HAWAII STATE ENERGY OFFICE
STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Monday, March 21, 2022
2:00 PM
State Capitol, Conference Room 329 & Videoconference

SUPPORT
SB 3311, SD2, HD1
RELATING TO TRANSPORTATION

Chair Johanson, Vice Chair Kitagawa, and Members of the Committee, the Hawai‘i State Energy Office (HSEO) supports SB 3311, SD2, HD1, which establishes the interisland transportation working group, requires the Department of Transportation (DOT) to prepare for and incentivize the increased adoption of electric vehicles in the State, and establishes goals.

HSEO is willing to participate in the interisland transportation working group as a co-chair and member to support the goals of Chapter 225P, Hawai‘i Revised Statutes, and take holistic actions to achieve the decarbonization of the transportation sector.

Emissions from transportation account for the largest share of energy sector emissions in the state. As noted in the 2017 Greenhouse Gas Inventory, transportation emissions in Hawai‘i account for 51 percent of total energy sector emissions. To reduce transportation emissions, the HSEO is engaging with stakeholders to implement policies and programs to support the electrification of ground transportation and aviation.

Hawai‘i is a national leader in renewable energy and in the adoption of electric vehicles, ranking second nationally in (ground) EV adoption per capita. The DOT has made extensive efforts to reduce its operational emissions and has partnered with HSEO to address multiple modes of transportation fossil fuel energy use.

A coordinated effort is needed amongst a wide range of stakeholders to continue meaningful progress on clean transportation. As an example, HSEO collaborated with DOT-Highways to put in place a vehicles-as-a-service contract to support the transition

of the State’s fleet to zero emission vehicles (ZEVs); and on successful applications for the designation of alternative fuel corridors on the islands of Hawai‘i, Kaua‘i, Lāna‘i, Maui, Molokai, and O‘ahu opening the door to federal funding opportunities. The HSEO was the lead for the State’s signing onto the Multi-State Medium- and Heavy-Duty Zero Emission Vehicle MOU calling for 30% of new truck and bus sales to be zero-emission by 2030 and 100% by 2050. In support of that objective, the HSEO collaborated with Hawai‘i Department of Health, Clean Air Branch to implement a Diesel Replacement Rebate to support the adoption of ZEVs for medium- and heavy-duty vehicles.

Hawai‘i is also poised to take a leadership role in the decarbonization of aviation. On November 22, 2020, Ampaire’s Electric EEL airplane became the first hybrid electric aircraft to conduct test flights on a commercial airline route, flying roundtrip from Maui’s Kahului airport to Hana. This flight made it apparent that for Hawai‘i to meet its statutory target “to sequester more greenhouse gases than emitted as soon as practicable but no later than 2045”, planning and implementation of clean transportation alternatives to other modes of transportation such as aviation are essential and timely.

To prepare for the electrification of aviation, HSEO partnered with HDOT-Airports on planning grant for Emergency Management Agency’s Building Resilient Infrastructure and Communities (BRIC) grant program. The proposal is to study the infrastructure and energy requirements necessary to support electrification of aviation and how to leverage that infrastructure to support resiliency hubs in response to all-hazard events such as hurricanes.

While the HSEO supports this measure, there are currently no generally funded transportation positions within HSEO to support its participation in the interisland transportation working group and electrification of ground transportation. The House of Representatives proposes in HB 1600, HD1 to provide funding and a position for a transportation specialist in HSEO, which would enable HSEO to support a working group such as this should that budget become adopted into law.

HSEO defers to the appropriate agency regarding the bill’s fiscal and administrative impacts of a working group.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR OF HAWAII

STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
Leah Laramee
Coordinator, Hawaii Climate Change Mitigation and Adaptation Commission
(Temporality Assigned)

Before the House Committees on
CONSUMER PROTECTION & COMMERCE

Monday, March 21, 2022
2:00 PM
State Capitol, Via Videoconference, Conference Room 329

In support of
Senate Bill 3311 Senate Draft 2, House Draft 1
RELATING TO ELECTRIC VEHICLE CHARGING STATIONS

Senate Bill 3311 Senate Draft 2 House Draft establishes long-term goals for zero emissions transportation in Hawaii and abroad to reduce, eliminate transportation emissions and establishes the interisland transportation working group and requires the department of transportation and Hawaii state energy office to prepare for and incentivize the increased adoption of electric vehicles in the State. **On behalf of the Hawaii Climate Change Mitigation and Adaptation Commission (Commission) I support of this measure and provide comments.**

The Hawaii Climate Change Mitigation and Adaptation Commission "recognizes the urgency of climate threats and the need to act quickly. It promotes ambitious, climate-neutral, culturally responsible strategies for climate change adaptation and mitigation in a manner that is clean, equitable and resilient." The Commission, established by Act 32 SLH 2017 to uphold the United States' pledges under the Paris Agreement, is the coordinating body for policies on climate change mitigation and adaptation for the state. It is a high-level multi-jurisdictional body that guides the priorities of the state's climate response. Co-chaired by DLNR and Office of Planning, it consists of 20 members—chairs of four legislative committees, and executive department heads at the county and state levels.

Transportation (air and ground) is the single largest source of greenhouse gas emissions in Hawaii, which mirrors the trend nationwide (according to EPA, it was the largest source of GHG emissions in 2019). One of the main focuses of the Commission is to reduce emissions from ground transportation. By establishing the Hawaii Clean Transportation Initiative SB 3311 SD2 HD1 would provide guidance to achieving this. The Commission's statement on ground transportation, issued in November 2018, "supports mechanisms to reduce overall vehicle miles travelled (VMT) as well as converting all remaining vehicle-based ground transportation to

renewable, zero-emission fuels and technologies." The commission respectfully suggests that reduction of overall vehicle miles travelled be added to the goals of the Hawaii Clean Transportation Initiative.

Thank you for the opportunity to comment on this measure.

Email: communications@ulupono.com

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Monday, March 21, 2022 — 2:00 p.m.

Ulupono Initiative supports the intent of SB 3311 SD 2 HD 1, Relating to Transportation.

Dear Chair Johanson and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono supports the intent of SB 3311 SD 2 HD 1, which establishes long-term goals for zero-emission transportation in Hawai'i and abroad to reduce and eliminate transportation emissions; establishes the Interisland Transportation Working Group; requires annual reports to the Legislature; and requires the Department of Transportation and Hawai'i State Energy Office to prepare for and incentivize the increased adoption of electric vehicles in the State.

Ulupono supports the State's efforts to increase clean transportation and reduce greenhouse gas emissions. Establishing dedicated working groups to identify pathways to reach zero-emission transportation will be an important step toward meeting our climate change goals. We ask this committee to consider previous drafts of the measure and reinstate the ground transportation working group into the bill.

The bill's Hawai'i Clean Transportation Initiative previously sought to establish zero-emission goals for both ground and interisland transportation, along with international transpacific transportation, as soon as practically possible. Transportation accounts for roughly 65% of fossil fuel use in the State.[1] Furthermore, ground transportation alone is the second-largest producer of greenhouse emissions, so we strongly support reinstating the Ground Transportation Working Group section found in prior drafts of the bill. In doing

[1] https://energy.hawaii.gov/wp-content/uploads/2020/11/HSEO_FactsAndFigures-2020.pdf

so, this bill can further address ground transportation greenhouse gas emissions by establishing State goal and tasking the DOT and other relevant departments to plan and incentivize electric vehicle growth within the State.

We appreciate the commitments made by the State over the last year to bolster Hawai'i's EV market; however, further policy support, such as this measure, will be needed to assist local EV adoption and help meeting our climate change goals. Several reports on electrification of transportation and meeting our energy goals have highlighted how the State can lean into these strategies and policies to maximize our clean transportation investments more effectively and quickly.[2] It will also be important that the working groups take steps to ensure that those who can't easily access the benefits of electrification without help are able to do so, such as low-income community members, small businesses, etc.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

[2] https://www.transcendingoil.com/
https://mauinow.com/2021/07/08/more-evs-could-reduce-co2-emissions-by-93-in-less-than-30-years/

SanHi
GOVERNMENT STRATEGIES
A LIMITED LIABILITY LAW PARTNERSHIP

DATE: March 20, 2022

TO: Representative Aaron Johanson
Chair, House Committee on Consumer Protection and Commerce

FROM: Tiffany Yajima

RE: **S.B. 3311, S.D.2, H.D.1 – Relating to Transportation**
Hearing Date: Monday, March 21, 2022 at 2:00 p.m.
Conference Room: 329

Dear Chair Johanson and Members of the Committee on Consumer Protection and Commerce:

On behalf of the Alliance for Automotive Innovation ("Auto Innovators") we submit this testimony in **support** of S.B. 3311, S.D.2, H.D.1.

The Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. Members include motor vehicle manufacturers, original equipment suppliers, technology, and other automotive-related companies and trade associations.

We appreciate the amendments made in the S.D.1 version of this measure to remove the 2045 date from the Hawaii Clean Transportation Initiative ground transportation goal and can support this measure with the continued removal of the target date.

Automobile manufacturers already are transitioning toward an electric future. The auto industry will have invested more than $330 billion by 2025 to reach the goal of an electrified future. A new generation of ZEVs is coming with 130 models for sale in the U.S. market by 2026, up from over 50 models today. To make the transition to a zero-emission transportation future, automakers support federal and state policies such as investments in charging infrastructure and consumer incentives for EV purchases that grow consumer demand for electric vehicles. Automakers also support incentives such as HOV lane access and the build-out of charging infrastructure for electric vehicles as provided for in this measure.

As the state seeks to establish long-term goals to reduce carbon emissions in the transportation sector, the automobile manufacturers remain interested and willing to engage with government agencies and stakeholders to develop reasonable plans and recommendations to achieve these goals.

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Honolulu, HI 96813 governmentaffairs@awlaw.com

Thank you for the opportunity to submit this testimony.

SB-3311-HD-1
Submitted on: 3/20/2022 10:33:54 AM
Testimony for CPC on 3/21/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noel Morin	Big Island Electric Vehicle Association	Support	Written Testimony Only

Comments:

Dear Chair Johanson, Vice-Chair Kitagawa, and members of the Consumer Protection and Commerce Committee,

Big Island EV Association supports SB3311 SD2 HD1. which "Establishes the interisland transportation working group. Requires the Department of Transportation to prepare for and incentivize the increased adoption of electric vehicles in the State."

We need to accelerate our transition away from fossil fuels more than ever, and the electrification of transportation will help immensely. This measure will support the required expansion of electric vehicle charging infrastructure and create incentives to increase the adoption of electric vehicles in Hawaii.

We ask that the working group include representatives from EV Ownership groups, utilities, and county governments.

Thank you,

Noel Morin

President - Big Island EV Association

bigislandev.org

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Representative Aaron Johanson, Chair
Representative Lisa Kitagawa, Vice Chair

TESTIMONY IN SUPPORT
Senate Bill 3311 SD2 HD1, Relating to Transportation
Monday, March 21, 2022, 2 p.m.
Conference Room 329 & Videoconference

Aloha Chair Johanson, Vice Chair Kitagawa, and Members of the House Committee on Consumer Protection & Commerce:

Thank you for the opportunity to provide testimony on SB3311 SD2 HD1, which among other things establishes long-term goals for zero emissions transportation in Hawai‘i and abroad to reduce and eliminate transportation emissions and establishes the interisland transportation working group with an annual report required to be submitted to the legislature.

Hawaiian Airlines supports the intent of this measure and would like to request an amendment. Our company is committed to being a part of the solution in reducing the state's carbon emissions. As you know, Hawaiian Airlines is Hawai‘i's airline. We employ thousands of local residents who are raising their children and grandchildren in these islands, and we want their families to be able to thrive in a sustainable Hawai‘i. Hawaiian Airlines is also our state's leader in interisland air transportation and has significant experience in the important issues this bill seeks to address.

For these reasons, we request an amendment in Section 2 to insert language that includes a representative from Hawaiian Airlines as a member of the interisland transportation working group. This request is based on our desire to be proactive and contributory. We believe our expertise and vested interest in Hawai‘i would bring value to the critical work of this group.

Thank you for the opportunity to provide testimony and for your consideration of our requested amendment.

PACIFIC BIODIESEL TECHNOLOGIES

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March 20, 2022

TESTIMONY ON SB 3311, RELATING TO TRANSPORTATION

Comments

Rep. Aaron Ling Johanson, Chair
Rep. Lisa Kitagawa, Vice Chair
Committee on Consumer Protection & Commerce
Hearing on Monday, March 21, 2022, Conf Room 329 and via Videoconference

Aloha Chair Johanson, Vice Chair Kitagawa and Members of the Committee,

SB 3311 states in the opening that "transportation accounts for the majority of Hawaii's greenhouse gas emissions." Yet the body of the legislation is about zero emission technologies. There is a rather large disconnect between the two calculations at the current time. Many of the "zero emission" technologies only reduce tailpipe emissions, while drastically multiplying Life Cycle Greenhous Gas emissions.

We support a BALANCED mix of renewables in Hawaii, including clean liquid biofuels and zero emission equipment. Unfortunately, **Hawaii's race to electrify transportation is largely overlooking the many environmental, economic and energy security benefits of biofuels.**

The fact is any internal combustion engine can reduce greenhouse gas emissions when it is fueled with biofuel – such as E85 (for gasoline engines) or a high blend of biodiesel (in diesel engines). Biofuels simply require a switch of fuel, not the purchase of entirely new vehicles or equipment. And biofuels utilize existing infrastructure to deliver liquid fuels to the marketplace. Biodiesel is a direct replacement for petroleum diesel fuel and can be used right now in any diesel engine without modification, helping to reduce GHG emissions by 86% compared to petroleum diesel. The modern efficient clean diesel engine is NOT the problem. Petroleum diesel FUEL used in these diesel engines is the problem.

In today's volatile global energy sector exacerbated by Russia's war with Ukraine, Hawaii's locally produced biodiesel is supporting energy security in our island state and reducing reliance on imported fossil fuel. Biodiesel is a readily available firm renewable energy source that provides a reliable backup to intermittent renewables in Hawaii like solar and wind. The opportunity must not be overlooked to use biodiesel for existing diesel engines in interisland vessels, including but not limited to the new, fuel-efficient fleet of tugs acquired over the past few years by Young Brothers. Biodiesel-fueled tugs can deliver critical food, energy and other necessities throughout our state without interruption from global fossil fuel supply chain issues.

(continued)

Biodiesel allows for an <u>immediate</u> reduction of greenhouse gas emissions. Waiting to transition all transportation to "zero emission" simply does not reduce GHG emissions quickly enough. Each day of delay allows cumulative CO2 to continue accumulating in the atmosphere and exacerbating the destructive effects of climate change. High-blend biofuels in existing transportation engines help reduce GHG emissions NOW.

Before Hawaii spends millions on new EVs, what are the real gains, the true lifecycle costs and the comparative benefits to Hawaii's environment and economy? In looking at the lifecycle comparison, today's EVs utilize batteries made from raw materials like lithium and cobalt that are extracted in foreign countries (often resulting in ecological degradation and human rights abuses), the batteries are manufactured in foreign countries (posing potential supply chain issues with a reliance on foreign sources), and the batteries offer a relatively short lifespan and limited options for recycling. Although emissions are eliminated at the tailpipe, the total lifecycle impact of zero emission vehicles must be considered.

Last summer, a California Air Resources Board (CARB) report* shared findings that **total greenhouse gas (GHG) reductions from biomass-based diesel were <u>3x</u> the total reductions from electric vehicles.** In Hawaii, where the carbon intensity of our electricity grid is significantly higher than the US average, the assumption would be an even greater GHG reduction with the use of 100% biodiesel compared to EVs charged by an electricity grid that's currently only 30% powered by renewables.

We cannot and should not sit back and wait for a 100% zero emission future. The State must get serious, soon, about requiring a lifecycle GHG reduction analysis on its "zero emission" strategies before Hawaii spends millions on electrification of transportation.

Mahalo,

Joy Galatro
Marketing Director
Pacific Biodiesel
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(808) 866-5104

*Biobased Diesel Daily, 5/15/21: https://www.biobased-diesel.com/post/biobased-diesel-outperforms-electric-vehicles-3-to-1-in-california-ghg-reductions

Hawaii Electric Vehicle Association
hawaiiev.org
info@hawaiieva.com

March 20, 2022

SUPPORT FOR SB3311 SD2 RELATING TO TRANSPORTATION

Dear Chair Johanson, Vice-Chair Kitagawa and members of the Consumer Protection and Commerce Committee,

Hawaii Electric Vehicle Association (Hawaii EV) supports SB3311 SD2 HD1, which "Establishes the interisland transportation working group. Requires the Department of Transportation to prepare for and incentivize the increased adoption of electric vehicles in the State."

We support all efforts designed to accelerate the decarbonization of our ground transportation, a significant contributor to our greenhouse gas emissions. A working group represented by all relevant sectors will help ensure that our efforts are aggressive and sustainable.

We're especially supportive of the focus on developing plans to ensure that our electric charging capacity will support the transition to electric vehicles, the maintenance of HOV lane access for EVs, and the development of incentives to allow for equitable adoption of EVs.

We recommend that the working group include organizations that represent EV owners, county governments, and our utilities.

Thank you for this opportunity to testify.

Sincerely,

Noel Morin
President
Hawaii EV Association

Hawaii EV Association is a grassroots non-profit group representing electric vehicle owners in Hawaii. Our mission is to accelerate the electrification of transportation through consumer education, policy advocacy, and electric vehicle charging infrastructure expansion. For more information, please visit hawaiiev.org.

Airlines for America®
We Connect the World

March 21, 2022

Representative Aaron Ling Johanson, Chair
Committee on Consumer Protection & Commerce
Hawai'i State Capitol
415 South Beretania Street
Honolulu, HI 96813

Representative . Lisa Kitagawa, Vice Chair
Committee on Consumer Protection & Commerce
Hawai'i State Capitol
415 South Beretania Street
Honolulu, HI 96813

Re: SB 3311, SD2, HD1

Dear Chair Johanson and Vice Chair Kitagawa and Members of the Committee:

Airlines for America (A4A) is the trade association for the leading U.S. passenger and cargo airlines.[1] As your Committee continues the important task of considering legislative responses to the challenges posed by climate change, we want to take this opportunity to highlight the U.S. airlines' strong record in this regard. While states are precluded from imposing carbon taxes, emissions trading systems and other emissions measures on aircraft fuel and aircraft, we also note our industry's commitments to climate action and federal law and international agreements already addressing aircraft greenhouse gas (GHG) emissions.[2]

As the record of the A4A carriers demonstrates, we take our role in GHG emissions very seriously. Indeed, prior to the COVID-19 pandemic, U.S. airlines boasted a tremendous fuel and GHG emissions record, accounting for only 2 percent of the nation's GHG emissions inventory while transporting a record 2.5 million passengers and 58,000 tons of cargo each day. During this time, U.S. airlines were also driving 5 percent of GDP, over 10 million U.S. jobs and $1.5 trillion in economic activity. In fact, U.S. airlines improved their fuel efficiency over 135 percent between 1978 and 2019, saving over 5 billion metric tons of carbon dioxide (CO_2) – equivalent to taking more than 27 million cars off the road on average in *each* of those years. Taking a more recent pre-pandemic snapshot, data from the Bureau of Transportation Statistics confirm that the U.S. airlines improved their fuel- and CO_2-emissions efficiency by 40 percent between 2000 and 2019.

These numbers are not happenstance. As an industry, we have achieved this strong environmental record by driving and deploying technology, operations, infrastructure and sustainable aviation fuel (SAF) advances to provide safe and vital air transport as efficiently as possible within the constraints of the air traffic management system. For the past several decades, airlines have dramatically improved their fuel efficiency and reduced their CO_2 emissions by investing billions in fuel-saving aircraft and engines, innovative technologies like winglets (which improve aerodynamics) and cutting-edge route-optimization software. But, despite our strong record, A4A and our member airlines are not stopping there.

[1] A4A's members are Alaska Airlines, Inc.; American Airlines Group, Inc.; Atlas Air, Inc.; Delta Air Lines, Inc.; Federal Express Corporation; Hawaiian Airlines, Inc.; JetBlue Airways Corp.; Southwest Airlines Co.; United Airlines Holdings, Inc.; and United Parcel Service Co. Air Canada, Inc. is an associate member.

[2] We expressed these same views last year on House Bill 1319, which was carried over to the current legislative session. *See* pages 52-54 of https://www.capitol.Hawaii.gov/Session2021/Testimony/HB1319_HD1_TESTIMONY_CPC_02-16-21_.PDF.

Since 2009, A4A and our members have been active participants in a global aviation coalition that committed to 1.5 percent annual average fuel efficiency improvements through 2020, with goals to achieve carbon-neutral growth beginning in 2020 and a 50 percent net reduction in CO_2 emissions in 2050, relative to 2005 levels.[3] On March 30, 2021, A4A announced a significant strengthening of these climate commitments.[4] Together with our member carriers, we pledged to work across the aviation industry and with government leaders in a positive partnership to achieve net-zero carbon emissions by 2050.[5] With consistent analyses showing that tremendous quantities of SAF must be deployed for the industry to meet its climate goals, A4A carriers also pledged to work with the government and other stakeholders toward a rapid expansion of the production and deployment of commercially viable SAF to make 2 billion gallons available to U.S. aircraft operators in 2030. On September 9, 2021, as a complement to the federal government's announcement of a SAF "Grand Challenge," A4A and its members increased the A4A SAF "challenge goal" by an additional 50 percent, calling for 3 billion gallons of cost-competitive SAF to be available to U.S. aircraft operators in 2030.[6]

The efforts our airlines are undertaking to further reduce GHG emissions are designed to limit their fuel consumption, GHG contribution and potential climate change impacts responsibly and effectively, while allowing commercial aviation to continue serving as a key contributor to the U.S., global, Hawaiian, and local economies as our nation and the world continue to recover from the devastating COVID-19 crisis.

A4A members are keenly focused on technology, operations, infrastructure and SAF advances to achieve additional emissions reductions. For example, the U.S. airlines are partnering to modernize the air traffic management system and reinvigorate research and development in aviation environmental technology. In addition, we are dedicated to deploying commercially viable SAF, which could further reduce aviation's GHG emissions while enhancing U.S. energy independence and security. In fact, A4A is a founding member of the Commercial Aviation Alternative Fuels Initiative® (CAAFI), a public-private partnership with the Federal Aviation Administration (FAA) and other stakeholders that is working to ensure the development and deployment of SAF.[7] Having helped lay the necessary technical groundwork, A4A members have been using SAF regularly on commercial flights since 2016. Last year, of course, we strongly supported the Legislature's passage of House Bill 683, which established the Sustainable Aviation Fuel Program within the Hawai'i Technology Development Corporation.[8]

Further, our global aviation coalition supported an agreement reached in 2016 at the International Civil Aviation Organization (ICAO), the standard-setting body for international aviation, for the development of an international carbon offsetting system (known as the Carbon Offsetting and Reduction Scheme for International Aviation or "CORSIA") to "fill the gap" should concerted industry and government investments in technology, operations and infrastructure measures

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[3] *See* A4A, "A4A's Climate Change Commitment," available at https://www.airlines.org/a4as-climate-change-commitment/; *see also* Air Transport Action Group, "Climate Change," available at https://www.atag.org/our-activities/climate-change.html.

[4] *See* https://www.airlines.org/news/major-u-s-airlines-commit-to-net-zero-carbon-emissions-by-2050/.

[5] On October 4, 2021, the International Air Transport Association and its member airlines followed suit by also committing to achieve net-zero carbon emissions by 2050. *See* https://www.iata.org/en/pressroom/2021-releases/2021-10-04-03/.

[6] *See* https://www.airlines.org/news/u-s-airlines-announce-3-billion-gallon-sustainable-aviation-fuel-production-goal/. On the federal government's SAF Grand Challenge, see https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/09/fact-sheet-biden-administration-advances-the-future-of-sustainable-fuels-in-american-aviation/ and https://www.energy.gov/eere/bioenergy/sustainable-aviation-fuel-grand-challenge.

[7] For more on CAAFI, see http://caafi.org/.

[8] *See* https://www.capitol.Hawaii.gov/slh/Years/SLH2021/SLH2021_Act180.pdf and pp. 9-12 of https://www.capitol.Hawaii.gov/Session2021/Testimony/HB683_HD1_TESTIMONY_CPC_02-16-21_.PDF.

otherwise not allow us to achieve our goal of carbon-neutral growth starting in 2020. Importantly, the U.S. is implementing the CORSIA agreement, which commenced with emissions monitoring, reporting and verification requirements in 2019 to support the emissions offsetting obligation that went into effect last year (i.e., on January 1, 2021).

Our industry also supported the agreement reached at ICAO in 2016 for a CO_2 certification standard for future aircraft, as it will further support our global aviation coalition's emissions goals, along with other technology, operations, infrastructure and SAF initiatives. The U.S. Environmental Protection Agency (EPA) and FAA, which participate directly in the ICAO emissions standard-setting process and led much of the work as the CO_2 certification standard was developed, adopted the standard into U.S. law with the internationally agreed dates of 2020 for new-type design aircraft, 2023 for newly manufactured in-production aircraft types, and 2028 as an absolute production cutoff for unique and exceptional types.[9]

Commercial aircraft cross state (and national) borders and cannot be subject to overlapping or conflicting state and local requirements. Therefore, federal law preempts state and local government regulation of aircraft emissions and the content of and emissions related to commercial jet fuel.[10] As your Committee and other Committees consider various pieces of legislation in the coming days, we urge you to take into account the federal provisions addressing aviation GHG emissions, our industry's continual drive for greater fuel efficiency and our commitments for further GHG emissions reductions.

We encourage the Legislature and other interested parties to work together with the airline industry on measures to increase in-state production and deployment of SAF. We would be pleased to partner with you in that endeavor in the near future.

Thank you for your consideration.

Sincerely,

VP, State and Local Government Affairs
swilliams@airlines.org

[9] *See* 86 Fed. Reg. 2136 (Jan. 11, 2021).

[10] Federal preemption is established both under the federal Clean Air Act (CAA) and federal aviation law. For example, section 233 of the CAA explicitly preempts states and their political subdivisions from "adopt[ing] or attempt[ing] to enforce any standard respecting emissions of any air pollution from any aircraft or engine thereof unless such standard is identical to a standard" established by EPA, 42 U.S.C. § 7573, while section 44714 of title 49 of the U.S. Code stipulates that the FAA has exclusive jurisdiction over jet fuel. Further, courts have long held that the Federal Aviation Act of 1958 creates a "uniform and exclusive system of federal regulation" of aircraft that preempts state and local regulation. *Burbank v. Lockheed Air Terminal, Inc.*, 411 U.S. 624, 639 (1973); see also *American Airlines v. Department of Transp.*, 202 F.3d 788, 801 (5th Cir. 2000) (aviation regulation is an area where "[f]ederal control is intensive and exclusive") (quoting *Northwest Airlines, Inc. v. Minnesota*, 322 U.S. 292, 303 (1944)). This pervasive federal regulatory scheme extends not only to aircraft in flight, but also to aircraft-related operations on the ground. In addition, the Airline Deregulation Act precludes states from "enact[ing] or enforc[ing] a law, regulation, or other provision having the force and effect of law related to a price, route or service." 49 U.S.C. § 41713(b)(1).

SB-3311-HD-1
Submitted on: 3/18/2022 5:40:06 PM
Testimony for CPC on 3/21/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

SB3311 should help Hawaii move towards its decarbonization goals.

SB-3311-HD-1
Submitted on: 3/20/2022 11:26:41 AM
Testimony for CPC on 3/21/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol Cam	Individual	Support	Written Testimony Only

Comments:

I support **SB3311** and believe it is a good companion bill to the widely-sponsored and well-timed **HB2278** (Carbon Cashback bill). I sincerely hope the Senate will schedule public hearings for **HB2278** this year for an efficient, zero-carbon infrastructure transition to develop and prosper in a timely manner for the sake of all life on earth.

SB-3311-HD-1
Submitted on: 3/20/2022 12:35:17 PM
Testimony for CPC on 3/21/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Redford	Individual	Support	Written Testimony Only

Comments:

This will help to prepare for and incentivize EVs.

SB-3311-HD-1
Submitted on: 3/20/2022 1:11:04 PM
Testimony for CPC on 3/21/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Janet L Pappas	Individual	Support	Written Testimony Only

Comments:

Dear CPC committee members,

Hawaii does not yet have a comprehensive plan to incentivise the adoption of electric vehicles. Without such a plan, we will be left behind and stuck with fossil fuels that are warming our planet at an alarming rate.

EVs will soon become the norm, as nearly every American car company has plans for one or more EV models. Some companies are going 100% electric.

Bill SB3311 will start the EV process in Hawaii by establishing a working group to plan for the charging infrastructure, setting zero-emission energy goals and looking at both ground and inter-island transportation issues.

Many states are already on the move. If Hawaii wants to be a clean energy leader, we need this working group to get going and begin planning for mass EV adoption.

Please pass SB3311. There's a lot of work to be done.

Thank you for your consideration.

Sincerely,

Jan Pappas

Aiea, Hawaii 96701

DAVID Y. IGE
GOVERNOR

LATE

TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASHI
EDUARDO P. MANGLALLAN
PATRICK H. MCCAIN
EDWIN H. SNIFFEN

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

March 21, 2022
2:00 P.M.
State Capitol, Conference Room 329/Teleconference

S.B. 3311, S.D.2, H.D. 1
RELATING TO TRANSPORTATION

House Committee on Consumer Protection & Commerce

The Department of Transportation (DOT) provides **comments** on this measure that proposes the Hawaii Clean Transportation Initiative and creates a working group to develop plans and recommendations for zero-emissions interisland transportation.

The problem this measure aims to resolve is not limited to transportation alone. The user-generated environmental impacts of the state's transportation system are largely due to the structural pattern of land use and the distances between residential and job locations. This means programs, interventions, and solutions extend beyond the department's purview, and solutions must be comprehensive and involve many other stakeholders. The Hawaii Climate Change and Adaptation Commission is representative of the agencies, interests, and economic sectors that must be part of the solution; this commission is the coordinating body for policies on climate change mitigation, including emissions. The DOT is a member of the commission and also participates in and contributes to the numerous multiagency efforts that drive the state's zero-emission economy. This measure proposes some duplication of policies, planning, discussions, and actions already in progress.

The DOT, as a whole and through each modal division, actively works through various initiatives to support clean transportation and to achieve the state's clean energy goals. The DOT Highways Division leads department efforts to meeting the state's clean energy goals by reducing emissions from DOT's internal operations, including the development and implementation of an innovative statewide fleet electrification contract. The contract allows all participating agencies to obtain electric vehicles and related charging infrastructure in exchange for user fees. This has enabled the DOT to install charging stations and the charging service quickly and efficiently with no upfront

equipment costs. In addition, the DOT pursues strategies to support the expansion of electric vehicle charging facilities across the state.

Externally, the DOT Highways Division has also implemented multi-modal integration and transportation demand management strategies to address the emissions produced by vehicles traveling on the State Highway System. Implementation of Complete Streets through existing policies, procedures, internal coordination, and external coordination with counties and advocacy groups; improvement of bicycle and pedestrian safety, access, and network connectivity are primary considerations for all projects in DOT. Other programs include ridesharing which offers the least expensive way to reduce rush-hour traffic congestion by moving more people in fewer cars. To encourage ridesharing, DOT provides High Occupancy Vehicles Lanes such as the Zipperlane which are reserved for vehicles carrying two or more people, buses, and motorcycles. The Highways Division is leading a pilot project to connect rural communities statewide through broadband. The broadband program will leverage federal highways and broadband funding to provide increased connectivity for the state highway system by expanding broadband services; access to devices; and access to a staffed help desk. A major goal of this pilot is to provide opportunities for Hawaii residents in traditionally underserved communities to work and learn from home.

The department's work also extends to its coordination with the counties. The DOT assists the transit agencies in the County of Hawaii, County of Maui, and County of Kauai to transition towards zero-emissions transit fleets. In addition, the department works with the counties and other stakeholders to provide innovative transportation solutions to reduce travel demand and promote sustainable practices in pursuit of a clean transportation system.

Thank you for the opportunity to provide these comments.

Hawaiian Electric

LATE

TESTIMONY BEFORE THE HOUSE
COMMITTEE ON CONSUMER PROTECTION & COMMERCE

SB 3311 SD2 HD1

Relating to Transportation

March 21, 2022
1:00 PM, Agenda Item #11
State Capitol, VIDEO CONFERENCE

June Chee
Program Manager, Electrification of Transportation
Hawaiian Electric Company

Aloha Chair Johanson, Vice Chair Kitagawa, and Committee Members,

My name is June Chee, and I am testifying on behalf of Hawaiian Electric Company **providing comments on SB3311 SD2 HD1**, Relating to Transportation, as it looks to establish long-term goals for zero emission transportation in Hawaii.

The Company provides the following amendments as it relates to electric charging capacity on page 4, lines 11–16:

> **§225P-C Electric vehicle sales growth; department of transportation; requirements.** The department of transportation and state energy office shall:
>
> (1) Work with the public utilities to ~~D~~develop plans to ensure that the State's electric charging capacity is sufficient to support the growing use of electric vehicles in the State by increasing the State's electric charging capacity at a rate that exceeds the rate by which electric vehicle sales replace internal combustion vehicle sales;

As one of the major electric utility providers in the state, Hawaiian Electric has a responsibility to forecast, monitor, and maintain electric services such as the capacity for electric vehicle (EV) charging. Hawaiian Electric is diligently working to support the electrification of transportation and through the Electric Vehicle Critical Backbone Study

has forecasted a need of seven-times more public charging by 2030 and an even greater need for private commercial and residential charging. This insight helped the Company focus its support with programs and initiatives such as EV-specific rates to encourage daytime charging, the Charge Up eBus make ready pilot, a proposal to expand our public charging network, and our recently approved Charge Ready Hawaii pilot. As the largest provider of EV fast charging in the state, Hawaiian Electric Company understands the importance of reliable charging solutions as more drivers will need charging options as a vital resource for electric mobility. Accordingly, Hawaiian Electric Company supports the intent of SB3311 SD2 HD1 and asks for the committee to consider the proposed amendments. Thank you for this opportunity to testify.

LATE

Hawaii Automobile Dealers' Association

Heather Cutter, President
Dave Rolf, Executive Director

Written Testimony by
David H. Rolf, Executive Director, Hawaii Automobile Dealers Association

for the
Committee on Consumer Protection and Commerce
Monday, March 21, 2022
Time 2 p.m.
State Capitol, via Videoconference
providing testimony **in support of the intent of SB3311, SD2, HD1**

RELATING TO TRANSPORTATION

Chair Johanson, Vice Chair Kitagawa and members of the committee:

HADA strongly supports Hawaii's transition to electric vehicles.

In the past decade, Hawaii's new car dealers have demonstrated this strong support by spending millions of dollars in the transition to electric vehicles.

This bill proposes, among other things, to set a goal of achieving zero emissions across ground transportation in the state, as soon as "practicably" possible.

Hawaii's auto dealers, being dealers in an island state, look at the world of business through the prism of practicality. Thus, HADA dealers much appreciate this bill's introduction of language referring to what might be practical.

Dealers have acquired a great storehouse of data on the automotive industry and are particularly aware of customers' needs and interests. Dealers can provide helpful input to the working group that is proposed to be established by this bill to address milestones on the path to a state zero emissions goal in ground transportation.

In support of the intent of this bill, HADA dealers agree that what is needed more than anything is to have all stakeholders working together on a path to EV adoption. HADA's dealers have joined with the National Automobile Dealers Association's position in being "all-in" on electric vehicles.

HADA's dealers continue to work with all in this transition and thank you for the opportunity to testify in Support of the Intent of SB 3311 SD2, HD1 and request that it be passed on to its next committee for further consideration.

SB-3311-HD-1
Submitted on: 3/20/2022 2:35:52 PM
Testimony for CPC on 3/21/2022 2:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Lorn Douglas	Individual	Support	Written Testimony Only

Comments:

The more we know the easier it will be to accomplish our difficult goals... Please support this bill.
Lorn DOuglas
Lower Puna

SB-3311-HD-1
Submitted on: 3/20/2022 3:02:14 PM
Testimony for CPC on 3/21/2022 2:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Diane Ware	Individual	Support	Written Testimony Only

Comments:

Dear Committee Chair and Members,

I strongly support incentivizing the transition to EV's and the sooner the better. I purchased one new last year and I am saving money charging at home and with rebates it was less than $30,000. Now is the time to act to require the Department of Transportation to prepare for and incentivize EVs.

Respectfully,

Diane Ware, 99-7815 Kapoha Pl, Volcano Hi 96785

LATE

SB-3311-HD-1
Submitted on: 3/20/2022 7:53:51 PM
Testimony for CPC on 3/21/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Parsons	Individual	Support	Written Testimony Only

Comments:

Please vote yes to move faster to EV's. It's a Fossil Fuel cars & Trucks are Hurting the health of residents and Visitors.

Steve Parsons

Wailua Kauai