Testimony by:

FORD N. FUCHIGAMI DIRECTOR

Deputy Directors JADE T. BUTAY ROSS M. HIGASHI EDWIN H. SNIFFEN DARRELL T. YOUNG

IN REPLY REFER TO:



STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

April 13, 2017 1:45 p.m. State Capitol, Room 414

H.C.R. 113 CALLING ON THE FEDERAL GOVERNMENT AND STATES TO LOWER COSTS FOR CONSUMERS, CREATE MORE JOBS, AND REDUCE THE IMPACTS OF CLIMATE CHANGE ON THE ECONOMY BY REPLACING FOSSIL FUELS WITH RENEWABLE ENERGY.

Senate Committee(s) Economic Development, Technology and Tourism & Transportation and Energy

The Department of Transportation (DOT) **supports** the intent of this concurrent resolution.

The DOT continues to promote, explore and implement renewable types of energy in its operations.

Thank you for the opportunity to provide testimony.



DAVID Y. IGE GOVERNOR

SHAN S. TSUTSUI

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

> 335 MERCHANT STREET, ROOM 310 P.O. Box 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850 Fax Number: 586-2856 www.hawaii.gov/dcca

TO THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY AND TO THE SENATE COMMITTEE ON TRANSPORTATION AND ENERGY

THE TWENTY-NINTH LEGISLATURE REGULAR SESSION OF 2017

THURSDAY, APRIL 13, 2017 1:45 P.M.

TESTIMONY OF DEAN NISHINA, EXECUTIVE DIRECTOR, DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, TO THE HONORABLE GLENN WAKAI, CHAIR, TO THE HONORABLE LORRAINE R. INOUYE, CHAIR AND MEMBERS OF THE COMMITTEES

HOUSE CONCURRENT RESOLUTION NO. 113, H.D. 1 CALLING ON THE FEDERAL GOVERNMENT AND STATES TO LOWER COSTS FOR CONSUMERS, CREATE MORE JOBS, AND REDUCE THE IMPACTS OF CLIMATE CHANGE ON THE ECONOMY BY REPLACING FOSSIL FUELS WITH RENEWABLE ENERGY

DESCRIPTION:

This resolution requests to call on the Federal Government and states to lower costs for consumers, create more jobs, and reduce the impacts of climate change on the economy by replacing fossil fuels with renewable energy. This resolution also encourages the Federal Government and all states to assist with retraining and meaningful support for workers in the fossil fuel sector to ensure their future as the energy market transitions to renewable energy.

POSITION:

The Division of Consumer Advocacy ("Consumer Advocate") offers the following comments.

CATHERINE P. AWAKUNI COLÓN DIRECTOR

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR House Concurrent Resolution No. 113, H.D. 1 Senate Committee on Economic Development, Tourism, and Technology Senate Committee on Transportation and Energy Thursday, April 13, 2017, 1:45 p.m. Page 2

COMMENTS:

The Consumer Advocate shares the legislature's concerns with potential cost impacts that customers must face related to their energy rates and bills. The Consumer Advocate notes that Hawaii has already adopted renewable portfolio standards benchmarks that target 100% by the year 2045.

Thus, the proposed resolution appears to be generally consistent with Hawaii's renewable portfolio standards objectives by encouraging the replacement of fossil fuels with renewable energy. The Consumer Advocate believes it is important, however, to ensure that fossil fuels are replaced by <u>cost-effective</u> renewable energy. It should be made clear that Hawaii is not encouraging the adoption of renewable energy at any cost; otherwise, Hawaii and its residents could face energy bills that are unnecessarily high. If energy bills increase because of the adoption of cost-ineffective renewable energy, this will result in adverse impacts on Hawaii's residents and businesses and, ultimately, the state's economy. Modification of the proposed resolution to make clear that Hawaii seeks cost-effective renewable energy would be consistent with Hawaii Revised Statute 269-92.

Thank you for this opportunity to testify.



SENATE JOINT COMMITTEE ON TRANSPORTATION & ENERGY AND ECONOMIC DEVELOPMENT, TOURISM, & TECHNOLOGY

Thursday, April 11, 2017 1:45 PM Room 414

In SUPPORT HCR 113 Relating to Renewable Energy

Aloha Chairman Wakai, Chairwoman Inouye, and members of the committees,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i strongly supports HCR 113, which calls on the federal government and states to lower energy costs for consumers, create jobs, and reduce the devastating impacts of climate change by transitioning away from fossil fuels to renewable energy sources. Since 1968, the Sierra Club of Hawai'i has been working to protect the unique natural and cultural resources of our islands. We are committed to minimize the effects of climate change on the Hawaiian Islands.

Climate change is an existential threat

Climate change is the paramount challenge of this century,[1] with great threat to Hawai'i in particular. Sea levels rose over the last century in Hawai'i at rates varying from 0.5-1.3 inches per decade, which has contributed to considerable shoreline recession. The rates are projected to continue to accelerate, resulting in a 1-3 foot rise, or more, by the year 2100.[2] Sea level rise will affect Hawai'i's economy dramatically; Waikīkī Beach, which by itself brings in over 2 billion dollars per year in visitor spending, is already disappearing due to high levels of erosion. In addition to sea level rise, Hawai'i is also vulnerable to increased flooding and drought events, systemic coral reef bleaching, increased ocean temperature and acidity, less frequent trade winds and increased temperatures.

Renewable energy economy better for customers

Hawai'i residents currently pay the most expensive rates in the country for electricity[3] because of our reliance on fossil fuels. The Trump Administration's plans to increase fossil fuel consumption are not anticipated to make fuel prices any cheaper.[4]

What is making electricity prices cheaper and creating jobs in Hawai'i is renewable energy. Renewable energy is already cheaper than fossil fuels. As solar prices fall, demand for new solar system installation booms.[5] Jobs in the solar industry are growing at a rate of 12 times as fast as the U.S. economy.[6] The solar industry also employs more than oil, coal, and gas extraction combined.

China is making major investments into renewable energy. To stay competitive globally with nations like them, federal and state governments must match that investment. increase their push to create policies that speed the inevitable transition to renewable energy sources.

That is why we support this resolution calling on federal and state governments to increase investment in

renewable energy, create local jobs, and reduce the threat of climate change. Energy markets is trending towards renewable energy and away from fossil fuels, despite the President's policies.

Thank you very much for this opportunity to provide testimony on this important issue.

Mahalo,

Marti Townsend Director

[1] Hawai'i Climate Adaptation Initiative (State Act 83, 2014)

[2] Third U.S. National Climate Assessment, 2014

[3] http://www.civilbeat.org/2015/03/living-hawaii-how-come-our-electric-bills-are-still-so-high/

[4] http://www.npr.org/2017/02/07/513905161/trumps-energy-shift-could-bring-higher-gas-prices-analysts-say

[5] https://www.bloomberg.com/news/articles/2016-04-06/wind-and-solar-are-crushing-fossil-fuels

[6] http://www.businessinsider.com/solar-energy-job-growth-2017-1

Rachel Schutz 1504 Uluhao St. Kailua, HI 96734

April 11th, 2017

Aloha ETT/TRE Committee Members,

My name is Rachel Schutz and I am writing in support of HCR113 which asks the federal government and other states to pledge to transition to renewable energy.

At the state level, Hawai'i has become a leader in combatting climate change. As you well remember, in 2015 we became the first state to pass a 100% renewable electricity bill, and we are currently considering a 100% renewable transportation energy bill to fill in some of the gaps. However, climate change is a global phenomenon, and as one of the largest emitters of CO₂, the federal government of the U.S. must step up and take similar measures. If the United States took a true leadership role in fighting climate change, it could intensify and speed up the transition to renewable fuels that is absolutely essential worldwide.

As an island state, Hawai'i knows better than most what the consequences of climate change can be. We will be one of the hardest hit places when ocean levels rise, weather patterns change, and natural disasters intensify. We must therefore be leaders in the transition to renewable energy and climate change mitigation, and one of the best ways to achieve these goals is to engage our national leaders. We must set an example to other states/nations, as well as to our own keiki, that protecting our natural resources, fighting climate change, and transitioning to a renewable energy future is our kuleana.

This bill would deepen our dedication to fighting climate change, and move our state and our country in a more sustainable direction. Please protect our 'aina and our children's futures by passing this bill.

Mahalo for your time.

Rachel Schutz

ROXANNE E. BRUHN 45-116 NAMOKU STREET KANEOHE, HI 96744-2301

TESTIMONY ON HOUSE CONCURRENT RESOLUTION 113, HOUSE DRAFT 1, CALLING ON THE FEDERAL GOVERNMENT AND STATES TO LOWER COSTS FOR CONSUMERS, CREATE MORE JOBS, AND REDUCE THE IMPACTS OF CLIMATE CHANGE ON ECONOMY BY REPLACING FOLLIL FUELS WITH RENEWABLE ENERGY

PRESENTATION TO THE

COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

AND

COMMITTEE ON TRANSPORTATION AND ENERGY

April 13, 2017 1:45 p.m. Conference Room 414

Good afternoon Chair Wakai, Chair Inouye, Vice-Chair Taniguchi, Vice-Chair Dela Cruz and members of the Committees:

I am Roxanne E. Bruhn, a lifelong resident and taxpayer of the great State of Hawaii. I appreciate this opportunity to provide written testimony **in support** of HCR 113, HD1.

In an article written by Mr. James Cave, August 24, 2014, <u>Climate Change Will Ruin</u> <u>Hawaii, New Study Suggests</u>, he states: "Hawaii is known for its near perfect weather, but a new report from the University of Hawaii's Sea Grant program states that islands in the Pacific might be unrecognizable in the coming years as climate change makes them hotter, arid, stormy and even disease-ridden." Ominously, during the past three years since this article, trending disease reports include Rat Lung Disease, Congenital Zika Virus, and Hepatitis A. This alarms me and has galvanized me to be vigilant on legislative actions that will address ways to mitigate Hawaii-centered adverse outcomes. I am in my twilight years and may not see the fruit of these legislative actions. However, I urge you to support all measures that will positively impact global warming, creation of jobs, and lowering of consumer costs for the future residents and taxpayers in Hawaii.

Thank you for this opportunity to provide written testimony on behalf of my family and future generations of Hawaii in support of HCR 113, HD1.