JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

JAMES KUNANE TOKIOKA DIRECTOR

> DANE K. WICKER DEPUTY DIRECTOR



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I

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Statement of JAMES KUNANE TOKIOKA Director Department of Business, Economic Development, and Tourism before the HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

> Tuesday, March 18, 2025 10:45 AM State Capitol, Conference Room 325

In consideration of HR 181 REQUESTING THE GOVERNOR, STATE AGENCIES, AND OTHER RELEVANT STAKEHOLDERS TO ACCELERATE HAWAII'S CLEAN ENERGY TRANSITION AND TAKE IMMEDIATE, DECISIVE ACTION TO REDUCE AND ELIMINATE DEPENDENCE ON IMPORTED FOSSIL FUELS TO IMPROVE ENERGY SECURITY AND PROTECT CONSUMERS FROM RISING ENERGY COSTS.

Chair Lowen, Vice Chair Perruso, and members of the Committee:

I appreciate the opportunity to submit comments on HR181, which seeks to accelerate Hawaii's clean energy transition and reduce dependence on imported fossil fuels. While I strongly support the intent of this resolution, I would like to highlight several key considerations regarding ongoing efforts, challenges, and the necessary steps to ensure a balanced and effective transition.

Current Statewide Efforts in Renewable Energy Development

The Hawaii State Energy Office (HSEO) has developed a county-level renewable energy framework for each of the six independent electricity grids in Hawaii, illustrating the diverse energy projects necessary to achieve the 100% Renewable Portfolio Standard (RPS) by 2045. However, achieving this goal requires careful planning to balance competing land use priorities, as many sites identified for renewable energy development are also needed for food security and housing expansion.

Additionally, Hawaii faces significant challenges in transitioning to renewable energy, including:

 Private landownership barriers, which limit access to optimal renewable energy sites. DBEDT Testimony HR 181 Page 2

- Inadequate generation and grid infrastructure, particularly for reserve capacity and grid interconnection and energy transmission, which hinders the ability to ensure reliability and distribute renewable energy efficiently.
- Community concerns and stakeholder engagement, ensuring that energy projects align with local interests and cultural sensitivities.

DBEDT and UH's Collaborative Geothermal Development Efforts

One major initiative that directly aligns with the intent of HR181 is the ongoing collaboration between the Department of Business, Economic Development, and Tourism (DBEDT) and the University of Hawaii (UH). This partnership, formalized through a Memorandum of Agreement (MOA) between the Hawaii Technology Development Corporation (HTDC) and UH, is actively developing a commercially viable geothermal energy framework consistent with other work to expand geothermal resources in the state conducted by the Hawaii State Energy Office and advocated in Executive Order 25-01.

The Integrated Geothermal Development Roadmap outlines a structured, phased approach to scaling geothermal energy in Hawaii. This effort includes:

- 1. Program Management & Stakeholder Outreach Ensuring community engagement and regulatory coordination.
- 2. Surface & Subsurface Exploration Identifying viable geothermal sites through geoscience assessments.
- 3. Commercial Development & Investment Decision Securing funding and privatesector partnerships.
- 4. Construction & Commissioning Delivering a 50-100MW geothermal power station as a stable baseload energy source.
- 5. Steady-State Operations & Future Expansion Evaluating inter-island transmission and hydrogen production opportunities.

These efforts are critical in reducing Hawaii's reliance on fossil fuels, ensuring firm renewable power availability, and stabilizing energy costs for consumers.

The Role of SB1269 in Supporting HR181's Objectives

A key element in advancing Hawaii's geothermal energy potential is SB1269, which appropriates funding for continued exploratory work and commercial feasibility assessments for utility-scale geothermal projects. The bill ensures:

- Further geoscience exploration to refine geothermal site viability.
- Comprehensive community outreach to align development with public concerns.
- Commercial feasibility studies to attract investment and ensure sustainable implementation.

DBEDT Testimony HR 181 Page 3

By integrating geothermal energy into Hawaii's clean energy mix, we can enhance grid stability, reduce reliance on intermittent sources, and support economic diversification.

