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

February 3, 2017 1:16 p.m. State Capitol, Room 225

S.B. 909 RELATING TO ENERGY ASSURANCE.

Senate Committee(s) on Transportation and Energy, Public Safety, Intergovernmental and Military Affairs, Commerce and Consumer Protection and Health

The Department of Transportation (DOT) **supports** this Administration measure to address deficiencies in Hawaii's fuel shortage response and energy emergency (energy assurance) statutes. We appreciate the objectives of providing policy guidance to the Department of Business, Economic Development and Tourism on preparing for, responding to, recovering from, and mitigating against any actual or potential energy supply disruption or shortage to preserve the State's energy security and to ensure that fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner.

Transportation and energy are tightly linked. We believe it is prudent that we analyze and review our energy supply to strengthen our resiliency during emergencies.

Thank you for the opportunity to provide testimony.

STATE OF HAWAII DEPARTMENT OF DEFENSE HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SENATE BILL 909 A BILL RELATING TO ENERGY ASSURANCE

PRESENTATION TO THE SENATE COMMITTEES ON: TRANSPORTATION AND ENERGY; PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS; AND COMMERCE, CONSUMER PROTECTION, AND HEALTH

ΒY

VERN T. MIYAGI Administrator, Hawaii Emergency Management Agency

Chairs Inouye, Nishihara, and Baker and Vice-Chairs Dela Cruz, Wakai, and Nishimura, and Members of the Committees.

Aloha, I am Vern T. Miyagi, Administrator of Hawaii Emergency Management Agency and am testifying in **SUPPORT** of Senate Bill 909.

Energy resilience is a critical factor in the preparation for, response to, and recovery from any major disaster striking the state of Hawaii. Responding to energy shortfalls after a major disaster in Hawaii is greatly handicapped by our remote location in the Pacific. Restoring and sustaining energy requirements post disaster is a key to response and recovery. This was definitely the case in our response to Hurricane Iniki in 1992. Once sustained power was finally restored and distributed on Kauai, the emergency situation significantly ended.

This measure will address deficiencies in Hawaii's fuel shortage response and energy emergency (energy assurance) statutes. It shares our objectives of providing policy guidance to DBEDT on preparing for, responding to, recovering from, and mitigating against any actual or potential energy supply disruption or shortage to preserve the State's energy security and to ensure that fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner."

Thank you for the opportunity to provide this testimony in **SUPPORT** of Senate Bill 909.

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

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt

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Statement of LUIS P. SALAVERIA Director Department of Business, Economic Development and Tourism before the SENATE COMMITTEES ON TRANSPORTATION AND ENERGY and PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS, and COMMERCE, CONSUMER PROTECTION, AND HEALTH Friday, February 3, 2017 1:16 p.m.

State Capitol, Conference Room 225

in consideration of SB 909 **RELATING TO ENERGY ASSURANCE.**

Chairs Inouye, Nishihara, and Baker, Vice Chairs Dela Cruz, Wakai, and Nishihara and Members of the Committees.

The Department of Business, Economic Development and Tourism (DBEDT) strongly supports SB 909, an Administration bill which updates Hawaii's petroleum shortage and energy emergency management (Energy Assurance) statutes, in order to strengthen the State's ability under a Governor-declared state of emergency to reduce or prevent shortages of energy that can cause significant adverse impacts on the economy, environment, public health, and the safety and welfare of the people of Hawaii.

Under current emergency plans, DBEDT is responsible for administering the State's Energy Assurance program and plans. This includes planning, training, and exercising to prepare for, and respond to, energy shortage and disaster events to ensure delivery of the energy needed for critical public services.

The primary authoritative guidance for these functions are the decades-old petroleum shortage statutes. However, these provisions no longer align with government and industry energy emergency best practices. Nor do they adequately enable the State to successfully develop the technical and analytic perspective necessary for situational awareness of the State's energy resources under a state of emergency – a requirement for an effective response.

DIRECTOR

LUIS P. SALAVERIA



DBEDT believes that clarity of functional roles and clearly delineated authority for implementation is essential. SB 909's amendments provide policy guidance to better address exposure to energy supply disruption risk over the next decade.

These changes support better informed decision making and implementation of any government or industry resource requests and response actions for a faster and more resilient recovery.

DBEDT takes these roles and responsibilities seriously. As such, we believe that these amendments are a critical component to effectively plan for and respond to the variety and complexity of the threats, hazards, and risks that face Hawaii's energy systems and resources today, to better ensure that fuel products and energy resources are made available to emergency services and critical public needs in a safe, orderly, and efficient manner.

Thank you for the opportunity to offer support on SB 909.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 1, 2017 10:07 AM
То:	TRE Testimony
Cc:	mkaku@honolulu.gov
Subject:	*Submitted testimony for SB909 on Feb 3, 2017 13:16PM*

<u>SB909</u>

Submitted on: 2/1/2017 Testimony for TRE/PSM/CPH on Feb 3, 2017 13:16PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Melvin Kaku	Dept. Emergency Management	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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RODERICK K. BECKER Comptroller

> AUDREY HIDANO Deputy Comptroller

STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY OF RODERICK K. BECKER, COMPTROLLER DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE SENATE COMMITTEES ON TRANSPORTATION AND ENERGY AND PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS AND COMMERCE, CONSUMER PROTECTION, AND HEALTH ON FRIDAY, FEBRUARY 3, 2017 1:16 P.M. CONFERENCE ROOM 225

S.B. 909

RELATING TO ENERGY ASSURANCE

Chairs Inouye, Nishihara, and Baker, Vice Chairs Dela Cruz, Wakai, and Nishihara, and members of the Committees, thank you for the opportunity to provide testimony on S.B. 909. The Department of Accounting and General Services supports S.B. 909.

We support this measure as it addresses deficiencies in Hawaii's fuel shortage response and energy emergency (energy assurance) statutes. This updated policy guidance addresses preparing for, responding to, recovering from, and mitigating against any actual or potential energy supply disruption or shortage to preserve the State's energy security and to ensure that

DAVID Y. IGE GOVERNOR S.B. 909 Page 2

fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner.

Thank you for the opportunity to submit written testimony on this measure.



UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Written Testimony Submitted to the Senate Committees on Transportation and Energy, Public Safety Intergovernmental and Military Affairs, and Commerce, Consumer Protection and Health Friday, February 3, 2017 at 1:16 p.m. By Richard Rocheleau, Director Hawai'i Natural Energy Institute School of Ocean and Earth Science and Technology University of Hawai'i at Mānoa

SB 909 - RELATING TO ENERGY ASSURANCE

Chairs Inouye, Nishihara, and Baker, Vice Chairs Dela Cruz and Wakai and members of the committees:

My name is Richard Rocheleau, Director of the Hawai'i Natural Energy Institute (HNEI) at the University of Hawai'i at Mānoa. While we spend much time in the design of innovative solutions for energy policy and technology necessary to drive Hawaii's clean energy transformation agenda, an often understated objective is to ensure the resiliency, safety and security of Hawaii's critical energy infrastructure. Energy assurance planning for natural and man-made disasters and disturbances remains one of the most important tasks of key energy stakeholders. HNEI supports SB 909 because it appropriately addresses a number of housekeeping and substantive improvements to Hawaii's statutes regarding fuel storage and response and energy emergency management.

SB 909 effectively establishes chapter 125C to clarify the State's roles in energy assurance for overseeing all forms of energy shortage, disruption and emergencies. While the existing plan is heavily focused on petroleum, SB 909 provides a broader view that affords residents and critical energy consumers with greater coverage and protection potential.

Also addressed in SB 909 is a greater alignment of state policies on energy assurance with applicable federal, state, county and private sector energy resources, emergency management and energy assurance plans and programs. It brings stark attention to access and confidentiality of crucial energy data essential for energy assurance and response teams to effectively perform, particularly those with Emergency Support Function #12 (energy) responsibilities. SB 909 also incorporates recommendations found in the most recent federal Quadrennial Energy Review and other federal and state strategic and operational guidance documents.

Thank you for the opportunity to testify in support of SB 909.

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII NO. 1 CAPITOL DISTRICT BUILDING 250 SOUTH HOTEL STREET, SUITE 107 HONOLULU, HAWAII 96813 TELEPHONE: 808-586-1400 FAX: 808-586-1412 EMAIL: oip@hawaii.gov

To:	Senate Committees on Transportation and Energy; on Public Safety, Military, and Intergovernmental Affairs; and on Commerce, Consumer Protection, and Health
From:	Cheryl Kakazu Park, Director

Date: February 3, 2017, 1:16 p.m. State Capitol, Conference Room

Re: Testimony on S.B. No. 909 Relating to Energy Assurance

Thank you for the opportunity to submit testimony on this bill. The Office of Information Practices ("OIP") takes no position on the substance of this bill, which would address various issues relating to the State's petroleum shortage response and energy security. **OIP is testifying to suggest technical changes to a confidentiality provision to clarify that it protects information that is not subject to disclosure under chapter 92F, HRS, the Uniform Information Practices Act ("UIPA").**

The section titled "Confidential Information," beginning at bill page 3, line 8, appears to be intended to provide that the Department of Business, Economic Development, and Tourism ("DBEDT") will not disclose information that falls under an exception to disclosure under the UIPA or is otherwise protected by law, but instead will keep it confidential. Since the UIPA's exceptions to disclosure are not generally mandatory – an agency may, but is not required to, withhold information falling under an exception – **it makes sense to specify that in this instance** Senate Committees on Transportation and Energy; on Public Safety, Military, and Intergovernmental Affairs; and on Commerce, Consumer Protection, and Health February 3, 2017 Page 2 of 2

DBEDT must keep such information confidential. However, as written there are clauses that could be unclear, so OIP recommends technical changes as follows:

First, OIP recommends adding a reference to chapter 92F at page 3, line 10, to read "...protections available under <u>chapter 92F and other</u> applicable law ..."

Second, OIP recommends clarifying that the information protected also includes information covered by the personal record exemptions of chapter 92F, to the extent they would be applicable, and that no OIP or court determination is needed before information can be considered confidential, by changing bill page 4, lines 3-5, to read "... with respect to [the] information [determined] that is confidential or exempt from disclosure under [section 92F-13] chapter 92F that the director ..."

Thank you for considering our recommendations to amend this bill to be consistent with the UIPA.