STAND. COM. REP. NO.

Honolulu, Hawaii

APR 0 4 2018

RE: S.C.R. No. 91 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Transportation and Energy, to which was referred S.C.R. No. 91 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO REPORT TO THE LEGISLATURE ON HOW TO INCORPORATE RENEWABLE FUELS INTO THE HAWAII CLEAN ENERGY INITIATIVE,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to evaluate the role of renewable fuels in the Hawaii Clean Energy Initiative's goal of one hundred percent renewable energy.

Your Committee received testimony in support of this measure from Ulupono Initiative and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Hawaii Gas.

Your Committee finds that Hawaii's goal of one hundred percent clean, renewable energy means not only renewable electricity generation, but also clean, renewable energy for the transportation sector. Your Committee notes that while twentyfive percent of electricity generation is renewable energy, less than one percent of energy used in transportation is renewable, and the transportation sector requires more energy than

electricity. Relying solely on electric vehicles to achieve a clean transportation sector is impractical, particularly as hydrocarbons are the most energy-dense way to store and transport energy. Thus, developing and incorporating renewable fuels will be critical to the State achieving its renewable energy goals. Your Committee notes that a plan from the Department of Business, Economic Development, and Tourism on how to incorporate renewable fuels into the Hawaii Clean Energy Initiative can serve as a blueprint for all stakeholders to follow.

Your Committee heard testimony noting a previous study on renewable fuels performed by the Department of Business, Economic Development, and Tourism did not include a study of biogas or other renewable gases, even though renewable gases can be an important component in achieving the Hawaii Clean Energy Initiative's goals.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that renewable fuels includes biogas and gases from renewable and sustainable sources; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 91, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 91, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Transportation and Energy,

LORRAINE R. INOUNE, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Transportation and Energy TRE

Bill / Resolution No.:*	Committee	Referral:		Date:	
SCR MEA 91	TPE			04/02/2018	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
INOUYE, Lorraine R. (C)		X			
ESPERO, Will (VC)		X			
ENGLISH, J. Kalani					X
HARIMOTO, Breene		<u> </u>			Х
SHIMABUKURO, Maile S.L.		Х			
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	<u> </u>	7			7
TOTAL		3			2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Will Eyer					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes