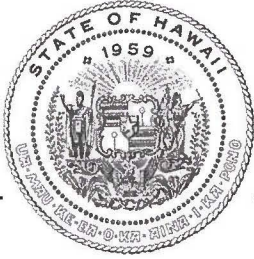


SB 3044

RELATING TO ENERGY



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM,**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON TRANSPORTATION AND ENERGY
AND
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, ENVIRONMENT, AND
TECHNOLOGY

Tuesday, February 16, 2016
2:45 p.m.
State Capitol, Conference Room 229

in consideration of
SB 3044
RELATING TO ENERGY

Chairs Inouye and Wakai, Vice Chairs Gabbard and Slom, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) respectfully offers comments on Senate Bill 3044, which aims to reduce Hawaii's dependence on imported fossil fuels for electrical generation and ground transportation by 2045 and creates goals and targets in Hawaii's Clean Energy Initiative (HCEI) and State Planning Act.

DBEDT appreciates the intent of the bill, in particular the decarbonization of the transportation sector. The intent of SB 3044 is consistent with the energy planning objective of the Act 38, 2015 amendment of HRS 226-18 (a) (2) to read "Increased energy security and self-sufficiency through the reduction and ultimate elimination of Hawaii's dependence on imported fuels for electrical generation and ground transportation."

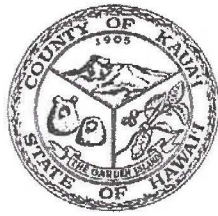
Consistent with the objective of Act 38, 2015 DBEDT convened transportation stakeholders in a series of meetings culminating in the HCEI Transportation Energy Analysis (HTEA) report last year. The report identified nearly 100 potential tactics that could contribute to reduce petroleum consumption in the transportation sector, analyzed 38 tactics, and recommended 22 tactics that could potentially provide 72 million gallons a year reduction in

fossil fuel consumption by 2030. While these tactics are not all encompassing they did identify the potential and means by which petroleum consumption could be reduced based on economically feasible actions today. They also provided a framework by which tactic analysis could be updated and new tactics introduced.

However, DBEDT has particular concerns that the transportation goals identified in SB 3044 lack a feasibility study needed to ultimately achieve a 99% reduction (“less than one million gallons by 2045”) in annual sales of diesel oil and gasoline for use in ground transportation. While there are several ways to pursue clean energy in transportation, DBEDT suggests that key stakeholders jointly develop a revised roadmap, then provide the Legislature a suggested framework for transportation goals supported by data and analysis.

Thank you for the opportunity to provide these comments regarding SB 3044.

Bernard P. Carvalho, Jr.
Mayor



George K. Costa
Director

Nadine Nakamura
Managing Director

OFFICE OF ECONOMIC DEVELOPMENT

County of Kaua'i, State of Hawai'i

4444 Rice Street, Suite 200, Lihu'e, Hawai'i 96766
TEL (808) 241-4946 FAX (808) 241-6399

Before the Senate Committee on Economic Development, Environment, and Technology
Tuesday, February 16th, 2016
Conference Room 229
2:45 p.m.

IN SUPPORT OF SB 3044 RELATING TO ENERGY

Chair Wakai, Vice Chair Slom, and members of the committee

The State of Hawaii has made tremendous progress in our transition to clean electricity, and it is a credit to everyone involved. A long road with many challenges remains, but there is broad consensus that our 100% goal, once seen as impossible, is achievable given our current path.

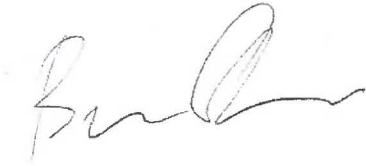
Transferring this momentum into the ground transportation sector will again require broad collaboration. There are many unknowns, both in terms of technology and cost. Recent analysis by ICCT provides a conservative and necessarily incomplete, yet nonetheless very useful baseline of what is possible over the short term. Some might ask, shouldn't we just wait and see if this will get easier in years to come before we set goals we might not be able to achieve?

As often cited by the legislature, one of the most important, and certainly the most urgent drivers of our success in clean electricity to date has been the need to mitigate GHG emissions. Hawaii is the only Island State in the US surrounded by water, and we have already begun to feel impacts such as coral bleaching, reduced trade winds, and warmer temperatures. Further, our communities are the most closely connected in the US to other Pacific Islanders, some of whom are already being displaced from their homes by climate change. We understand the scientific certainty and know we will need to adapt to some extent. However, we also know that globally, we have a clear choice as to what type of future we create, and that as a State, our leadership is needed, and is making a difference.

