

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

LINDA LINGLE
GOVERNOR
THEODORE E. LIU
DIRECTOR
MARK K. ANDERSON
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt

Telephone: Fax: (808) 586-2355 (808) 586-2377

Statement of

THEODORE E. LIU

Director

Department of Business, Economic Development, and Tourism before the

SENATE COMMITTEES

ON

ENERGY AND EVIRONMENT

AND

TRANSPORTATION AND INTERNATIONAL AFFAIRS

Tuesday, March 11, 2008 2:45 p.m. State Capitol, Conference Room 414

in consideration of

HB2004,HD2

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

Chair Menor, Chair English, Vice Chair Hooser, Vice Chair Gabbard, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of HB2004HD2. There have been many good ideas introduced this legislative session that support the State's energy goals. We note, however, that this appropriation was not included in the Executive Supplemental Budget, and request that this appropriation not displace the priorities contained in that budget.

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 this 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.

Thank you for the opportunity to offer these comments.

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Written Testimony Presented Before the Senate Committee on Energy and Environment and Senate Committee on Transportation and International Affairs

March 11, 2008 at 2:45 p.m.

by

Virginia S. Hinshaw, Chancellor and Richard A. Dubanoski, Dean College of Social Sciences University of Hawai'i at Mānoa

HB 2004 HD2 – MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT TRANSPORTATION STRATEGIES

Chair Menor, Chair English, and Members of the Committees:

Thank you for the opportunity to testify today. Unfortunately, the University of Hawai'i at Mānoa can only support the intent of the bill at this time because of our pressing priorities, such as our tremendous need for repairs and maintenance and health and safety issues, which are critical to our ability to perform our core mission for the State of Hawai'i. We recognize you have many priorities and issues to weigh for the state. We are proud of the work of the Hawai'i Energy Policy Forum of the University of Hawai'i at Mānoa, and thank you for your support.

Thank you for the opportunity to testify, we appreciate all interest in the University, and want to emphasize that we will be able to perform better in all arenas and best serve the state with support of the current campus priorities approved by the Board of Regents.

BOB JACOBSON

Councilmember

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



333 Kīlauea Avenue, Second Floor Ben Franklin Building, Hilo, Hawai'i 96720

Mailing Address: 25 Aupuni Street, Suite 200

Phone: (808) 961-8263 Fax: (808) 961-8912

E-Mail: bjacobson@co.hawaii.hi.us

HAWAI'I COUNTY COUNCIL

County of Hawai'i

March 8, 2008 Committee on Energy and Environment Senator Ron Menor, Chair Senator Gary L. Hooser, Vice Chair And, Members

Committee on Transportation and International Affairs Senator J. Kalani English, Chair Senator Mike Gabbard, Vice Chair

Hearing Scheduled for Tuesday, March 11, 2008 at 2:45 p.m. Conference Room 414 State Capitol 415 South Beretania Street Honolulu, HI

Re: HB 2004 MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT TRASPORATION 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 statewide transportation energy information and monitoring system.

I urge you to pass HB 2004.

Bob Jacobson

Aloha,

Bob Jacobson

Hawai'i Energy Policy Forum

Mr. Robbie Alm, HECO Ms. Amy Asselbaye, Ofc of US Rep. Neil Abercrombie

Ms. Madeleine Austin, World Business Academy

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

Mr. Kyle Datta, U.S. Biomeis 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. William Kaneko, HI Institute for Public Affairs

Mr. Darren Kimura, Energy Industries Holdings Mr. Mike Kitamura, Ofc of US Sen.

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. Allyn 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

Ms. Carilyn Shon, DBEDT

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

Senate Committee on Energy and Environment
Senate Committee on Transportation & International Affairs
Tuesday, March 11, 2008
2:45 pm
Conference Room 414

IN SUPPORT OF H.B. 2004, H.D. 2 - 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, HD 2 that achieves the goal of Point Seven to improve energy efficiencies and options in transportation.

HB 2004, HD 2 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 energyefficient 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. Increase choices for modes of travel. Multiple modes of travel permit greater public choice for efficient and flexible trip planning;
- 2. Increase fuel efficiency of vehicle population. Incentives to improve the fuel efficiency of Hawaii's vehicle population will influence consumer behavior in favor of buying and using 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.

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. The Working Group has estimated that an appropriation in the amount of \$175,000 would be used as follows: (1) 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, H.D. 2 and urges its passage by the Committees. Thank you for the opportunity to testify.

GOODSILL ANDERSON QUINN & STIFEL

A LIMITED LIABILITY LAW PARTNERSHIP LLP

GOVERNMENT RELATIONS TEAM: GARY M. SLOVIN, ESQ. CHRISTOPHER G. PABLO, ESQ. ANNE T. HORIUCHI, ESQ. MIHOKO E. ITO, ESQ. JOANNA J. H. MARKLE* LISA K.KAKAZU** Alii Place, Suite 1800 • 1099 Alakea Street Honolulu, Hawaii 96813

> MAIL ADDRESS: P.O. BOX 3196 HONOLULU, HAWAII 96801

TELEPHONE (808) 547-5600 • FAX (808) 547-5880 info@goodsill.com • www.goodsill.com

INTERNET:
gslovin@goodsill.com
cpablo@goodsill.com
ahoriuchi @goodsill.com
meito@goodsill.com
jmarkle@goodsill.com
lkakazu@goodsill.com

March 7, 2008

TO:

* Government Relations Specialist ** Legal Assistant

Senator Ron Menor

Chair, Committee on Energy and Environment

Hawaii State Capitol, Room 208

FROM:

Gary M. Slovin, Esq.

H.B. 2004, HD2 - Making an Appropriation for A Study on Energy

Efficient Transportation Strategies

Hearing Date: Tuesday, March 11, 2008 at 2:45 p.m.

Dear Chair Menor and Members of the Committee on Energy and Environment:

I am Gary Slovin testifying on behalf of the Alliance of Automobile Manufacturers in support of H.B. 2004, HD2. The Alliance is a member of the Hawaii Energy Efficient Transportation Task Force.

Thank you very much for this opportunity to submit testimony.

Testimony before the Senate Committees on Energy and Environment & Transportation and International Affairs

H.B. 2004, HD2 Making an Appropriation for a Study on Energy Efficient Transportation Strategies

Tuesday, March 11, 2008 2:45 p.m., Conference Room 414

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

Chairs Menor and English, Vice Chairs Hooser and Gabbard and members of the Committees:

My name is Bill Bonnet and I am testifying in favor of this bill 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, HD 2, which would make an appropriation for the Hawaii Energy Policy Forum to collect and analyze data and to develop a plan for 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 or 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 methods, 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.

Thank you for the opportunity to testify.