DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt NEIL ABERCROMBIE GOVERNOR

> RICHARD C. LIM DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of **RICHARD C. LIM Director** Department of Business, Economic Development, and Tourism before the **HOUSE COMMITTEE ON FINANCE** Monday, February 25, 2013

1:30 p.m. State Capitol, Conference Room 308

in consideration of HB 450, HD1

RELATING TO HYDROGEN FUELING STATIONS.

Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) provides comments on HB 450, HD1, which directs DBEDT to establish hydrogen (H₂) fueling station demonstration projects in each county with at least 170,000 residents, funded and operated through public/private partnerships, over a five year period. However, DBEDT currently does not have the necessary funding to implement these projects.

Based on the resident criteria, this measure applies to Honolulu and Hawaii County. Projects could be developed to broadly leverage renewable energy sources to produce H_2 , dispensing it through H_2 fueling station technology to power fuel-cell vehicles; and could expand on current H_2 test projects and infrastructure development.

We suggest that results from the current Air Force & State of Hawaii partnership at Joint Base Pearl Harbor-Hickam and H₂ Power Park demonstrations in Hawaii County should be analyzed prior to embarking on similar demonstrations. We defer to Hawaii Center for Advanced Transportation Technologies and the Hawaii Natural Energy Institute, project managers on these and other similar H₂ projects, on the fiscal and technical merits of additional demonstrations at this time.

Thank you for the opportunity to offer these comments on HB 450, HD1.



Written Statement of YUKA NAGASHIMA Executive Director & CEO High Technology Development Corporation before the

HOUSE COMMITTEE ON FINANCE

Monday, February 25, 2013 3:30 PM State Capitol, Conference Room 308 In consideration of

HB 450 HD1 RELATING TO HYDROGEN FUELING STATIONS.

Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the House Committee on Finance:

The High Technology Development Corporation (HTDC) respectfully **offers comments** on HB 450 HD1 relating to hydrogen fueling stations.

HTDC manages the Hawaii Center for Advanced Transportation Technologies (HCATT) which organizes public/private partnerships between the federal government and private industry to develop advanced low- and zero-emission vehicles centered on electric drive technologies.

In short, our state already has (1) a demonstration project for hydrogen fuel station, and (2) entity and a program that can handle any related projects in hydrogen fuel or in renewable energies. HTDC's HCATT is poised to consider any new vehicular technologies given sufficient funding.

HTDC has already offered expert testimony at the Subject Matter Committee level in a previous hearing. Given that this bill is now before the Finance Committee, we will focus on financial impact to the State, rather than long term research and development (R&D) benefits. Hydrogen fuel projects are costly, and therefore, often funded at the federal level, especially by the US Dept. of Defense (DoD). In order for the State to take on the responsibilities directed by this bill, HTDC estimates the TOTAL cost (station infrastructure, hydrogen generation, construction, etc.) per project site to be in the order of \$4M.

Given the pressure to reduce research and development budget at the federal level as well as DoD spending, HTDC is already expecting a deduction in our federal funding level to support its existing hydrogen fuel cell program, HCATT. Should a smaller amount be available for this type of initiative, we highly recommend that the monies be concentrated to entities who already have the expert knowledge base, necessary community networks and the internal agency structure optimized for hydrogen fuel cell technologies, such as HTDC's HCATT program.

Thank you for this opportunity to provide comments on HB450 HD1.

FINTestimony

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, February 23, 2013 4:45 PM
To:	FINTestimony
Cc:	tabraham08@gmail.com
Subject:	*Submitted testimony for HB450 on Feb 25, 2013 15:30PM*

HB450

Submitted on: 2/23/2013 Testimony for FIN on Feb 25, 2013 15:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing _, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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