 customers of FPL with rooftop solar among the utility's 4.8 million total customers. HEI's utility subsidiaries have approved almost 70,000 rooftop solar systems among a total of 450,000 customers. NextEra said the company's low electricity rates is one reason there are fewer rooftop solar systems in Florida than Hawaii.

Nearly a dozen speakers said they favored the sale.

NextEra would help the state get to its goal of generating 100 percent of its electricity from renewable resources by 2045, said Kentz, the retired utility worker.

"It's going to take money to do that. It is going to take lots of money to do that," Kentz said. "Our current company doesn't have the buying power to do that. (NextEra) has everything we need to help us."

On Monday, NextEra added more than 50 new commitments to its proposal, including supporting the state's 2045 goal, committing to more than \$465 million in customer savings and \$500 million in economic benefits for the state over a five-year period, as well as accelerating the development of smart grids throughout the isles.

At the listening session, Lisa Paulson, executive director of the Maui Hotel & Lodging Association, said she supports the sale because of NextEra's updated commitments, including a promise to strengthen the HECO companies' clean-energy goals, continuing corporate giving of \$2.2 million annually for 10 years, and no involuntary workforce reductions for two years.

"We see this merger as a positive step for our island to achieve quicker resolve in upgrading our infrastructure as well as achieving our goal of 100 percent renewable energy by 2045," Paulson said.

The savings for residential users is estimated to be \$372 per Oahu customer over five years, with an average of nearly \$400 per customer across the five islands HEI serves.

Others found flaws in the updated commitments as the savings amounted to a \$6 discount on a resident's monthly electric bill.

HECO President and CEO Alan Oshima and NextEra Energy Hawaii President Eric Gleason, as well as members of some of the 28 groups involved in the PUC review, sat in the audience at the listening session.

The public listening sessions will be held through the end of October. The commission will host one session each on Maui, Lanai, Molokai, Kauai and Oahu. Two sessions are scheduled for Hawaii island.

The 28 official "intervenor," or groups participating in the PUC review process, will have a separate set of hearings to voice their opinions. The intervenors, HEI and NextEra will be able to testify at those hearings. The commission will host the intervenor hearings at the Neal S. Blaisdell Center.

Those sessions will be held Nov. 30 through Dec. 3, Dec. 7 through 11, and Dec. 14 through 16. The public is allowed to attend but not speak at the hearings unless a party involved asks for a closed meeting.

The PUC said it expects to have a decision on the sale by June.