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 SENATE COMMITTEE ON WAYS AND MEANS

> Wednesday, March 4, 2015 1:35 p.m. State Capitol, Conference Room 211

in consideration of **SB 704, SD1 RELATING TO PARKING.**

Chair Tokuda, Vice Chair Kouchi, and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) offers comments regarding SB 704, SD1, which is intended to promote the growth of electric vehicle (EV) charging infrastructure. This legislation increases Hawaii's EV charging station requirement in specified parking facilities from one charging station in total to one charging station per 100 parking spaces, adds enforcement authority to County departments issuing building permits, and makes amendments to clarify current ambiguities in Act 168, Session Laws of Hawaii 2012, Section 2, which provides EVs free parking at State and County facilities under certain restrictions and exemptions for high occupancy vehicle lanes.

DBEDT adds comments regarding one component of the bill, in Section 2, Part B, Subsection 2, DBEDT prefers the existing language and believes that the proposed changes are complex, difficult to administer, and could be a disincentive by offering weekly or monthly parking permits.

This legislation supports the State's overall strategy of promoting EV adoption, a necessary component to achieving HCEI goals. DBEDT continues to examine topics relating to the EV charging station requirement in order to identify what legislation may be needed to remain responsive to the growing industry in Hawaii.

Thank you for the opportunity to provide these comments regarding SB 704, SD1.

LUIS P. SALAVERIA DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR

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DOUGLAS MURDOCK COMPTROLLER



CHARLES T. TOGUCHI CHAIRMAN, STADIUM AUTHORITY

> SCOTT L. CHAN MANAGER

LOIS M. MANIN Deputy Manager

An Agency of the State of Hawaii

TESTIMONY OF SCOTT L. CHAN, STADIUM MANAGER STADIUM AUTHORITY TO THE SENATE COMMITTEE ON WAYS AND MEANS ON March 4, 2015 S.B. 704, S.D. 1

RELATING TO ELECTRIC VEHICLES

Chair Tokuda, Vice Chair Kouchi, and members of the Committee, thank you for the opportunity to testify on S.B.704, S.D. 1

The Stadium Authority (Authority) supports the intent of S.B. 704, S.D. 1 and appreciates the Legislature's foresight and impetus in transforming transportation in Hawaii. While we do agree with the intent of the bill, we have concerns specifically as it relates to the negative financial impact that it has on the Aloha Stadium.

The bill seeks to establish a ratio of one (1) charging station to every 100 vehicles. With the Aloha Stadium being one of the State's largest parking lots state-wide, it currently accommodates approximately 7,000 total parking spaces that are essentially available on event days-only. At 7,000 total spaces, this bill requires the Authority to install a total of 70 charging stations at an approximate cost of \$7,000 per station. With a total estimated cost of \$490,000, this unfunded-

unbudgeted project will be extremely difficult for the Authority to absorb from within its existing budget.

The Authority is a special funded agency that is administratively attached to the Department of Accounting and General Services. As a self-sufficient operation, the Authority relies solely on revenues generated through various business opportunities to address its recurring operating expenses. S.B. 704, S.D. 1 imposes a significant unfunded financial hardship on the Authority's operating budget.

Respectfully, we ask the committee to consider providing the Authority with an exemption from the 1:100 ratio requirement or consider the option of allowing the Authority to work with the Hawaii State Energy Office to determine a more reasonable and realistic ratio with consideration given to the Aloha Stadium's total number of parking spaces, availability of a charging station, utilization rate given its limited availability, cost to install, and other critical factors that may influence cost, demand, and utilization.

Thank you for the opportunity to testify on this matter.

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SENATE COMMITTEE ON WAYS AND MEANS

March 4, 2015, 1:35 P.M., Room 211 (Testimony is 2 pages long)

TESTIMONY IN SUPPORT OF SB 704

Chair Tokuda, Vice Chair Kouchi and members of the Ways and Means Committee:

Blue Planet Foundation **supports** SB 704, which amends Section 291-71 of the Hawaii Revised Statutes to require places of accommodation with at least 100 publicly accessible parking spaces to dedicate at least one parking space per 100 stalls for exclusive use by electric vehicles (EVs). The existing law only requires such places to have at least one parking space dedicated for EVs.

For example, under the current law, a parking structure with 5,000 publicly accessible parking spaces would only be required to dedicate one stall for EVs. This bill would require such a parking structure to dedicate 50 spaces for EVs.

The bill also includes housecleaning language regarding parking fee exemptions in state and county owned parking spaces for EVs.

The clean alternative fuel vehicle market is a nascent industry in Hawaii, with electric vehicles (EVs) currently representing only 0.2% of registered vehicles. The state has a substantial interest in *promoting* this market as approximately \$2 billion is drained from the state's economy annually to import the gasoline and diesel needed to fuel the more than 1.3 million registered vehicles throughout Hawaii.

While it is true that the electricity sector in Hawaii is still highly reliant on oil, even with electricity produced with oil, EVs are significantly more efficient than gasoline powered vehicles. While the average gasoline powered car in Hawaii gets approximately 21 MPG¹, the electricity generated with a gallon of oil can drive an EV for more than 65 miles.² This means less carbon pollution and fewer dollars sent out of the state to pay for imported fossil fuels. Instead, those dollars stay in Hawaii, circulating through our economy to create jobs and increase tax revenue.

As the share of electricity generated from renewable sources of energy grows, EVs will generate ever-larger benefits for the state. Additionally, in a virtuous cycle, the more EVs deployed in the

¹ Data from the State of Hawaii Data Book, tables on fuel consumption and vehicle miles travelled.