Today, however, our leadership in terms of climate change mitigation is incomplete. Even when we achieve the goal set out by Act 97, we will have reduced our State-wide emissions by at most about 30%, far short of the 80% by 2050 (as compared to 2010 baseline) that is increasingly agreed as necessary by developed nations if we hope to keep the planet's average temperature from increasing by more than 2C.

How will we track it? How will we enforce it? How will we pay for it? These are all important, but secondary questions to be considered. We ask that you boldly set this long term goal based on our urgent need to mitigate climate change, signaling all of us to fall into line and take action. Our communities, businesses, and institutions have already demonstrated the ability to work together when needed. SB 3044 is a critical and natural extension of your leadership in this area, and it is needed in order to bring us together in achieving a true clean energy future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ben Sullivan', with a stylized, cursive script.

Ben Sullivan
Energy and Sustainability Coordinator
Office of Economic Development
County of Kauai



TO: SENATE COMMITTEE ON TRANSPORTATION AND ENERGY
Senator Lorraine R. Inouye, Chair
Senator Mike Gabbard, Vice Chair

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,
ENVIRONMENT, AND TECHNOLOGY
Senator Glenn Wakai, Chair
Senator Sam Slom, Vice Chair

FROM: Richard Parry
President of Hawaii Petroleum Marketers Association

HEARING

DATE: Tuesday, February 16, 2016
TIME: 2:45 p.m.
PLACE: State Capitol, Conference Room 229

RE: Testimony on S.B. No. 3044 Relating to Energy

Chair Inouye, Vice Chair Gabbard, and Members of the Senate Committee on Transportation and Energy, and Chair Wakai, Vice Chair Slom, and Members of the Senate Committee on Economic Development, Environment, and Technology, I am Richard Parry, President of Hawaii Petroleum Marketers Association ("HPMA"). HPMA is a non-profit trade association comprised of members directly marketing petroleum products across the Hawaiian Islands. Our membership includes individuals or companies who operate as either independent marketers, jobbers or distributors of petroleum products and who buy petroleum products at the wholesale level and sells or distributes such products to all classes of trades. HPMA's primary purpose is to protect and advance its members' legislative and regulatory interests in the Hawaiian Islands and Washington DC.

S.B. No. 3044 seeks to amend Hawaii's Clean Energy Initiative Program to eliminate Hawaii's dependence on imported fossil fuels for electrical generation and ground transportation by setting a target to completely eliminate the use of imported fossil fuels for electrical generation by 2045 and to reduce sales of diesel and gasoline for use in ground transportation to less than one million gallons by 2045.

For the reasons set forth below, we recommend that S.B. No. 3044 be deferred.

Testimony of
Hawaii Petroleum Marketers Association

S.B. No. 3044

Hearing Date:

Tuesday, February 16, 2016

In 2010, this Legislature enacted the Hawaii Clean Energy Initiative Program and tasked the Department of Business, Economic Development & Tourism ("DBEDT") with managing the state's transition to a clean energy economy and reporting each year to the Legislature the status and progress of new and existing clean energy initiatives. S.B. No. 3044 places the Hawaii Renewable Portfolio Standard and the license tax section for motor fuels into the Clean Energy Initiative Program, while reducing the number of gallons of motor fuel subject to taxation.

We believe this amendment, while well intended, is poorly conceived. Under the Hawaii Renewable Portfolio Standard, the state Public Utilities Commission ("PUC") is tasked with regulating the utilities that generate electricity and reducing the electric utilities' reliance on imported fossil fuels. Having two agencies responsible for the same objectives could result in conflicts and second-guessing, and ultimately poor implementation of the Hawaii Clean Energy Initiative Program.

We also believe that electrical generation and ground transportation are very different industries with different demands and technology. While the clean energy initiative may work for electrical generation and regulated utilities, it simply does not work for ground transportation. The PUC does not regulate the fuels for ground transportation. In light of the state's repeal of the ethanol mandate last year, and the existing technology for powering ground transportation, the targets set under this bill are simply not economically achievable, and should be carved out of this bill.

In addition, this bill does not address the question of how the state will implement rationing the sale of motor fuels in the future if statutory volume "limits" are higher than ground transportation fuel demand. For example, how will the state determine the volumes of motor fuels that each island will be eligible to sell (i.e., the island of Hawaii has fewer people residing there than on Oahu, however, comprises a much larger land area with higher transportation needs per capita)? How will the state determine how much motor fuel is allocated to each individual and business in the state? And how will the state determine who is allowed to sell motor fuel in the state, and how much motor fuel each company is allowed to sell?