While HR181 provides a strong policy direction, I respectfully suggest that the committee consider the following:

- 1. Addressing Land Use Conflicts The resolution should acknowledge the challenge of balancing renewable energy development with agricultural and housing needs and explore strategies for co-locating energy and food production where feasible.
- Infrastructure Planning and Investment Accelerating clean energy transition requires grid modernization and expanded transmission capacity, particularly for inter-island energy sharing.
- 3. Ensuring Long-Term Geothermal Viability Supporting SB1269 and similar measures will be essential to maintaining funding for geothermal development and addressing regulatory and investment barriers.

HR181 rightly emphasizes the urgency of transitioning to clean energy, and I commend the committee for advancing this discussion. However, I encourage continued consideration of land use challenges, infrastructure gaps, and long-term funding strategies to ensure a balanced, community-driven approach to energy development.

I appreciate the opportunity to provide these comments and look forward to continued collaboration in achieving Hawaii's clean energy future.

Mahalo for your time and consideration.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of MARK B. GLICK, Chief Energy Officer

before the

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, March 18, 2025 10:45 AM State Capitol, Conference Room 325 and Videoconference

In Support of HOUSE RESOLUTION 181

REQUESTING THE GOVERNOR, STATE AGENCIES, AND OTHER RELEVANT STAKEHOLDERS TO ACCELERATE HAWAII'S CLEAN ENERGY TRANSITION AND TAKE IMMEDIATE, DECISIVE ACTION TO REDUCE AND ELIMINATE DEPENDENCE ON IMPORTED FOSSIL FUELS TO IMPROVE ENERGY SECURITY AND PROTECT CONSUMERS FROM RISING ENERGY COSTS.

Chair Lowen, Vice Chair Perruso, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports HR181 that requests the Governor, State Agencies, and stakeholders accelerate the clean energy transition and take immediate, decisive action to reduce and eliminate dependence on imported fossil fuels to improve energy security and protect consumers from rising energy costs.

HSEO's comments are guided by its statutory mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy economy pursuant to HRS §196-71 and the specific duties of the Chief Energy Officer (§196-72) relating to decarbonization and renewable energy.

The Green Administration has taken important initial steps in addressing the intent of HR 181 by issuance of Executive Order (EO) 25-01 in January of 2025 as referenced in the preamble to HR 181. Released concurrently with EO 25-01, HSEO's *"Alternative Fuel, Repowering, and Energy Transition Study,"* notes that for Hawai'i to reach its RPS and decarbonization goals (1) alternative power sources must be cost-

Hawai'i State Energy Office HR 181 - REQUESTING THE GOVERNOR, STATE AGENCIES, AND OTHER RELEVANT STAKEHOLDERS TO ACCELERATE HAWAII'S CLEAN ENERGY TRANSITION AND TAKE IMMEDIATE, DECISIVE ACTION TO REDUCE AND ELIMINATE DEPENDENCE ON IMPORTED FOSSIL FUELS TO IMPROVE ENERGY SECURITY AND PROTECT CONSUMERS FROM RISING ENERGY COSTS - Support March 18, 2025 Page 2

competitive with Hawai'is existing power sources, (2) alternative power generation sources must lead to substantial lifecycle greenhouse gas emissions savings, and (3) alternative power sources will need appropriate private sector investment to ensure capital investments. The continued development of solar, wind, battery storage, and other renewable generating sources must occur in tandem with a fuel transition to ensure Hawai'i has a diverse energy portfolio.

Due to Hawai'i having the highest electricity costs and O'ahu having the highest greenhouse emissions intensity, Hawai'i's clean energy transition needs to be well researched, planned, and supported in order to ensure a quick, effective, and equitable transition that promotes grid reliability, energy security, and energy affordability, considering the three objectives outlined above. HR 181 would assist in progressing Hawai'i's clean energy transition by working towards cost-competitive, renewable, and alternative power generation sources, affordable electricity bills for Hawai'i's residents, and a more reliable and resilient power system.

In conclusion, HSEO strongly supports HR 181 and voices its appreciation to the introducers for referencing Executive Order No. 25-01. Mahalo nui for the opportunity to testify on this measure.

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



LEODOLOFF R. ASUNCION, JR. CHAIR

> NAOMI U. KUWAYE COMMISSIONER

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Testimony of the Public Utilities Commission

PUBLIC UTILITIES COMMISSION 465 S. KING STREET, #103

HONOLULU, HAWAII 96813

To the House Committee on Energy and Environmental Protection

March 18, 2025 10:45 a.m.