² Date from the Department of Business, Economic Development & Tourism, Monthly Energy Trends.

state, the more these "rolling batteries" can help to lower overall energy costs by supporting the grid and accelerating the replacement of expensive fossil fuels with cost-effective renewable energy.

EVs are an integral part of our clean energy mix, and we ask that the Committee pass this measure in the interest of solidifying the State's commitment to a clean energy future.

Thank you for the opportunity to testify.

<u>SB704</u> Submitted on: 3/2/2015 Testimony for WAM on Mar 4, 2015 13:35PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Michael	Hawaii Clean Energy Foundation	Support	No

Comments: Thank for the opportunity to submit testimony on this legislation before your committee.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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TO THE SENATE COMMITTEE ON WAYS AND MEANS

THE TWENTY-EIGHTH LEGISLATURE REGULAR SESSION OF 2015

WEDNESDAY, MARCH 4, 2015 1:35 p.m. State Capitol, Conference Room 211

TO THE HONORABLE SENATOR JILL TOKUDA, CHAIR THE HONORABLE RONALD KOUCHI, VICE-CHAIR AND MEMBERS OF THE COMMITTEE

SENATE BILL NO. 704 - RELATING TO ELECTRIC VEHICLES

As Hawai'i's first Sustainable Business Corporation, the Hawaiian Electric Vehicle Network would like to submit **testimony in strong support of SB 704**, requiring a ratio of one electric vehicle parking stall to be reserved per 100 stalls exclusively for electric vehicles and equipped with an electric vehicle charging system in places of public accommodations, designates the appropriate county authority having jurisdiction over planning and permitting for enforcement, and clarifies the electric vehicle parking fee exemption for metered and non-metered state or county parking stalls. Clarifying and enforcing existing law, and expanding EV infrastructure are critical components to an overall strategy of advancing Clean Energy transportation in Hawai'i.

Having been deeply involved interacting with technology, Electric Vehicle (EV) manufacturers and Electric Vehicle Supply Equipment (EVSE) companies worldwide over the last 8 years, everyone has identified Hawai'i as an ideal test bed for deployment of this improving technology and expanding industry. Technology companies Google and Apple are currently spending billions of dollars annually on autonomous driving and smart electric vehicle applications. Automotive Original Equipment Manufacturers (OEMs) Tesla Motors, GM, Ford, Renault-Nissan, Toyota, Honda, Mitsubishi, Hyundai Motor Group, Volkswagen Group, Mercedes-Benz and others already have over 1 million EVs on the road worldwide. With battery and hydrogen technology advances, Battery Electric Vehicles (BEV) and Fuel Cell Electric Vehicles (FCEV) will be the future forms of personal clean transportation.

Hawai'i has a unique opportunity due to its isolated grid, island geography and location at the hub of the Pacific Rim to introduce these new products to our worldwide visitors, and deploy these new technologies and products for the people of Hawai'i. As a State we can either lead or follow, however I believe that we not only have the opportunity to lead, but the obligation to the people of Hawai'i to be at the forefront to not only improve our environment, but to keep billions of dollars spent on imported fossil fuels, diversify our State's economy, create jobs, dramatically improve our energy security and independence, and most importantly improve the quality of life for current and future generations in Hawai'i.

Finally, both Battery and Fuel Cell EVs can assist the State and utility company in meeting and exceeding our Hawai'i Clean Energy Initiative goals, improving our overall sustainability and transitioning us from a fossil fuel based economy to a clean energy economy.

Thank for the opportunity to submit testimony on this legislation before your committee.

Respectfully, Michael Snyder Founder and President

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Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS Wednesday, March 4, 2015 — 1:35 PM — Room 211

RE: SB 704 SD1 - Relating to Electric Vehicles – In Support, <u>Requesting Amendments</u>

Dear Chair Tokuda, Vice Chair Kouchi and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment company that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown food, increase clean, renewable energy, and waste reduction.

Ulupono supports Section 1 of SB 704 SD1 which requires a ratio of one electric vehicle parking stall to be reserved per 100 stalls in places of public accommodations and designating the appropriate county authority for enforcement. We would like to request the following amendments:

- Amendment to clarify the appropriate county authority as the planning and permitting functions are not under the same department in every county: Requested amendment: Page 2, line 1: "This subsection shall be enforced by the appropriate county authority having jurisdiction over issuance of building permits."
- 2. Page 3, line 4. Delete repeal language as it is unnecessary.

We are opposed to amending Section 2 as the current law language is fair and the proposed language is complicated and would be difficult to administer.

About 20% of the state's primary energy usage is due to ground transportation, which is almost entirely based on imported fossil fuels. Electric vehicles provide a more efficient transportation vehicle that reduces fossil fuel consumption.

Currently, there are about 4,000 electric vehicles out of 1 million cars in Hawai'i (0.4%). However, in 2014, out of 50,000 new cars sold, about 1,500 were electric vehicles (3%). Thus, electric vehicles are slowly becoming a larger part of our vehicle fleet.

Thank you for this opportunity to provide comments. We ask for your favorable consideration in passing this measure with our requested amendments.

Respectfully,

Murray Clay Managing Partner

Investing in a Sustainable Hawai'i

<u>SB704</u> Submitted on: 3/2/2015 Testimony for WAM on Mar 4, 2015 13:35PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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<u>SB704</u> Submitted on: 3/2/2015 Testimony for WAM on Mar 4, 2015 13:35PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Matson	Individual	Support	No

Comments: I strongly support this measure.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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