Although it was many years ago, some of us remember the negative impact that rationing had on the national economy due to the oil embargo in the 1970's. Trying to impose artificial limits on consumer demand for motor fuels in Hawaii will have adverse unintended consequences. For these reasons, we recommend that the section on ground transportation be deleted entirely from S.B. No. 3044.

Thank you for the opportunity to testify in opposition to S.B. No. 3044.

TO: COMMITTEE ON TRANSPORTATION AND ENERGY
Senator Lorraine R. Inouye, Chair
Senator Mike Gabbard, Vice Chair

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,
ENVIRONMENT, AND TECHNOLOGY
Senator Glenn Wakai, Chair
Senator Sam Slom, Vice Chair

FROM: James Haynes
Hawaii Petroleum, Inc.
President

HEARING

DATE: Tuesday, February 16, 2016
TIME: 2:45 p.m.
PLACE: State Capitol, Conference Room 229

RE: Testimony on S.B. No. 3044 Relating to Energy

Chair Inouye, Vice Chair Gabbard, and Members of the Senate Committee on Transportation and Energy, Chair Wakai, Vice Chair Slom, and Members of the Senate Committee on Economic Development, Environment, and Technology, I am James Haynes, president of Hawaii Petroleum, Inc.

S.B. No. 3044 seeks to amend Hawaii's Clean Energy Initiative Program to eliminate Hawaii's dependence on imported fossil fuels for electrical generation and ground transportation by setting a target to completely eliminate the use of imported fossil fuels for electrical generation by 2045 and to reduce sales of diesel and gasoline for use in ground transportation to less than one million gallons by 2045.

In 2010, this Legislature enacted the Hawaii Clean Energy Initiative Program and tasked DBEDT with managing the state's transition to a clean energy economy and reporting each year to the Legislature the status and progress of new and existing clean energy initiatives. S.B. 3044 places the Hawaii Renewable Portfolio Standard and the

Testimony of
Hawaii Petroleum, Inc.

S.B. No. 3044
Hearing Date:
February 16, 2016

license tax section for motor fuels into the Clean Energy Initiative Program, while reducing the number of gallons of motor fuel subject to taxation.

We believe this amendment, while well intended, is poorly conceived. Under the Hawaii Renewable Portfolio Standard, the state Public Utilities Commission is tasked with regulating the utilities that generate electricity and reducing the electric utilities' reliance on imported fossil fuels. Having two agencies responsible for the same objectives could result in conflicts and second-guessing, and ultimately poor implementation of the Hawaii Clean Energy Initiative Program.

We also believe that electrical generation and ground transportation are separate industries with different demands and technology. While the clean energy initiative works for electrical generation and regulated utilities, it simply does not work for ground transportation. The PUC does not regulate the fuels for ground transportation. In light of the state's repeal of the ethanol mandate last year, and the existing technology for powering ground transportation, the targets set under this bill are simply not economically achievable, and should be carved out of this bill.

The bill does not address the question of how the State will implement rationing in the future if statutory volume limits are higher than ground transportation demand. How does the State determine the amount of each product that is sold? How does the State determine what volumes each island receives (i.e. Hawaii has few people than Oahu, but a much larger land area with higher transportation needs per capita)? How does the State determine how much product is allocated to each individual and business in the State? How does the State determine who is allowed to sell the products in the State, and how much product is each company allowed to sell?

It was many years ago, but some of us remember the negative impact that rationing had on the national economy due to the oil embargo in the '70s. I don't think it prudent that the legislature enact a law today that most likely will have dire consequences for the future of Hawaii without addressing some of these tough questions.

For these reasons, we recommend that S.B. 3044 be deferred. Thank you for the opportunity to testify in opposition to S.B. No. 3044.



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www.biodiesel.com

February 15, 2016

**TESTIMONY ON SB 3044, RELATING TO ENERGY
SUPPORT**

Senator Lorraine Inouye, Chair

Senator Glenn Wakai, Chair

Committees: Transportation & Energy and Economic Development, Environment & Technology
Hearing February 16, 2016 at 2:45 pm, Conference Room 229

Chairs Inouye and Wakai, Vice-Chairs Gabbard and Slom, and Members of the Committees,

Pacific Biodiesel Technologies (PBT) was originally created to solve a critical environmental problem at the Central Maui Landfill by recycling used cooking oil into renewable fuel. Since our first biofuel production in 1996, climate change issues have broadened the scope and mission of our company and we have become a global voice for the sustainable production of biodiesel to reduce greenhouse gases. We believe this is the reason we were recently included in the international list of the Top 100 People of the Bioeconomy. PBT strongly supports SB3044 as a necessary step to support local renewable energy companies and increase the production and use of energy systems that will significantly reduce our dependence on fossil fuels.

