



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
THEODORE E. LIU
Director

Department of Business, Economic Development, and Tourism
before the

**HOUSE COMMITTEE ON
ENERGY AND ENVIRONMENTAL PROTECTION**

Thursday, January 24, 2008

8:30 AM

State Capitol, Conference Room 312

in consideration of

HB 2004

**MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT
TRANSPORTATION STRATEGIES.**

Chair Morita, Vice Chair Carroll, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of HB2004. Last year, the Energy Policy Forum, with your support, brought together transportation and energy planners to look at the energy needs of Hawaii's transportation system, particularly ground transportation. This is an area which is important to our economy, residents, businesses, and visitors. With potentially significant changes occurring in the energy area, there is a need for energy planners and transportation planners to work together.

The proposed project could provide information useful in planning for the achievement of Hawaii's energy objectives, as outlined in HRS 226-18:

- " (1) Dependable, efficient, and economical statewide energy systems capable of supporting the needs of the people;

- (2) Increased energy self-sufficiency where the ratio of indigenous to imported energy use is increased;
- (3) Greater energy security in the face of threats to Hawaii's energy supplies and systems; and
- (4) Reduction, avoidance, or sequestration of greenhouse gas emissions from energy supply and use.”

DBEDT has led, participated in, and commissioned several transportation energy strategy and fuel studies over the years, and looks forward to continuing to work with the University of Hawaii and the Energy Policy Forum in this important area.

DBEDT concurs with the changes to the bill proposed by the Energy Policy Forum, to the extent that they or the bill do not adversely impact the Executive Supplemental Budget.

Thank you for the opportunity to offer these comments.

BOB JACOBSON
Councilmember

Chair, Environmental Management Committee
Vice-Chair, Finance Committee
Vice-President Hawai'i State Association of Counties



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HAWAI'I COUNTY COUNCIL

County of Hawai'i

January 22, 2008

Rep. Hermina M. Morita, Chair
Rep. Mele Carroll, Vice Chair
And Members
Committee on Energy & Environmental Protection

Hearing Scheduled for Thursday, January 24, 2008, 8:30 AM
Conference Room 312
State Capitol
415 South Beretania Street
Honolulu, HI

Re: HB 2004 MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT TRANSPORTATION STRATEGIES

I wholeheartedly support HB 2004. It is very important to appropriate funds to collect and analyze data and to develop a plan for developing, using, and maintaining a statewide transportation energy information and monitoring system.

I urge you to pass HB 2004.

Aloha,

Bob Jacobson

Testimony before the House Committee on
Energy & Environmental Protection

H.B. 2004
Making an Appropriation for a Study
on Energy Efficient Transportation Strategies

Thursday, January 24, 2008
8:30 a.m., Conference Room 312

By William A. Bonnet
Vice President
Government & Community Affairs
Hawaiian Electric Company, Inc.

Chair Morita, Vice Chair Carroll, and members of the Committee:

My name is Bill Bonnet and I am testifying on behalf of Hawaiian Electric Company, Inc., and its subsidiary utilities, Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc.

Hawaiian Electric Company supports House Bill No. 2004, with amendments suggested by the Hawaii Energy Policy Forum, which would make an appropriation to collect and analyze data and to develop a statewide transportation energy information and monitoring system.

Hawaii imports fossil fuels to meet over 90 percent of its energy needs, including about one third for air transportation, one third for ground transportation and one third for electric power generation. The electricity sector is working to meet a renewable portfolio standard established by the Legislature, with the goal of reducing Hawaii's dependence on imported fossil fuel, primarily oil, and limiting Hawaii's contribution to global climate change. If Hawaii is to succeed in reducing dependence on imported fossil fuel for electricity, we must also reduce our dependence on oil for ground transportation. No single strategy, but a combination of efforts, will achieve this goal.

Last year, the Legislature made an appropriation for the Hawaii Energy Policy Forum to begin a study on energy efficient transportation strategies. The Forum formed a working group, developed a vision and began the process you made possible. This measure proposes to continue that work.

The policy forum has suggested clarifying language in their testimony, and we support that proposed amendment. Hawaiian Electric also supports the Forum's recommendation that funds be appropriated in the amount of \$175,000 to allow this important work to go forward.

Thank you for the opportunity to testify.



