

# ***Memorandum of Understanding Between California and Hawaii Public Utilities Commissions***

The states of California and Hawaii have recognized the importance of reducing their reliance on fossil fuels for the sake of the environment, the economy, and human health. With this transition comes the benefits of progress towards clean, renewable energy through the implementation of ambitious Renewable Portfolio Standards and commitments to carbon neutrality and energy efficiency. Both states are already seeing the devastating impacts of climate change in the form of destructive and unprecedented storms, unpredictable weather shifts, degradation of natural resources, sea-level rise, and other catastrophic events. Recognizing the commitments both states made to combat climate change, including joining the Paris Agreement under the United Nations Framework Convention on Climate Change to pursue efforts to slow and reduce the rate of global warming, the Chairs of the California and Hawaii Public Utilities Commissions also affirm their commitment to achieving each state's clean energy and climate goals. Specifically, the Chairs agree to ensure that as regulators they operate in a manner that protects human health and safety, the environment, and ratepayers from risks as both states transform their energy systems to meet policy goals.

While the Commissions operate under distinct state laws and jurisdictional constraints, as regulators, the California and Hawaii Public Utilities Commissions provide oversight of utilities and have an opportunity to address policies and decisions with the larger goal of reducing fossil fuel consumption and addressing climate change. This Memorandum of Understanding (MOU) supports the individual efforts of the California and Hawaii Commissions to further this goal.

This MOU further establishes a framework for the Commissions to share information and best practices with the mutual goals of: decarbonization, the development and deployment of innovative technologies and planning in the energy and transportation sectors to reduce the reliance on fossil fuels and promote clean energy, improve reliability, and obtain cost benefits for ratepayers.

## **Statement of Shared Principles**

The following Shared Principles serve as a general guide for a cooperative effort to promote cost-effective and reliable clean energy resources and infrastructure.

- As signatories to the Under2MOU, California and Hawaii have committed to addressing climate change and limiting global warming emissions to less than two degrees Celsius by the end of this century.
- Development and use of low and zero-carbon technologies in the energy and transportation industries to meet each state's aggressive clean energy goals and achieve carbon neutrality as soon as possible and no later than 2045.
- The promotion of carbon offset programs.

- Support for energy planning processes that recognize the ability of low-carbon resources to provide reliability and cost-effective benefits, while fostering new technology and innovation.
- Promotion of cost-effective conservation and demand response.
- Advancement of infrastructure to reduce carbon emissions in the energy and transportation sectors.

### **Areas for Action, Coordination, and Cooperation:**

The Parties agree that for actions related to this MOU, coordination and cooperation will be beneficial and will strengthen the efforts of California and Hawaii. The Parties agree to work together on information sharing and solutions that provide near- and long-term environmental and economic co-benefits, including joint efforts where possible. The following is a non-exhaustive list of issues of interest for cooperation and coordination among California and Hawaii, which may be expanded at the agreement of both states. The Commissions will work cooperatively and collaboratively on the following actions to implement the Shared Principles:

- Review best practices and pursue joint opportunities to identify and learn from each other's efforts to launch and commercialize new technologies and further promote innovation across resource portfolios, including policies, practices, and standards for implementation.
- Work collaboratively to share information that further facilitates proactive, coordinated, and forward-thinking development of policies respective to each state for distributed energy resources, smart inverters, and interconnection policies.
- Seek opportunities to share the analyses of the benefits, costs, and reliability of variable generating resources.
- Review best practices for demand response and energy efficiency, including exploring transmission-level demand response over distribution-level demand response.
- Examine opportunities to further support each other in the electrification of the transportation, building, and energy sectors.
- Explore the application of the social cost of carbon in system planning.
- Compare and identify best management practices to address resiliency challenges pre- and post-disaster, including planning for the effects of sea-level rise, sharp temperature fluctuations, flooding and mudslides, and wildfires.
- Share best practices in cybersecurity and grid modernization, including distribution planning and operations, distributed resources, and distribution and transmission interface.

The Commissions direct their respective staffs to implement this framework and develop a plan to ensure regular communications between the states. The Commissions shall meet as appropriate to evaluate the progress of the states in implementing this framework and to focus on achieving desired results as stated above.

Signed this 27<sup>th</sup> day of March, Two Thousand and Nineteen in Maui, Hawaii.

Hawaii Public Utilities Commission



James Griffith, Chair

California Public Utilities Commission



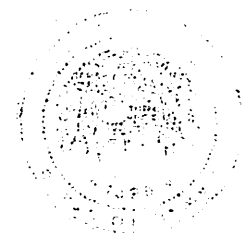
Michael Picker, President

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Department of the Interior, Bureau of Land Management

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Approved and Forwarded for the Director of the Bureau of Land Management