SB 3044 would add the renewable portfolio standards ("RPS") for electricity generation and a new prescribed reduction of diesel oil and gasoline use for ground transportation to the State's energy planning statute. Pacific Biodiesel supports the reduction of fossil fuel use in all sectors of Hawaii's energy portfolio, and believes the RPS portion of this bill is necessary to move forward as quickly as possible with climate change solutions, and the transportation fuel portion is especially important since most of the imported petroleum in Hawaii is used for transportation.

The RPS standards in this bill may be already codified in Chapter 269 HRS, making it the policy of the State, but need to be stated in reference to transportation. Consistency can be guaranteed by aligning the definition as it applies specifically to transportation so that it will not conflict with the current chapter of the HRS.

Regarding the transportation fuel reduction requirements, both DBEDT and the HDOT have spent a tremendous amount of resources convening transportation stakeholders and analyzing strategies to reduce fossil fuel consumption in the transportation sector. These efforts will be supported by SB3044 and will emphasize the need to develop a framework with achievable goals supported by data and analysis. The best case for support of this bill is evident in the passing Act 97 which codified in statute Hawaii's goals for electricity and spurred unprecedented activity in the renewable energy sector for utility power. In the question of which comes first, the plan or the goal, it is clear to those of us in the business of renewable energy that we need to see a goal before we put resources and time into helping create the plan.

Thank you for the opportunity to testify.

Robert O. King

Kelly T. King

Robert and Kelly King
President and Vice President, Pacific Biodiesel Technologies, LLC



Par Hawaii

February 16, 2016

TESTIMONY IN OPPOSITION TO SENATE BILL 3044, RELATING TO ENERGY

Senate Committee on Transportation & Energy

The Honorable Lorraine Inouye, Chair

The Honorable Mike Gabbard, Vice Chair

Senate Committee on Economic Development, Environment & Technology

The Honorable Glenn Wakai, Chair

The Honorable Sam Slom, Vice Chair

Tuesday, February 16, 2016 – 2:45 p.m.

State Capitol, Room 229

Chairs Inouye and Wakai and members of both Committees,

Thank you for providing the opportunity to testify on Senate Bill 3044, Relating to Energy. My name is Lance Tanaka, director of government and public affairs for Par Hawaii. Par Hawaii, Inc., formerly Mid Pac Petroleum, and Par Hawaii Refining, LLC, formerly Hawaii Independent Energy, are subsidiaries of Texas-based Par Pacific Holdings, Inc., formerly known as Par Petroleum Corporation.

Par Hawaii requests that you defer SB 3044.

This bill aims to reduce Hawaii's dependence on imported fossil fuels for electrical generation and ground transportation by 2045 and creates goals and targets in Hawaii's Clean Energy Initiative and State Planning Act.

SB 3044 sets targets for reducing sales of gasoline and diesel over time without the benefit of proper analysis. These targets can have profound consequences for existing businesses and the investment / business climate in Hawaii. In addition, Hawaii needs to develop replacement fuels, which has been a struggle.

We believe it is premature for the State to enact such reduction targets in statute. Thank you for allowing Par Hawaii the opportunity to present this testimony.

Lance N. Tanaka
Director, Government & Public Affairs
Par Hawaii



February 16, 2016

**TESTIMONY BEFORE THE JOINT SENATE COMMITTEES ON
TRANSPORTATION & ENERGY, AND
ON ECONOMIC DEVELOPMENT, ENVIRONMENT, & TECHNOLOGY
ON SB 3044 RELATING TO ENERGY**

Thank you Chair Inouye, and Chair Wakai, and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) with over 350 transportation related members throughout the state of Hawaii.

Hawaii Transportation Association has concerns regarding the mandated reduction of liquid fuel sales over time.

The reasonableness and achievability of such goals are linked to technological advances, manufacturing adaptability, applicability to the real world, supply, and cost.

Over the decades our industry has had to endure experimental technologies that always resulted in higher cost and often resulted in reduced productivity and problems. All in the effort of manufacturers trying to meet mandates.