Chair Lowen, Vice Chair Perruso, and Members of the Committee:

Measure: H.R. 181 Title: REQUESTING THE GOVERNOR, STATE AGENCIES, AND OTHER RELEVANT STAKEHOLDERS TO ACCELERATE HAWAII'S CLEAN ENERGY TRANSITION AND TAKE IMMEDIATE, DECISIVE ACTION TO REDUCE AND ELIMINATE DEPENDENCE ON IMPORTED FOSSIL FUELS TO IMPROVE ENERGY SECURITY AND PROTECT CONSUMERS FROM RISING ENERGY COSTS.

Position:

The Public Utilities Commission ("Commission") offers the following comments for consideration.

Comments:

The Commission appreciates the intent of this resolution to accelerate Hawaii's clean energy transition, take decisive action to reduce and eliminate dependence on imported fossil fuels, and protect consumers from rising energy costs.

As you know, Hawaii continues to be a national leader in climate policy. Over 20 years ago the State put in place energy policy to reduce and eliminate dependence on imported fossil fuels to improve energy security and protect consumers from rising energy costs. The Renewable Portfolio Standard ("RPS"), a policy to increase the use of renewable energy by requiring utilities to generate a certain amount of their energy portfolio with renewable energy, became law in 2001 and was subsequently updated in 2022.

The State's two electric utilities, Hawaiian Electric and Kauai Island Utility Cooperative, submit annual reports to the Commission on their progress towards meeting the State's RPS in Docket No. 2007-0008. At the end of 2024, Hawaiian Electric generated 36% of

H.R. 181 Page 2

its electricity from renewable energy sources¹. The Commission's Report to the 2024 Legislature on Hawaii's Renewable Portfolio Standards² explained that it seems reasonable the state will achieve its 40% RPS goal by 2030, even with events such as the 2023 Maui Wildfires and unanticipated delays and cancellations in utility-scale renewable resource procurement. However, looking ahead, as the Commission's report described, it is uncertain the State will reach its goals of 70% renewable by 2040 and 100% by 2045. The Commission, the Governor's office, the Hawaii State Energy Office³ and now the Legislature, all clearly understand this.

In January 2025, the Governor's Office issued Executive Order No 25-01, "Accelerating Hawaii's Transition Toward 100 Percent Renewable Energy", and the Commission, of its own accord, published its "2024 Inclinations on the Future of Energy in Hawaii"⁴. The Commission currently is submitting a response to the Governor's office detailing how it plans to meet the goals in the Executive Order. The Commission is also prioritizing work on certain dockets to align with the 2024 Inclinations. This includes dockets related to utility-scale renewable energy procurement (Docket No. 2024-0255 and Docket No. 2017-0352), distributed energy resources (Docket No. 2019-0323), and energy equity (Docket No. 2022-0250) to ensure the energy transition is just.

In line with H.R. 181, the Commission is concerned about Hawaii's cost of electricity and household energy burdens, which based on DBEDT's recent report are worsening⁵. Among the ways the Commission is working to address these issues beyond increasing renewable energy on the grid, the Commission is working on reforming the electricity disconnection policies of Hawaiian Electric and Kauai Island Utility Cooperative. The Commission within its energy equity docket also has an affordability track where it is investigating the applicability and feasibility of policies used across the country to reduce energy burdens in Hawaii, such as income-based discount rates, percentage of income payment plans, and automatic bill credits. These are examples of the proactive approach the Commission is undertaking to help accelerate Hawaii's clean energy transition.

Thank you for the opportunity to testify on this resolution.

https://www.hawaiianelectric.com/hawaiian-electric-surges-to-36-renewable-energy-on-grids ² Public Utilities Commission. (2023). Report to the 2024 Legislature on Hawaii's Renewable Portfolio Standards Issued Pursuant to Section 269-95, Hawaii Revised Statutes: Prepared by Hawaii Natural Energy Institute School of Ocean and Earth Science and Technology, University of Hawaii. https://puc.hawaii.gov/wp-content/uploads/2024/01/2024-PUC-Report-RPS-12.28.23-FINAL.pdf

³ Hawaii State Energy Office. (2025). Alternative Fuels, Repowering, and Energy Transition Study. https://energy.hawaii.gov/alternative-fuels-repowering-and-energy-transition-study/

