Problem Statement Pre-read

Hawaii PUC Docket 2022-0250 | Energy Equity Proceeding Interim Discussions to Incorporate Equity in Requests for Proposals Workstream Meeting 1 | October 31, 2023

Purpose: The purpose of this document is to prepare people to participate in the first meeting of the workstream focused on incorporating equity in requests for proposals (RFPs) in the Energy Equity docket, which will be held on October 31, 2023. If you plan to participate in the first meeting, please review this document in advance, attempt the suggested activity, and come prepared with your own perspectives on the problem statement.

Background: In, "Order Setting the Next Steps for This Docket" (Decision & Order 40290), the HIPUC outlined a set of meetings in which it would host discussions to develop interim recommendations for improving equity in future RFPs, using the forthcoming Integrated Grid Planning (IGP) RFP as a venue to pilot solutions that may improve the equity of that solicitation. The objective of these discussions is to develop recommendations to enhance future Hawaiian Electric procurements, starting with the IGP RFP.

WHAT IS A PROBLEM STATEMENT?

A problem statement is a clear and concise description of an issue, challenge, or obstacle that a project seeks to address. A problem statement is intended to support individuals and a group to move forward on what they are working together to solve.

WHY DEVELOP PROBLEM STATEMENTS TO INFORM INTERIM DISCUSSIONS ON IMPROVING EQUITY IN RFPS?

To address a problem, we must understand its root causes and various impacts. By clearly stating the problem(s) we aim to solve, we can make sure that the solutions we discuss and evaluate in future meetings address the problem(s) we are trying to solve. This should serve as a starting point for our work refining one or more problem statement(s).

SCOPING A PROBLEM STATEMENT TO SUPPORT INTERIM DISCUSSIONS

Recognizing that the HIPUC has limited regulatory authority over the siting of energy infrastructure, interim discussions will have to focus on problems and solutions that are within the HIPUC's control, and those that utilities can implement. As such, problem statements that are beyond our control will be set aside for later evaluation and potential consideration as the siting and hosting track begins in 2024. Additionally, as stated in in Decision and Order 40290, complete overhauls and time-intensive revisions to the RFP process may not be feasible, but may be considered at a later date. Time does not permit considering modifications to other ongoing RFPs or energy projects that are further developed.

THE HIPUC'S DRAFT PROBLEM STATEMENT TO GUIDE THE IGP RFP INTERIM DISCUSSIONS

Deployment of new energy infrastructure is necessary to support Hawaii's plan to transition to 100 % renewable energy. However, community perspectives are under-represented in discussions and decision-making regarding what types of energy infrastructure should be developed and where it will be physically located. And yet, communities live daily with the consequences of these decisions.

RFP processes fail to leverage community perspectives and needs when making these decisions. As such, some of Hawaii's communities have experienced adverse community outcomes (such as disparities in economic development, in access to clean energy resources, and in community benefits and burdens).

PROBLEM STATEMENT ACTIVITY f & questions to consider prior to meeting f 1

- 1. Please consider the draft problem statement above and make any adjustments that you think are important.
 - a. Helpful hint: a problem statement should have two key elements: (1) situation (2) challenge, and optionally (3) specificity of impact.
 - b. Example problem statement: "Our family buys ten apples a week but lately, the cost of apples is rising to a level we can no longer afford."
 - i. Situation: We buy apples
 - ii. Challenge: We can no longer afford apples
 - iii. [Optional] Specificity of impact: Who is impacted "Our family/we"; when they are impacted "lately", and by how much "10 apples"
- 2. After writing your own version of the problem statement(s), ask yourself "why is this problem occurring?" three (or more!) times.
 - a. **<u>Example</u>** using the problem statement above:
 - *i.* Why is this problem occurring?
 - 1. [First time] "The price of apples in the U.S. are constantly increasing."
 - 2. [Second time] "Apple producers are challenged by pests and climate pattern changes that are increasing the occurrence of drought."
 - 3. [Third time] "The cost to irrigate apple orchards and employ pest prevention measures is high."

This exercise can help find some of the causes of a problem. In turn, this can show what solutions could best address different problems. For example, a solution for the "first why" (e.g., try buying pears) is likely to be very different from a solution designed in response to the "third why," (e.g., try changing the growing regions of apples).

Please bring your problem statements and "Three whys" to Meeting 1 so that the group can learn from your perspective on the causes of the problems that the group will aim to solve together in future meetings.