We are at the mercy of technologies manufacturers choose to pursue, and the return on investment they want to extract. We are at the mercy of unintended consequences like fuel systems (on board, and for refueling) that are extremely volatile, and which may require containment systems that are complicated and/or rob us of working load weights.

Vehicle cost will be the top concern. Local trucking and bus firms do not have the capital to turn over their fleets, so cost and technological timing are important. We will see a shortage of trucking service especially during the series of five year fuel sale reductions.

Cost impact personally owned vehicles as well. People definitely want to be environmentally conscious and drive hybrids or EVs, but the cost runs about \$10,000 more than a gasoline fueled model making the option less feasible.

If the aforementioned linked features fail then fuel hoarding and fuel wars will transpire.

The bottom line is we believe the DBEDT should monitor all the impacts on personal and commercial ground transportation to measure the reasonableness of the goals as we go along. That impact should also be reported to the legislature on an annual basis.

Thank you.

**Testimony of
Gary M. Slovin / Mihoko E. Ito
on behalf of
The Alliance of Automobile Manufacturers**

DATE: February 15, 2016

TO: Senator Lorraine Inouye
Chair, Committee on Transportation and Energy

Senator Glenn Wakai
Chair, Committee on Economic Development, Environment, and Technology

Submitted Via TREtestimony@capitol.hawaii.gov

RE: **S.B. 3044 – Relating to Energy**
Hearing Date: Tuesday, February 16, 2016, 2:45 p.m.
Conference Room: 229

Dear Chair Inouye, Chair Wakai and members of the Joint Committees:

On behalf of the Alliance of Automobile Manufacturers (“Alliance”), we submit these comments in **opposition** to S.B. 3044. The Alliance is a trade association of twelve car and light truck manufacturers including BMW Group, Fiat Chrysler Automobiles, Ford Motor Company, General Motors Company, Jaguar Land Rover, Mazda, Mercedes-Benz USA, Mitsubishi Motors, Porsche, Toyota, Volkswagen Group of North America, and Volvo.

Automobile manufacturers have invested billions of dollars in the research and development of cleaner transportation technology and are very supportive of efforts to increase the availability of these vehicles in the consumer market. However, mandating the reduction of fossil fuels for the transportation sector could result in unintended consequences. S.B. 3044 would effectively eliminate the sale of gasoline and diesel by 2045, thereby requiring that all gasoline- and diesel-powered vehicles (i.e., cars, SUVs, minivans, pickup trucks, buses, garbage trucks, delivery trucks, freight trucks, construction equipment, agricultural equipment, etc.) be eliminated in Hawaii by 2045. No state has ever proposed a goal as aggressive as this.

Gary M. Slovin
Mihoko E. Ito
C. Mike Kido
Tiffany N. Yajima

999 Bishop Street, Suite 1400
Honolulu, HI 96813
(808) 539-0840

For example, the California Air Resources Board (ARB) believes the state of California's 2050 GHG reduction targets can be met if, in the light duty market, 100% of new vehicles sold in the state in 2050 are plug-in hybrid electric vehicles, battery electric vehicles, or hydrogen fuel cell vehicles. This goal, in and of itself a challenging one, is seen as attainable by 2050, five years after the 2045 date set out in S.B 3044. Even if ARB's projection is met, millions of gasoline and diesel vehicles would still be on the road in 2050, since any plug-in hybrid electric vehicle sold in 2050 and beyond would still require gasoline or diesel to run. In Hawaii, a fuel shortage would cause the price of gasoline and diesel that is available to skyrocket. In the heavy duty market, gasoline and diesel shortages would effectively shut down construction, agricultural production, materials handling for retail operations, and tourist operations.

Vehicles are becoming more efficient. Current Federal regulations require manufacturers to meet fleet average fuel economy standards of about 54 miles per gallon by 2025, with smaller gasoline vehicles being far more efficient than the 54 mpg fleet average. While there will be continued growth of alternative fuel vehicles, gasoline and diesel fueled vehicles will continue to be needed and sold for many more years.

For the foregoing reasons, we respectfully urge this Committee to defer S.B 3044. Thank you for the opportunity to submit testimony on this measure.

