

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

HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Tuesday, February 13, 2018 8:30 a.m. State Capitol, Conference Room 325

in consideration of **HB2719**

RELATING TO ENERGY.

Chair Lee, Vice Chair Lowen, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) offers **comments** on HB2719, which changes the Hawaii Clean Energy Initiative program to the Hawaii Clean Economy Initiative, which also includes clean transportation and carbon accounting and creates an executive director position over the HCEI advisory board funded by the energy security special fund.

DBEDT appreciates the bill for bringing attention to both the important connection between energy and the economy in Hawaii and the resources needed to foster collaboration between the government and other energy sector stakeholders. DBEDT can and does focus on economic value of clean energy and its impacts to the economy.

However, the Department has concerns about the change in the branding from "energy" to "economy" since there has been much efforts into the current branding and recommends continuing with "energy".

DBEDT also has concerns about creating an additional position funded by the Energy Security Special Fund without increasing the amount of money allocated to that fund as this would adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to offer testimony on HB2719.

Submitted on: 2/12/2018 12:26:51 AM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

PRESENTATION OF THE

OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES

DEMOCRATIC PARTY OF HAWAII

TO THE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Tuesday, February 13, 2018

8:30 a.m.

Hawaii State Capitol, Conference Room 325

RE: Testimony in Support of HB 2719, RELATING TO ENERGY

To the Honorable Chris Lee, Chair; the Honorable Nicole E. Lowen, Vice-Chair and the Members of the Committee on Energy and Environmental Protection:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No. 2719 relating to an Advisory Board that oversees the Hawaii Clean Economy Initiative Program.

The OCC Legislative Priorities Committee is in favor of House Bill No. 2719 and supports its passage as it establishes the Hawaii clean economy initiative advisory board to advise the State on the transition to a clean energy economy.

House Bill No.2719 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes (a) the Hawaii clean economy initiative advisory board to advise the State on the transition to a clean energy economy, (b) allocates funds from the energy security special fund to support the board, (c) changes the name of Hawaii clean energy initiative program to the Hawaii clean economy initiative program, (d) expands the role of the program to manage the State's transition to a clean transportation economy, and (e) extends the implementation date of the program's plans from 2030 to 2045.

The DPH Platform states that the "Democratic Party of Hawai'i believes that the preservation and restoration of our natural environment are essential. We support a sustainable society that utilizes the Earth in such a way that future generations will benefit from the practices of our generation. We support the restoration, preservation, and protection of our native ecosystems on each island. We believe in integrated approaches, practices, and support public policies that create and maintain a sustainable way of life in Hawai'i.

We believe in supporting best management practices in sustaining our environment and in increased citizen involvement. We support programs that encourage sustainable clean, efficient, creative and environmentally-friendly modes of transportation, recycling, and waste reduction.

The conservation, preservation, and restoration of Hawai'i's natural resources are connected to the health and welfare of our people; therefore, we support the conservation and protection of our natural environment, which includes reducing our carbon footprint for the benefit of current and future generations. (Platform of the DPH, P. 8, Lines 407- 420 (2016)).

We seek to achieve energy sustainability based on renewable energy sources. We must encourage the use of clean alternative fuel sources to include our public transportation systems. We must increase the use of public transit, telecommuting, car and vanpooling, ridesharing biking, walking, and other forms of transportation thereby reducing traffic congestion and air pollution. We must also urgently develop the use of a variety of cost-effective energy providing systems, encourage transit-oriented development, and support tax incentives that encourage renewable energy initiatives. (Platform of the DPH, P. 8-9, Lines 443-448 (2016)).

We support energy independence, self-sufficiency, affordability and reliability for Hawai'i through the development of renewable alternative energy sources. Specifically, we need to support policies that foster the development of energy production methods that de-emphasizes carbon-based fuels and promote renewable sources such as wind,

solar, wave, geothermal and Ocean Thermal Energy Conversion (OTEC). (Platform of the DPH, P. 9, Lines 452-456 (2016)).

Electricity rates in Hawaii are among the highest in the Nation despite the fact that we enjoy an abundance of sunshine year round. Electric utility companies and cooperatives must open the grid to alternative power sources including solar panels and geothermal energy. We support the effort of our government officials to require utilities to provide for the maximum, comprehensive, integrated use of renewable energy and associated technologies such as storage and smart grid technologies. (Platform of the DPH, P. 9, Lines 458-462 (2016)).

We recognize the necessity of providing a safe, efficient transportation infrastructure. We endorse efforts to promote less reliance on imported fossil fuel and to support energy-efficient methods of transportation. Therefore, we support county, state, and federal efforts to provide more efficient an punctual methods of public transportation, to include but not limited to: sidewalks, pedestrian crossings, bicycle paths and lanes, mass transit, highways, airports, and ferry systems. We support the allocation of resources including public funds to address all necessary transportation issues, including increased funding for mass transit.

We endorse efforts to promote less reliance on the automobile by employing the private and public use of alternative modes of travel. We encourage efforts to provide better vehicle and pedestrian safety. In particular, we support initiatives that will provide our state with more fuel-efficient vehicles, affordable mass transit, and well-identified bike lanes. In order to be best served by mass transit, we must recognize the importance of the integration in an urban setting of any new modes of mass transportation with existing and future public streets and highways, bike lanes, retail establishments and services, an truly-affordable housing - housing maintaining a high degree of open space at ground level in current and all future high-density developments. (Platform of the DPH, P. 9, Lines 452-456 (2016)).

Given that House Bill No.2719 establishes the Hawaii clean economy initiative advisory board to advise the State on the transition to a clean energy economy, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativeprorities@gmail.com, Tel.: (808) 258-8889



Email: communications@ulupono.com

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION Tuesday, February 13, 2018 — 8:30 a.m. — Room 325

Ulupono Initiative Supports HB 2719, Relating to Energy

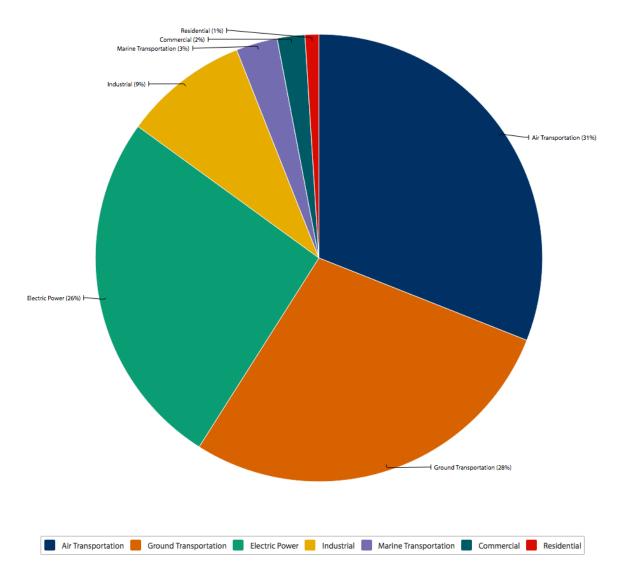
Dear Chair Lee, Vice Chair Lowen, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and better management of waste and fresh water. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono <u>supports</u> HB 2719, which establishes a clean transportation initiative advisory board, because it aligns with our goal of increasing the production of clean, renewable energy in Hawai'i.

In Hawai'i, while $\sim\!20$ percent of electricity generation is renewable energy, less than 1 percent of energy use in transportation is renewable. Meanwhile, the transportation sector requires more energy than the electricity sector. Furthermore, about 28 percent of the state's primary energy usage is due to ground transportation, such as cars and trucks, which rely almost exclusively on imported fossil fuels for its energy. Electrifying ground transportation is presently the most efficient and impactful way to move transportation toward more renewable energy.





Yet, to fundamentally change the transportation sector from an imported fossil fuel based system to a renewable fueled sector is a monumental task. It will require leadership, collaboration, public support, financing, and patience with diligence. From prior experience working to make the electricity sector more renewable, it was extremely helpful that the State set goals and targets so that the public and private sector could work together to set goals and strategies to achieve them.

Aspirational goals are important to change mindsets and actions. For example, Hawaiian Electric's goal of 70 percent renewable electricity generation by 2030 was considered impossible at the time it was proposed, but now it is on the path to meet that ambitiously aspirational goal.

Since the transportation sector currently does not have goals, it has been difficult to bring all of the necessary stakeholders together and work on a common blueprint. The State is also the only authority with enough power to set the necessary statewide transportation



targets and motivate key stakeholders to work toward a common goal.

As Hawai'i's energy issues become more complex and challenging, we appreciate this committee's efforts to look at policies that support renewable energy production.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay Managing Partner

Submitted on: 2/11/2018 12:10:48 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jacqui Hoover	Hawaii Island Economic Development Board	Support	No

Comments:

The Hawaii Island Economic Development Board (HIEDB) supports HB2719 and humbly requests that the Economic Development Boards for each of the counties be included as members of the Hawaii Clean Economy Initiative advisory board. HIEDB has served on the Hawaii Clean Energy Initiative and wishes to continue our work especially in light of the expanded role of the advisory board to include economy. In addition to serving on the HCEI, HIEDB developed the Comprehensive Economic Development Strategy (CEDS) for Hawaii County and participated in developing the CEDS for the State of Hawaii. The CEDS includes energy and other industry sectors as components of a clean, sustainable, and resilient economy.

Mahalo for this opportunity to provide comment on HB2719.



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COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Rep. Chris Lee, Chair

Rep. Nicole E. Lowen, Vice Chair

Tuesday, February 13, 2018 8:30 a.m. Conference Room 325

HB 2719 RELATING TO ENERGY.

Comments

Aloha Chair Lee, Vice Chair Lowen, and Members of the Committee

Life of the Land is Hawai`i's own energy, environmental and community action group advocating for the people and `aina for 47 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

The bill is designed to refocus DBEDT by providing an Advisory Board which will have a goal "to accelerate the realization of Hawaii's climate and clean energy goals." The members shall be nominated by the Governor and confirmed by the Senate.

The members do not have to have any clean economy expertise. Life of the Land questions whether a business development entity should be formulating environmental and climate policies without any reference to community input. DBEDT proposed an interisland, high-voltage cable that would be economical, because unlike every other man-made object in the world, it would never fail. Such errors can be caught by having meaning community input, something this bill lacks.

Mahalo, Henry Curtis Executive Director



Hawai'i Interfaith Power and Light

A religious response to global warming



To: Committee on Energy & Environmental Protection (EEP)

From: Hawaii Interfaith Power & Light (HIPL)

Date: Tuesday, February 13, 2018

Time: 8:30 a.m.

Place: Conference Room 325, State Capitol, 415 South Beretania Street

Re: Support for HB2719, Relating to Energy.

Aloha e Chair Lee, Vice Chair Lowen, and Members of the Committee on Energy & Environmental Protection,

My name is Steve Lohse, I'm an environmental scientist and Legislative Liaison for Hawaii Interfaith Power & Light (HIPL). HIPL's interfaith community affirms and promotes responsible policy and effective action on energy and climate change. On behalf of HIPL, thank you for this opportunity to submit **Testimony in Support of HB2719** for the following reasons:

- (1) Clean energy is a social issue, an economic issue, an ecological issue, and an ethical issue grounded in our human identities, our justice traditions, and our spiritual values. Transitions can seem unsettling if not overwhelming, but we already have the traditional wisdom and the current knowledge that we need to transition to a sustainable clean energy economy.
- (2) Unsustainable policies and practices will continue to decrease security and increase economic and environmental costs, both globally and locally, until we transition to a fossil-free society. Please do everything in your power at every opportunity to transition Hawaii to secure, affordable, 100% renewable local resources for a clean energy economy without delay.
- (3) Mutual respect and good-faith collaboration will empower diverse stakeholders to respond sustainably to Hawaii's social, economic, and environmental challenges. Please establish this Hawaii clean energy initiative task force to facilitate the statewide stakeholder collaboration and advice that we need to transition to a clean energy economy for Hawaii.

The cost of doing nothing far outweighs the cost of transitioning! With a sense of urgency for the effective stewardship of our community, our economy, and our environment, we rely on your leadership to help transition Hawaii to a clean energy economy without delay. Thank you for all that you do!

Aloha no,

Hawaii Interfaith Power & Light (HIPL)

Steve Lohse, HIPL Legislative Liaison, 808-499-5406, lohse@hawaii.edu

HIPL embraces the following goals:

- raise awareness of the deeply spiritual nature of energy and climate challenges;
- advocate energy policies that promote conservation, efficiency, and renewables;
- provide inspiration, resources, leadership, and education for effective action and community building.

Submitted on: 2/12/2018 9:18:54 AM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Whispering Wind	Patients Without Time	Support	No

Comments:

I SUPPORT HB2719,

Please protect our environment. Organic natural agriculture, without toxic contamination of our food and environment is necessary to protect the health, safety, and economic future of Hawaii's citizens.

Mahalo for your concerned consideration,

Mary Whispering Wind PWT Maui, volunteer



HOUSE COMMITTEE ON ENERGY AND THE ENVIRONMENT

Tuesday, February 13, 2018 8:30AM Conference Room 325

In SUPPORT of HB 2719 Relating to energy

Aloha Chair Lee, Vice Chair Lowen and members of the EEP Committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i, a member of the Common Good Coalition, **supports HB 2719**. This bill seeks to establish the Clean Energy Economy Initiative Advisory Board.

Hawai'i is a global leader in clean energy. Between our visionary goal to be 100% renewable by 2045, codification of our commitment to the Paris Climate Accord, and the piloting of new carbon sequestration projects, Hawai'i needs a state entity dedicated to transitioning us to a clean energy economy that benefits everyone. Establishing the Clean Economy Initiative Advisory Board would facilitate Hawai'i's conversion to a clean energy economy by providing expert guidance, oversight, and alignment across our goals for renewable energy production, clean transportation, and carbon sequestration.

We support this measure because we recognize the important opportunities on the horizon for Hawai'i to create high quality jobs for local residents that improve our environment, strengthen our global economic standing, and cannot be exported or easily automated. Timing and capacity are key to catching this wave. That is why we need an expert entity to committed to accomplishing this mission.

Thank you very much for this opportunity to provide testimony in strong support of HB 2719.

<u>HB-2719</u> Submitted on: 2/10/2018 10:11:24 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Erica Scott	Cuddle Party	Support	No



<u>HB-2719</u> Submitted on: 2/12/2018 4:17:32 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Benton Kealii Pang, Ph.D.	Hawaiian Civic Club of Honolulu	Support	No

<u>HB-2719</u> Submitted on: 2/11/2018 3:38:36 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carlton York		Support	No

Comments:

I support thsi Initiative .

<u>HB-2719</u> Submitted on: 2/11/2018 12:59:06 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Stephany Cecil		Support	No

Comments:

I support this initiative.

<u>HB-2719</u> Submitted on: 2/12/2018 9:46:48 AM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Angela Huntemer		Support	No

Comments:

Yes please! Please support the advancement of the State of Hawaii as a leader in renewable energy! Mahalo.

<u>HB-2719</u> Submitted on: 2/12/2018 10:16:45 AM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tulsi Greenlee		Support	No



<u>HB-2719</u> Submitted on: 2/12/2018 9:30:45 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Merle Hayward	Individual	Support	No



Submitted on: 2/12/2018 9:24:03 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Stuart Scott	Individual	Support	Yes

Comments:

I live in Honolulu and am kama'aina for over 3 decades. My bona fides in presenting this testimony stem from my 10 years as an active Observer Party to the UN Climate Negotiations, and all of the attendant study, research and interaction with other experts and concerned parties over the many complex facets of climate change and energy consumption.

I am in strong support of HB2719 EXCEPT for one provision, which I will discuss in a few moments.

This bill is sorely needed to get everyone thinking in terms of decarbonizing our whole economy, and not just the energy and transportation sectors. Hawaii can be a leader in legislative climate change response by passing this bill.

However, slipping the 'due by' date from 2030 to 2045 is NOT something I support. I realize that this is probably being done to put the bill in alignment with the State's 100% renewable energy mandate. But that mandate was originally proposed with a due date of 2030 which was ill-advisedly slipped to 2045 by Senator Baker's committee at a hearing.

Climate disruption is coming on much faster than the common mainstream narrative would have you believe. It only takes a bit of research to see this. We need to be leading the way agressively, even if it will be a challenge to our agencies and business community. The reality and proximity of severe impacts from climate change warrant that agressive movement.

I urge you to pass this bill, but to leave the due by date at 2030 and instead seek to strengthen the 100% renewable energy mandate by bringing its due by date back in to 2030 in the next legislative session.

Respectfully submitted,

Stuart Scotdt