

gabbard2 - Donna

From: mailinglist@capitol.hawaii.gov
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Cc: legechair@gmail.com
Subject: *Submitted testimony for SB358 on Feb 10, 2015 15:00PM*

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SB358

Submitted on: 2/8/2015

Testimony for ENE/AGL on Feb 10, 2015 15:00PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Simon Russell	Hawaii Farmers Union United	Support	No

Comments:

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COMMITTEE ON ENERGY AND ENVIRONMENT

Senator Mike Gabbard, Chair
Senator Josh Green, Vice-Chair

Tuesday February 10, 2015 at 3:00 PM
Conference Room 225
State Capitol

Senate Bill 358 Relating to Energy

Chairs Gabbard and Ruderman, Vice Chairs Green and Riviere, and Members of the Committees, my name is Joseph Boivin, Jr. and I am testifying on behalf of Hawaii Gas.

SB 385 seeks to amend Hawai'i Revised Statutes Chapter 243 to add "21 cents per thousand cubic feet or fractional part of a thousand cubic feet of natural gas or other gaseous fossil fuel, and \$3.90 per short ton or fractional part of a short ton of coal or other solid fossil fuel."

Hawaii Gas is not opposed to the taxation of natural gas or other gaseous fuels to fund clean energy programs. However, Hawaii Gas opposes the bill as written because the stated tax rate is not equal across the types of fuels and additional modifications to language are needed.

We therefore suggest the following change as shown below. Natural gas or other gaseous fuels are to be taxed at a rate of \$.169 per 1,000 standard cubic feet.

Barrel Tax Legislation			
Oil	\$	1.05	per barrel
MMBtu per bbl		6.2	MMBtu/bbl
\$/MMBtu	\$	0.169	\$/MMBtu
Gaseous fuels	\$	0.169	per 1000 scf
Btu per scf		1,000	Btu/scf
\$/MMBtu	\$	0.169	\$/MMBtu

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Hawaii Gas also wishes to add the following clarifying points:

- The tax of \$.169 per 1,000 scf on gaseous fuels is to be only paid once.
- Hawaii Gas shall be allowed to recover the tax from its utility gas customers in its Fuel Adjustment Charge (FAC) effective on the same date this bill becomes law.

Thank you for this opportunity.