COLLEGE OF SOCIAL SCIENCES
HAWAII ENERGY POLICY FORUM
UNIVERSITY OF HAWAII AT MĀNOA

Hawai'i Energy Policy Forum

Mr. Robbie Alm, HECO
Ms. Amy Asselbøye, Ofc of US Rep.
Neil Abercrombie
Ms. Catherine Awakuni, Div. of
Consumer Advocacy
Mr. Warren Bollmeier
Hi Renewable Energy Alliance
Mr. Carlito Caliboso, PUC (Observer)
Mr. Albert Chee, Chevron
Mr. Kyle Datta, U.S. Biofuels
Sen. Kalani English, Hi State Senate
Mr. Mitch Ewan, UH HNEI
Mr. Carl Freedman
Haiku Design and Analysis
Mr. Mark Glick, OHA
Mr. Steve Golden, The Gas Company
Dr. Michael Hamnett, RCUH
Ms. Paula Helfrich, EDAH
Mr. Shad Kane, Ahahui Sivila
Hawaii o Kapolei
Mr. William Kaneko, HI Institute for
Public Affairs
Mr. Maurice Kaya, DBEDT
Mr. Darren Kimura, Energy Industries
Holdings
Mr. Mike Kitamura, Ofc of US Sen.
Daniel K. Akaka
Mr. Kal Kobayashi, Maui County
Mr. Laurence Lau, DOH
Ms. Yvonne Lau, Ofc of US Rep.
Mazie Hirono
Mr. Ailyn Lee, C&C of HNL
Mr. Aaron Leong, Ofc of US Senator
Daniel K. Inouye
Dr. Stephen Meder, AIA-Honolulu
Sen. Ron Menor, Hi State Senate
Mr. Jeff Mikulina, Sierra Club
Dr. Bruce Miller, UH Ofc of
Sustainability
Dr. Sharon Miyashiro, Social
Sciences Public Policy Ctr.
Rep. Hermina Morita, HI State
House of Representatives
Mr. Tim O'Connell, USDA/Rural
Development
Mr. Richard Paglinawan
Pa Ku'i A Lua
Ms. Melissa Pavlicek, Western States
Petroleum Assn
Mr. Randy Perreira, HI State AFL-CIO
Mr. Rick Reed, Inter-Island
Solar Supply
Dr. Rick Rocheleau, UH HNEI
Mr. Peter Rosegg, HECO
Mr. Steven Rymsha, KIUC
Mr. Riley Saito, PowerLight Corp.
Mr. Glenn Sato, Kauai County OED
Mr. Bill Short, BIA of Hawaii
Mr. Ray Starling, HI Energy Grp
Mr. Lance Tanaka, Tesoro HI Corp
Dr. Don Thomas, UH Center for the
Study of Active Volcanoes
Mr. Murray Towill, Hawai'i
Hotel Assn
Ms. Joan White, Hon Community
Action Program

Testimony of
Darren Kimura
Co-Chair – Energy Efficiency Working Group
Hawai'i Energy Policy Forum

House Committee on Energy & Environmental Protection
Thursday, January 24, 2008
8:30 a.m.
Conference Room 312

**IN SUPPORT OF H.B. 2004 - Relating to Making an Appropriation for a Study
on Energy Efficient Transportation Strategies**

I am Darren Kimura, Co-Chair of the Energy Efficiency Working Group of the Hawaii Energy Policy Forum ("Forum"). The Forum is comprised of 46 representatives from the electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. We have been meeting since 2002 and have adopted a common vision and mission, and a comprehensive "10 Point Action Plan," which serves as a framework and guide for meeting our preferred energy vision and goals. The Forum supports the passage of HB 2004 that achieves the goal of Point Seven to improve energy efficiencies and options in transportation.

HB 2004 appropriates funds to the Forum to continue its work to develop energy efficient transportation strategies. The 2007 Legislature passed HB 869 entitled "Making an Appropriation for Energy Efficient Transportation Strategies". We thank this Committee for its strong support and assistance in getting this bill passed. HB 869 was enacted as Act 254. The Forum was tasked with conducting a study on energy efficient transportation strategies for the State of Hawaii. Requirements of the study included the following:

- (1) Developing tangible goals, objectives, desired outcomes, and actions to implement an energy-efficient transportation strategy;
- (2) Developing implementation benchmarks for measuring outcomes of energy-efficient transportation strategies; and
- (3) A cost-benefit analysis of each energy-efficient transportation strategy.