⁴ Public Utilities Commission. (2024). 2024 Commission Inclinations White Paper. <u>https://puc.hawaii.gov/wp-content/uploads/2025/01/Hawaii-PUC-Energy-Inclinations-White-Paper-FINAL.12.31.24_signed.pdf</u>

⁵ State of Hawaii Department of Business, Economic Development and Tourism. (2025). Electricity Burdens on Hawaii Households: 2022 Update – January 2025. https://files.hawaii.gov/dbedt/economic/data_reports/reports-

studies/Electricity_Burdens_on_Hawai%E2%80%99i_Households_Jan_2025.pdf

¹ Hawaiian Electric Press Release February 10, 2025. Hawaiian Electric surges to 36% renewable energy on grids Maui County up 16% over 2023, Hawaii Island hits 59% RPS.

HR-181 Submitted on: 3/17/2025 9:11:29 AM Testimony for EEP on 3/18/2025 10:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Climate Protectors Hawaii	Support	Written Testimony Only

Comments:

Climate Protectors Hawai'i SUPPORT this resolution! Stop new fossil fuel developments!



HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

MARCH 18, 2025

HR 181, REQUESTING THE GOVERNOR, STATE AGENCIES, AND OTHER RELEVANT STAKEHOLDERS TO ACCELERATE HAWAI'I'S CLEAN ENERGY TRANSITION AND TAKE IMMEDIATE, DECISIVE ACTION TO REDUCE AND ELIMINATE DEPENDENCE ON IMPORTED FOSSIL FUELS TO IMPROVE ENERGY SECURITY AND PROTECT CONSUMERS FROM RISING ENERGY COSTS

POSITION: SUPPORT

Coalition Earth <u>supports</u> HR 181, which requests that the Governor, state agencies, and other relevant stakeholders accelerate Hawai'i's clean energy transition and take immediate, decisive action to reduce and eliminate dependence on imported fossil fuels to improve energy security and protect consumers from rising energy costs.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area–one-third of which is designated for urban use–without risking massive structural damage and, potentially, great loss of life.

Just two years ago, we witnessed the impact of the climate emergency on our shores. On August 8, 2023, wildfires swept across Maui and killed at least 100 people, making it one of the nation's deadliest natural disasters. The spread of the fires has been attributed to climate change conditions, such as unusually dry landscapes and the confluence of a strong high-pressure system to the north and Hurricane Dora to the south.

The wildfires destroyed over 2,200 structures, including numerous residential buildings, historic landmarks, and school facilities. In September 2023, a report from the United States Department of Commerce estimated the total economic damage of the wildfires to be roughly \$5.5 billion. Investing in renewable energy generation could not be more urgent, given the growing threat of climate catastrophes to our island home.

Therefore, <u>our state should take steps to accelerate our transition to a clean energy</u> <u>economy and continue our fight against climate change.</u> In June of last year, the state reached a settlement agreement in the landmark case of *Navahine v. Hawai'i Department of Transportation,* in which Gov. Josh Green acknowledged the constitutional rights of Hawai'i's youth to a life-sustaining climate and confirmed the commitment by HDOT to plan and implement transformative changes to Hawai'i's transportation system to achieve the state's goal of net-negative emissions by 2045. The agreement included numerous provisions for climate action, such as:

- Establishing a Greenhouse Gas Reduction Plan within one year of the agreement, laying the foundation and roadmap to decarbonize Hawai'i's transportation system within the next 20 years;
- Creating a lead unit and responsible positions within HDOT to coordinate the mission of GHG reduction throughout the agency; oversee climate change mitigation and adaptation for the highways program; and ensure implementation of the Complete Streets policy of building and upgrading public highways for all users, ages, and abilities;
- Establishing a volunteer youth council to advise on HDOT mitigation and adaptation commitments in the years to come;
- Improving the state transportation infrastructure budgeting process to prioritize reduction of GHG and vehicles miles traveled (VMT) and transparently analyze and disclose the GHG and VMT impacts of each project and the overall program; and
- Making immediate investments in clean transportation infrastructure, including completing the pedestrian, bicycle, and transit networks in five years, and dedicating a minimum of \$40 million to expanding the electric vehicle charging network by 2030.

