



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:
Web:

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

(808) 451-6648
energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON TRANSPORTATION

Thursday, February 5, 2026
9:30 AM
State Capitol, Conference Room 430 and Videoconference

Providing Comments on
HB 2423

RELATING TO BIODIESEL.

Chair Kila, Vice Chair Miyake, and Members of the Committee, the Hawai'i State Energy Office (HSEO) is providing comments on HB 2423 that requires the Director of Business, Economic Development, and Tourism to adopt rules to require that diesel fuel sold in the State for use in on-highway diesel-powered motor vehicles contains no less than five percent biodiesel by volume.

While this bill may aspire to reduce reliance on fossil fuels and advance Hawai'i's statutory climate and clean energy goals including the State's firm commitment to achieving a net-negative greenhouse gas economy and reducing petroleum consumption across the transportation sector, HSEO has deep concerns relating to implementation costs, supply chain certainty, and logistics.

HSEO points out that the Hawai'i Legislature repealed a 10% ethanol blending mandate in 2015, originally established in 2006, because the mandate resulted in high costs for importing ethanol and limited supplier competition. This experience demonstrates the risks associated with applying fuel-specific blending mandates that override market economics and science-based environmental criteria in a geographically isolated and import-dependent fuel market.

When considering biodiesel, for example, market distortions would likely arise from employing the mandates proposed in HB 2423. While HSEO strongly supports locally-grown and produced biodiesel, Hawai'i points out that increased biodiesel demand stimulated by the proposed blending mandate would largely result in imported fuel or feedstock due to land constraints that limit the local production of in-state biodiesel feedstock. Any reliance on such imports would make Hawai'i vulnerable to global feedstock price volatility, supply disruptions, and transportation costs that could ultimately be passed on to consumers, government fleets, and commercial operators.

For those reasons, HSEO generally advises against establishing fuel-specific mandates of any kind and prefers fuel selection by criteria such as cost, carbon intensity, and technical readiness when aligned with Hawai'i's renewable portfolio and decarbonization laws.

Thank you for the opportunity to testify.



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

February 5, 2026

HEARING BEFORE THE
HOUSE COMMITTEE ON TRANSPORTATION

TESTIMONY ON HB 2423
RELATING TO BIODIESEL

Conference Room 430 & Videoconference
9:30 AM

Aloha Chair Kila, Vice-Chair Miyake, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau provides comments on HB 2423, which requires the Director of Business, Economic Development, and Tourism to adopt rules to require that diesel fuel sold in the State for use in on-highway diesel-powered motor vehicles contain no less than five percent biodiesel by volume.

HFB has long supported efforts to expand the use of renewable fuels in Hawai'i, particularly when agricultural crops and byproducts can strengthen local energy security and diversify farm income.

Agriculture can be part of Hawai'i's renewable energy future. Local biofuel production has the potential to create new markets for agricultural inputs, support value-added processing, and reduce reliance on imported fuels. These opportunities align with HFB's support for renewable energy strategies that include agriculture as a contributing sector.

At the same time, we believe it is important to view agriculture's role in renewable energy within the broader context of the challenges facing farmers and ranchers today. If Hawai'i is serious about agriculture contributing to renewable fuel production, the State must also address long-standing constraints that limit agricultural viability, including access to land and water, workforce availability, invasive species pressures, transportation costs, energy costs, and overall cost of doing business. Without addressing these foundational issues, it will be difficult for agriculture to meaningfully participate in new markets, including renewable energy feedstocks.

We also note that policies aimed at expanding renewable fuel use should be implemented in a way that supports local production without imposing unintended costs or supply constraints that could affect agricultural operations and rural communities.

HFB appreciates the opportunity to provide comments on HB 2423 and looks forward to continued discussions on how renewable energy policy can be aligned with practical, on-the-ground support for Hawai'i's agricultural sector.

Thank you for the opportunity to provide comments.



2050 Main Street, Suite 3B
Wailuku, Hawai'i 96793
(808) 877-3144
www.biodiesel.com

February 5, 2026

TESTIMONY ON HB 2423, RELATING TO BIODIESEL

SUPPORT

Representative Darius K. Kila, Chair
Representative Tyson K. Miyake, Vice Chair
Committee on Transportation
Hearing: Feb. 5, 2026, 9:30am, Conf Room 430 and via Videoconference

Aloha Chair Kila, Vice Chair Miyake and Members of the Committee,

Pacific Biodiesel **strongly supports** **HB 2423**, which establishes a 5% biodiesel blending requirement for all highway diesel fuel sold in Hawai'i.

Biodiesel is an energy-dense renewable fuel source that promotes energy security in Hawai'i, supports USA national security and benefits the local circular economy. Biodiesel has one of lowest carbon footprints of any fuel, reducing greenhouse gas emissions by 86% compared to fossil diesel.

Pacific Biodiesel produces our biodegradable, non-toxic fuel with used cooking oil recycled from Hawai'i's restaurants, keeping that potentially hazardous waste out of local landfills. With our carbon negative regenerative farming operation, we also locally produce biodiesel from virgin oils, like sunflower oil and canola oil. Our model also contributes culinary oils and high-protein meal for livestock feed to the local food system. Pacific Biodiesel's "ag and energy" model today is demonstrating a "net carbon negative" renewable fuel system that's a beneficial circular economy model for Hawaii.

B5 will support continued expansion of biodiesel production for our state – urgent now more than ever.

Pacific Biodiesel is acutely aware of the important role our biodiesel production plays in supporting military readiness and energy resilience in our state. Given Hawai'i's strategic location, our biodiesel ensures a reliable, readily available local supply of biofuel at key Department of Defense locations in Hawai'i and the Indo-Pacific region to help protect United States national security and military preparedness and further reduce reliance on imported crude oil, especially from dangerous sources like Russia-backed Libya.

