

HB 2507 HD1

TESTIMONY BEFORE THE
SENATE COMMITTEE ON
ENERGY AND ENVIRONMENT

Tuesday, March 18, 2008
3:15 p.m.
Conference Room 414, State Capitol

H.B. NO. 2507, H.D. 1
RELATING TO GREENHOUSE GAS EMISSIONS REDUCTION

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

Chair Menor, Vice-Chair Hooser, 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., in support of HB 2507 HD1.

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 HD1 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 this bill and recommend its passage.

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 Asselbayer, Ofc of US Rep.
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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
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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
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Ms. Melissa Pavlicek, Western States Petroleum Assn
Mr. Randy Pereira, 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
Ms. Caryl Shon, DBEDT
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
Mike Hamnett & Carl Freedman
Co-Chairs – Greenhouse Gas Emissions Working Group
Hawai'i Energy Policy Forum

Senate Committee on Energy and Environment
Tuesday, March 18, 2008
3:15 pm
Conference Room 414

IN SUPPORT OF HB 2507, HD 1 – Greenhouse Gas Emissions Reduction

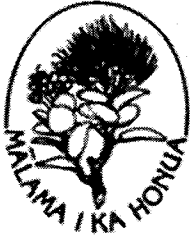
I am Mike Hamnett, Co-Chair of the Greenhouse Gas Emissions Working Group of the Hawaii Energy Policy Forum ("Forum"). The Forum is comprised of 46 representatives from the electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state 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 2507, HD 1 as it helps achieve Point 3 – Reduce Greenhouse Gas Emissions in Hawaii.

HB 2507, HD 1 establishes and funds two temporary full-time positions in the Department of Business, Economic Development & Tourism (DBEDT) to assist with the work of the Greenhouse Gas Emissions Reduction Task Force, created by Act 234, Session Laws of Hawaii 2007. The Task Force has been charged with an enormous assignment that requires completing a large amount of analytical and technical work in a relatively short amount of time. The funding of two positions dedicated solely to the Task Force's mission will help ensure that the Task Force completes its work in a thorough manner and on a timely basis.

For these reasons, the Forum supports HB 2507, HD 1 and urges the committee to pass this measure.

Thank you for this 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 organization



Sierra Club Hawai'i Chapter

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SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

March 18th, 2008, 3:15 P.M.

(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF HB 2507 HD1

Chair Menor and members of the Committee:

The Sierra Club, Hawai'i Chapter, with 5500 dues paying members statewide, supports HB 2507 HD1, 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 four 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.