The Forum convened a steering committee to plan the scope of the work and identify the major stakeholders that should be participants in this challenging yet significant undertaking. Invited representatives from business, labor, academia, and government included state, county and Metropolitan Planning Organization transportation planners, state energy and Native Hawaiian agency officials, utility and petroleum company executives, and automobile dealer and manufacturer industry advocates. These members comprise the Energy Efficiency in Transportation Strategies Working Group ("Working Group").

After much discussion, the Working Group decided to initially focus on energy efficiency in ground transportation and developed the following consensual vision of “an energy efficient transportation system”:

“Hawaii’s energy efficient transportation integrates effective community input and planning (demand), and offers people of all ages and walks of life flexible options (supply) including mass transit, private and public vehicles and self-powered conveyance in alternative combinations that provide mobility at acceptable cost”.

With a short time frame and ambitious scope of work outlined in Act 254, the Working Group met monthly since its inception. During this period the Working Group established three goals on which the study would focus its efforts:

1. Increasing choices in ***modes of travel*** to permit the public to choose more energy-efficient and flexible modes of travel;
2. Increasing the ***fuel efficiency of Hawaii’s vehicle population*** by providing incentives will influence consumers to buy and use more efficient vehicles; and
3. Diversify energy sources available to meet transportation energy needs – greater diversity of energy sources provides additional flexibility in meeting the energy needs of the transportation sector.

We ask that the above language for the three goals replace the language in the current draft of the bill on page 2, line 17 through page 3, line 6. The Working Group unanimously agreed to the goals language above.

One of the major findings of the Working Group is that there is a lack of data upon which to establish goals and to track progress in meeting those goals. The Working Group determined that additional data are required before transportation energy efficiency benchmarks and goals for the State can be set.

Due in large measure to the enthusiasm and commitment of its diverse members, the Working Group is unified in its dedication to develop a comprehensive energy-efficient transportation strategy for the state, and therefore recommends that the 2008 Legislature appropriate funds in the amount of \$175,000 to continue its efforts instead of the \$250,000 appropriated in the current draft of the bill. The funding would be used more specifically: (1) to determine data available among government and business sources; (2) identify gaps in critical data; and (3) develop and test models leading to the establishment of a reasonable and workable plan for a statewide transportation energy information and monitoring system.

Based on the foregoing the Forum as a whole fully supports H.B. 2004, with the suggested amendments, and urges its passage by the Committee.

Thank you for the opportunity to testify.

This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies or organizations.

Statement of
YUKA NAGASHIMA
Executive Director & CEO
High Technology Development Corporation
before the
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
Thursday January 24, 2008
8:30 AM
State Capitol, Conference Room 312

In consideration of
**HB 2004 MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT
TRANSPORTATION STRATEGIES.**

Chair Morita, Vice Chair Carroll, and Members of the House Committee on Energy & Environmental Protection.

The High Technology Development Corporation supports the intent of HB 2004, along with the changes proposed by the Energy Policy Forum. There have been many good ideas introduced this legislative session that support the State's energy goals. We hope the Legislature will see it fit to support, pass and fund these ideas, together with the priorities of the Executive Supplemental Budget. HTDC provided representation on the energy-efficiency transportation strategies working group and we understand there are minor changes proposed to refine the three goals listed under Section 1(b) and the appropriation in Section 3 to \$175,000. HTDC concurs with the recommended changes by the Energy Policy Forum.

Thank you for the opportunity to submit testimony in support of HB 2004.



January 24, 2008

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
ENERGY & ENVIRONMENTAL PROTECTION
ON HB 2004 RELATING TO MAKING AN APPROPRIATION FOR A STUDY
ON ENERGY EFFICIENT TRANSPORTATION STRATEGIES.**

Thank you Chair Morita and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) which has 360 transportation related members throughout the state of Hawaii.

HTA supports this bill.

Act 254, Session Laws of Hawaii 2007 is a noble and necessary undertaking. An undertaking we are now beginning to understand and beginning to actually make concrete suggestions to.

We believe this endeavor is worthy of continuation into the future.

Thank you.