Current biodiesel production in Hawai'i is 6 million gallons annually. Biodiesel produced from Hawai'i-sourced feedstock can feasibly scale to 16 million gallons annually by 2040 – *this total vertical integration to locally grow and produce biodiesel epitomizes energy security!*

B5 is a proven, low-risk policy to achieve immediate reduction in greenhouse gas emissions.

- B5 is 5% biodiesel blended with 95% petroleum diesel.
- B5 is a minimal blend (considered a benign fuel additive).
- B5 is universally accepted by ALL vehicle manufacturers for use in any diesel engine (no warranty or maintenance issues).
- B5 is quickly deployable:
 - It can be used in Hawai'i's existing liquid fuel infrastructure.
 - Hawai'i currently has in-state production capacity to provide B5.
 - A high-volume fuel blending rack is online at the in-state diesel refinery.
 - It requires no special labeling at the pump.

Several states have a successful track record with B5 and other high biodiesel blends. For example, Minnesota is the first and longest-running biodiesel mandate in the nation (continuous since 2005). It uses a seasonal minimum biodiesel blending strategy – currently B5 in winter, B10 early spring and B20 in summer. And in California, 100% Renewable Biofuel is the on-road standard: Biodiesel + Renewable Diesel (B20/R80) now comprises nearly 75% of California’s diesel fuel supply.

As Hawai’i embraces electric vehicles, it is important to recognize that a large portion of our transportation infrastructure will remain dependent on traditional fossil fuel, leading to an electrification gap. Biodiesel can help to fill that gap and bring immediate greenhouse gas emission reductions for the hard-to-electrify sectors – like large trucks, buses, and boats where new electric vehicle technology is extremely expensive, not widely available and lacks the same payload as diesel engines.

In, Hawai’i, B5 may add only pennies to the price of local fuel, similar to the typical fluctuations in diesel fuel prices. But it will quickly translate to significant positive environmental impact. For example:

- In 2024, 44 million gallons of fossil diesel highway fuel was used statewide.
- Of that amount, 5% biodiesel (B5) would equate to 2.2 million gallons of biodiesel.
- 2.2 million gallons of biodiesel prevents 46.2 MILLION LBS of CO2/year or 20,952 metric tons of CO2

For power generation, biodiesel is a critical component of the State’s renewable energy portfolio.

Biodiesel is a 100% renewable fuel that provides a firm renewable source for power generation that is a reliable backup to intermittent renewables like solar and wind that fluctuate in availability. In Hawaii’s electric utilities, fast-start diesel engines — increasingly fueled with clean biodiesel — are enabling higher penetration of intermittent PV and wind assets while maintaining grid stability.

We cannot and should not sit back and wait for a 100% zero emission future.

The further we move towards our goal of 100% renewable, the more critical liquid biofuel sources will become. We must expand the use of biofuels today and support additional local production now to meet the needs later. B5 for our highway fuel is a significant step to get that started.

Mahalo,



Bob King
Founder and President
Pacific Biodiesel



**TESTIMONY OF TINA YAMAKI, MANAGING DIRECTOR
HAWAII TRANSPORTATION ASSOCIATION
FEBRUARY 5, 2026
HB 2423 RELATING TO BIODIESEL**

Aloha Chair Kila and members of the House Committee on Transportation. I am Tina Yamaki, Managing Director of the Hawaii Transportation Association and I appreciate this opportunity to testify.

The Hawaii Transportation Association (HTA Hawaii) was founded in 1938 and incorporated in 1963, and is a private, non-profit trade organization dedicated to the service and assistance to the commercial ground transportation industry in the State of Hawaii. Our members include family owned small and medium sized businesses, independent owner operators, and national motor carriers range from delivery services to passenger carriers - as well as allied industry partners.

HTA Hawaii supports the intent of HB 2423. This measure requires the Director of Business, Economic Development, and Tourism to adopt rules to require that diesel fuel sold in the State for use in on-highway diesel-powered motor vehicles contains no less than five per cent biodiesel by volume.

HTA Hawaii recognizes the importance of advancing more sustainable energy practices within our State's transportation sector. Biodiesel blends have demonstrated potential to reduce greenhouse gas emissions, support cleaner air quality, and align with Hawaii's broader climate and environmental goals.

However, HTA Hawaii also believes businesses should have flexibility and choice in how they meet evolving fuel and energy requirements. We also recommend that there also be an option to also provide diesel with zero blends (pure diesel) as an alternative to the 5% for all transportation companies.

While we support the underlying environmental purpose of this measure, we respectfully offer the following concerns:

HTA Hawaii supports the intent of establishing a 5% biodiesel requirement as a step toward sustainability. At this time, we do NOT support mandating biodiesel blends above 5% statewide, as higher blends may have technical and economic implications for certain vehicle fleets and fuel infrastructure.

High blends of biodiesel are associated with elevated mechanical risk, especially in older diesel engines, that include accelerated fuel filter plugging due to solvent effects and deposit release, increased injector wear or failure, and degradation of elastomers and seals within the fuel system.

The potential cost implications of biodiesel mandates above 5% are currently unknown. Without clear cost data and market analysis, it is difficult to fully assess how additional requirements might affect fuel pricing.

If biodiesel blends increase the cost of diesel fuel, those costs are likely to be passed through to consumers and businesses. Higher transportation fuel costs can contribute to inflationary pressure on essential goods and services, including groceries, clothing, building materials, and visitor transportation services — sectors that directly impact both residents and the visitor economy.

For these reasons, HTA Hawaii urges the Committee to ensure that any rulemaking or future increases consider business impacts, fuel market dynamics, and necessary safeguards to prevent undue economic burden.

Mahalo for this opportunity to testify.