On January 28th, Gov. Green issued an executive order to promote and expedite the development of renewable energy in our state. Amidst uncertainty regarding renewable energy policy created by the Trump administration and concerns over grid stability across the state, the order accelerates renewable development for neighbor island communities to hit 100 percent renewable portfolio standards from 2045 to 2035, sets a statewide goal of 50,000 distributed renewable energy installations (such as rooftop solar and battery systems) by 2030, and directs

state departments to streamline the permitting of renewable developments to reduce energy costs and project development timelines.

These ambitious actions are essential to the preservation of our state's and our keiki's future. In 2019, however, Conservation International published a report on our need to boost funding to defend our islands' natural resources. Entitled "Green Passport: Innovation Financing Solutions for Conservation In Hawai'i," the report concluded that the state has an annual environmental spending gap of \$358 million. <u>A 2024 update to this figure for the Care for 'Āina</u> <u>Now Coalition found that the gap has ballooned to \$580</u> million, while our natural and cultural resources provide over \$6 billion in value to our economy each year.

The climate crisis is an urgent threat to our economy, our cultural heritage, and public health. To that end, we must ensure that coordinated actions are made and funding is available to safeguard our planet from the climate catastrophe for generations to come.

Coalition Earth is a nongovernmental organization that works to preserve the well-being of people and our planet. We champion policies that advance climate resilience, clean energy, public health, and economic fairness for working families. **Contact us at info@coalitionearth.org.**

HR-181 Submitted on: 3/14/2025 4:41:02 PM Testimony for EEP on 3/18/2025 10:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Lois Crozer	Individual	Support	Written Testimony Only

Comments:

Green energy can bring sustainable jobs. We are on an island that has plenty of sun, wind power, wave power, and thermal! There is no reason we need to keep importing fossil fuels, especially if we put ourselves in a position to be held hostage.

HR-181 Submitted on: 3/16/2025 3:24:15 PM Testimony for EEP on 3/18/2025 10:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

The legislature needs to send a strong message to Gov. Green, that his plan to import LNG is not in the best interests of our citizens, our economy, or our environment. Please pass HR181.

HR-181 Submitted on: 3/14/2025 9:51:08 PM Testimony for EEP on 3/18/2025 10:45:00 AM

Submitted By	Organization	Testifier Position	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

Comments:

Please support this important bill. Mahalo.

March 16, 2025

SUPPORT FOR HR181

Dear Chair Lowen, Vice-Chair Perruso, and members of the Committee,

My name is Noel Morin. I support HR181, which is *REQUESTING THE GOVERNOR, STATE AGENCIES, AND OTHER RELEVANT STAKEHOLDERS TO ACCELERATE HAWAII'S CLEAN ENERGY TRANSITION AND TAKE IMMEDIATE, DECISIVE ACTION TO REDUCE AND ELIMINATE DEPENDENCE ON IMPORTED FOSSIL FUELS TO IMPROVE ENERGY SECURITY AND PROTECT CONSUMERS FROM RISING ENERGY COSTS.*

Our state's commitment to a resilient, decarbonized energy economy is commendable. We have aggressive goals and have taken many steps to eliminate our dependence on energy imports. This has translated into incentives to adopt energy efficiency measures, the electrification of transportation, and the deployment of renewable energy solutions across our state.

We must do more to accelerate our transition – our emissions reduction trajectory is not as expected, and we continue to depend mainly on fossil energy imports. This need not be – we can increase the adoption of solar, wind, and storage and double down on measures to reduce energy consumption. Importantly, we must expedite the deployment of geothermal energy.

HR181 calls for a more aggressive focus on deploying solutions that don't further extend our fossil energy dependence and subject our economy to the whims of geopolitics and the transoceanic transport chain.

Please support HR181.

Thank you for the opportunity to testify.

Sincerely, Noel Morin Climate, Sustainability, and Resilience Advocate Hilo, Hawaii LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

<u>HR-181</u>

Submitted on: 3/17/2025 2:51:00 PM Testimony for EEP on 3/18/2025 10:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

Support. Thank you.

<u>HR-181</u>

Submitted on: 3/17/2025 5:56:02 PM Testimony for EEP on 3/18/2025 10:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Melissa Barker	Individual	Support	Written Testimony Only

Comments:

Honorable Members,

I am writing to respecfully ask that you support HR181 which will accelerate movement to clean energy.

Thank you for your attention and consideration.

Melissa Barker

Kapaa, HI