



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of  
**LUIS P. SALAVERIA**  
**Director**

Department of Business, Economic Development, and Tourism  
before the

### HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

**Monday, April 4, 2016**  
**2:00 p.m.**  
**State Capitol, Conference Room 325**

**in consideration of**  
**HCR 87, HD1**

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND  
TOURISM TO ASSESS THE FEASIBILITY AND THE POTENTIAL MERITS AND  
BENEFITS OF THE ENERGY COOPERATIVE MODEL FOR THE ISLAND OF HAWAII.

Chair McKelvey, Vice Chair Woodson, and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) respectfully offers comments on HCR 087, H.D. 1, which requests the Department of Business, Economic Development, and Tourism to assess the feasibility and the potential merits and benefits of the energy cooperative model for the island of Hawaii.

Based on recent procurement experience, such an analysis would well exceed \$350,000 for the appropriate subject matter expertise to conduct the feasibility analysis, engage stakeholders, and report the findings. For example, the subject matter experts for the Hawaii Refinery Task Force reports and Hawaii Clean Energy Initiative (HCEI) Transportation Energy Analysis (HTEA) report cost \$350,000 and \$100,000 respectively. The Refinery Task Force assessed the impact of changes in Hawaii's refinery capacity and provide advice and recommendations. The HTEA report looked at a near term action plan to advance reductions in petroleum consumption in the transportation sector. Because funds have not been allocated for

this effort in DBEDT's current budget, appropriate resources would be necessary for DBEDT to conduct such a study.

Thank you for the opportunity to provide these comments regarding HCR 087, H.D. 1.

woodson2-Shingai

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From: mailinglist@capitol.hawaii.gov  
Sent: Thursday, March 31, 2016 3:38 PM  
To: CPCtestimony  
Cc: mendezj@hawaii.edu  
Subject: \*Submitted testimony for HCR87 on Apr 4, 2016 14:00PM\*

**HCR87**

Submitted on: 3/31/2016

Testimony for CPC on Apr 4, 2016 14:00PM in Conference Room 325

| Submitted By          | Organization | Testifier Position | Present at Hearing |
|-----------------------|--------------|--------------------|--------------------|
| Javier Mendez-Alvarez | 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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**LATE**

April 4, 2016

**TESTIMONY IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 87**

Dear Chair McElvey and members of the House CPCC:

I am a director and spokesperson for the Hawaii Island Energy Cooperative, a registered Hawaii 421C cooperative.

I am writing in support of this resolution and urge the committee to approve it.

HIEC is a grassroots organization that has made substantial progress to-date. We, along with our friends at KIUC, have elevated the dialogue on the benefits and advantages of the energy coop ownership model here in Hawaii.

Having the DBEDT examine, evaluate and report on the energy cooperative ownership model should be within the agency's purview with the final work product adding to the discussion of the benefits and advantages of this utility ownership model.

Respectfully,

A handwritten signature in blue ink that reads "Marco C. Mangelsdorf".

Marco Mangelsdorf