

TESTIMONY BEFORE THE
HOUSE COMMITTEE ON FINANCE

Wednesday, February 20, 2008
4:30 p.m.
Conference Room 308, State Capitol

H.B. NO. 2507
RELATING TO GREENHOUSE GAS EMISSIONS REDUCTION

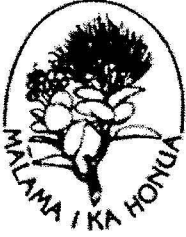
By: William A. Bonnet
Vice President, Government & Community Affairs
Hawaiian Electric Company, Inc.

Chair Oshiro, Vice-Chair Lee, and Members of the Committee:

My name is Bill Bonnet, testifying on behalf of Hawaiian Electric Company, Inc. and our subsidiary companies, Hawaii Electric Light Company, Inc. and Maui Electric Company, Ltd.

Act 234 (2007) requires statewide reduction of greenhouse gases to 1990 levels by the year 2020. Administration of this effort is assigned to the Department of Business and Economic Development & Tourism ("DBED&T"). In addition to its existing duties, DBED&T was given significant additional responsibility as a result of Act 234, but without commensurate staffing and financial resources. HB 2507 is a step in the right direction to equip the Department to handle the task of managing the task force created under Act 234. Given the importance of the work, more resources and support will be needed, and it is hoped that this bill is the precursor of additional support to come.

For these reasons, we support HB 2507 and recommend its passage. Thank you for the opportunity to testify.



Sierra Club Hawai'i Chapter

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HOUSE COMMITTEE ON FINANCE February 20th, 2008, 4:30 P.M.

(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF HB 2507

Chair Oshiro and members of the Committee:

The Sierra Club, Hawai'i Chapter, with 5500 dues paying members statewide, supports HB 2507, providing general funds for two positions to assist in implementing Act 234, the "Global Warming Solutions Act of 2007."

While enactment of Act 234 in 2007 was a bold step in reducing Hawaii's contribution to global climate change, the hard work of achieving the new greenhouse gas standard remains. The task force has held three monthly meetings thus far and has begun to plot out the timeline for objectives to fulfill the law's mandate and provide workable policy solutions for the Department of Health to codify through rulemaking. It is clear, however, that additional resources are needed to accomplish these tasks. The academic and analytical work involved in calculating and setting fair sectoral emissions limits and determining the optimal policy framework (cap and auction, carbon tax, command and control, etc) is daunting. Additional staff and funding to support contract work (to University of Hawai'i or other consultants) is needed to get the policy right.

The Sierra Club also supports non-general fund approaches to providing funds for the task force's work. House Bill 3444 proposes to increase the existing petroleum fee from the existing \$0.05 per barrel to \$0.20 per barrel. These additional funds could be used to support execution of Act 234 and other related clean energy objectives. We encourage the Committee to consider HB 3444 in conjunction with this measure to increase the barrel fee for these critical purposes.

Thank you for the opportunity to testify.

LIFE OF THE LAND

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COMMITTEE ON FINANCE

Chair: Rep. Marcus R. Oshiro

Vice Chair: Rep. Marilyn B. Lee,

WEDNESDAY, February 20, 2008

4:30 P.M.

Conference Room 308

FINtestimony@Capitol.hawaii.gov

HB 2507 RELATING TO GREENHOUSE GAS EMISSIONS REDUCTION

Aloha Chair Oshiro, Vice Chair Lee and Members of the Committee,

Life of the Land is Hawai'i's own environmental and community action group advocating for the people and the 'aina since 1970. Our mission is to preserve and protect the life of the land through sustainable land use and energy policies and by promoting open government through research, education, advocacy, and litigation.

HB 2507 has 3 dozen co-authors so it will probably pass. The bill states: " The demanding work required of the task force has created a need for two additional specialized personnel" but the bill does not state what the background requirements are required for these two specialists, nor does it state that they must be independent of the companies that will be regulated.

For example, should they be specialists in one or more of the thirteen objectives mandated by the Legislature, should they know none of them but know how to oversee complex projects, should they be political appointments?

Mahalo,

Henry Curtis
Executive Director