Senate Committee on Transportation and Energy
Senate Committee on Economic Development, Environment and Technology
Testimony from Hermina Morita
Senate Bill 3044, Relating to Energy

Aloha Chair Inouye, Chair Wakai and Members of the Committees:

I oppose this measure as it is premature and the homework to support it has not been done. From the same proponents of the 100% by 2045 Renewable Portfolio Standard, Senate Bill 3044 and House Bill 2085, both propose to make mandatory the reduction of the use of diesel oil and gasoline by the following targets:

- less than 400,000,000 gallons by 2025
- less than 300,000,000 gallons by 2030
- less than 200,000,000 gallons by 2035
- less than 100,000,000 gallons by 2040
- less than 1,000,000 gallons by 2045

According to the Department of Business, Economic Development & Tourism (DBEDT) testimony, the 2045 target would mandate a 99% reduction in the use of fossil fuel for ground transportation.

Like the 100% renewable portfolio standards, how wise is it to put aspirational goals in statute targets which do not have any kind of analytical basis or have not been carefully scrutinized? These "plucked out of the air" targets, without a keen understanding of the existing fuel/transportation markets, have profound consequences on existing businesses and the investment/business climate in Hawaii today given the uncertainty and unreasonableness this type of legislation proposes.

While I can understand the proponents' desire and urgency for emissions reductions to address climate change, you cannot just wear your rose colored glasses and make pronouncements to take on real world problems. Without any entity or person having direct accountability, here are talking major paradigm shifts involving customer preferences (that the Hawaii market cannot move alone) and related infrastructure costs.

It will take hard work and commitment to come up with a public-private partnership roadmap that is enough to be a "stretch" but achievable to establish the necessary clean fuels and clean vehicle markets to facilitate any type of fossil fuel use reductions. You can't have one without the other, therefore, the more practical approach (we already have policies but they may need to be further refined) is setting the market floor to incentivize alternative fuels and clean fuel vehicles rather than focus on fossil fuel use reductions which these bills propose.

Here are the problems with the bills:

1. The renewable portfolio standards (RPS) is already in Chapter 269. There is no need to restate them in Chapter 196. The reason the RPS is in Chapter 269 (the Chapter governing the Public Utilities Commission (PUC)) is because the electric utilities (which are regulated by the PUC) are responsible for meeting these targets. Penalties imposed for failing to meet mandated targets are enforced by the PUC. Chapter 196 can reference the RPS but it should not restate it to remove any potential for inconsistency between the two Chapters.

2. The ground transportation fuel reduction targets have no basis in sound analysis and go way beyond a reasonable planning horizon. If the Legislature is seriously considering putting such targets in statute they should give guidance and require DBEDT to convene a working group, conduct the necessary studies, cost/benefit analysis and review driving policies and infrastructure requirements to determine reasonable targets and timeframes before passing a law with mandates.

Here are the big problems and challenges associated with aspirational targets for the transportation sector:

- Unlike the electricity sector, the refineries and importers of transportation fuels are subject to the market forces of supply and demand. Who will be held accountable to achieve these reductions?
- Do we have an understanding of the potential and timetable for replacement fuels? Locally produced bio-fuels is minimal and continues with a slow, difficult progress lacking a suitable crop. Electric cars and hydrogen fuel cell vehicles may have potential but rely on consumer preference and infrastructure build out to accelerate. What will the adoption rate be? What kind of policies will help to incentivize adoption? Are these the types of cars and trucks Hawaii residents and businesses will want to buy?
- It was not too long ago Hawaii avoided a major fuel infrastructure crisis when a buyer for Tesoro finally stepped forward. Has that crisis and the vulnerability of our current fuels infrastructure, built on and balancing the operational and financing viability of both refineries, been forgotten? The work of the Refineries Task Force needs to be reviewed and considered to avoid future catastrophic consequences. A critical question that needs to be addressed and planned for is how do we develop a fuels infrastructure platform that allows for a variety of fuels, with a preference for clean burning fuels and competitive pricing, to create a robust market while ensuring fuel security to be developed.

Thank you for your consideration.

Hermina Morita
P.O. Box 791
Hanalei, Kauai, HI 96714

Kaala Coleman

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 15, 2016 10:01 AM
To: TRE Testimony
Cc: bethmathias@hawaii.rr.com
Subject: Submitted testimony for SB3044 on Feb 16, 2016 14:45PM

Categories: Red Category

SB3044

Submitted on: 2/15/2016

Testimony for TRE/EET on Feb 16, 2016 14:45PM in Conference Room 229

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Beth Mathias | Individual | Support | No |

Comments: Please support SB2044. We need to include transportation goals in Hawaii's plan to reduce the use of fossil fuels.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov