

Honolulu, Hawaii
FEB 05, 2024

RE: H.B. No. 1997
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 1997 entitled:

"A BILL FOR AN ACT RELATING TO THE INTERISLAND TRANSPORT OF HYDROGEN,"

begs leave to report as follows:

The purpose of this measure is to authorize the Public Utilities Commission to establish a discounted rate by tariff for water carriers that engage in the interisland transport of hydrogen.

Your Committee received testimony in support of this measure from the Department of Research and Development of the County of Hawaii; Hawaii Center for Advanced Transportation Technologies; and one individual. Your Committee received testimony in opposition to this measure from 350Hawaii.org. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Hawai'i State Energy Office; Public Utilities Commission; Young Brothers, LLC; and Life of the Land.

Your Committee finds that energy generated from hydrogen can play an important role in the State's targeted goal of sequestering more atmospheric carbon and greenhouse gasses than the State produces by 2045. Your Committee further finds that



incentivizing the development of a hydrogen industry in Hawaii will enable a greater diversity of the types of renewable energy available to consumers in Hawaii. Your Committee believes that discounting rates for the interisland transportation of hydrogen, as proposed by this measure, will further support the State's goal of a clean energy economy.

Your Committee has amended this measure by:

- (1) Requiring that the interisland transportation of hydrogen be limited to renewable hydrogen;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1997, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1997, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



CHRIS TODD, Chair



