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LATE TESTIMONY

Statement of:

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Primary Author: State of Hawaii Energy Emergency Plan

Wednesday, February 13, 2008

2:00 pm.

State Capitol, Conference Room 325

In consideration of

HB 3070

RELATING TO ENERGY EMERGENCY PREPAREDNESS

Honorable Chair Herkes, Vice Chair McKelvey, and Members of the Committee on Consumer Protection and Commerce:

As the primary author of the recently revised State of Hawaii Energy Emergency Plan, I am writing in support of HB 3070. The following facts are submitted for your consideration:

1. The Department of Business, Economic Development, and Tourism (DBEDT) is charged with the statutory responsibility to perform Emergency Support Function #12 - (Energy).
2. This responsibility engages in instances where the energy event is triggered either by a natural disaster or other supply disruption caused by market fluctuations, resource availability or other related occurrence.
3. The timely and consistent flow of energy information is essential to ensure the efficient operation of ESF #12. Without it, DBEDT cannot effectively develop current and comprehensive energy reports that are critical for managing an immediate or protracted statewide energy shortage.

Assertions by HECO that appropriate energy related information should be obtained through State Civil Defense:

1. This notion is inconsistent with state law. By statute, DBEDT is responsible for the performance of ESF #12. Similarly, other state agencies are responsible for assigned Emergency Support Functions. State Civil Defense relies on these agencies in order to ensure a comprehensive and effective response to a disaster. State Civil Defense is the “coordinating lead agency” in a disaster related event, but is not responsible for the performance of each and every activated ESF. It would be virtually impossible for them to do so.
2. It is vital that Committee Members understand that DBEDT is the “coordinating lead agency” in non-disaster related energy emergencies brought about by global supply disruptions, market fluctuations, or any other similar event affecting Hawaii’s energy supply availability. In these instances State Civil Defense would rely solely on DBEDT for energy related information and status reports.

Assertions by HECO that appropriate energy related information should be obtained from the PUC:

1. Unfortunately, recent legislative changes have placed DBEDT in the position of relying on the PUC for information crucial to the performance of ESF #12.
2. The PUC is a regulatory agency. DBEDT is a coordinating agency as relates to energy emergency management. The data sets required for each function are inconsistent, and cannot be obtained in a timely manner during a crisis.
3. DBEDT is responsible by law to collect, analyze, prepare comprehensive reports, and present those reports to the Governor, Legislature, the Governor’s Energy Emergency Preparedness Advisory Committee, State Civil Defense, State Agencies, and Counties. They cannot do this effectively if they must rely on information that is filtered by another agency and formatted differently. I am aware of no other state that compels an energy-coordinating agency to obtain information essential to the performance of their statutory responsibility, from a regulatory agency during a crisis.
4. DBEDT has a proven history that demonstrates their ability to safeguard confidential and proprietary information. This should not be an issue with any energy industry organization.

In conclusion, I would like to add that during the review of the draft revised Energy Emergency Plan, HECO (along with other member agencies and organizations that comprise the Energy Council), suggested several enhancements many of which were ultimately incorporated into the Final Plan.

The nature of HECO's input acknowledged the need for Supplemental Status Reports for Petroleum Operations, Gas Utility Operations, Electrical Utility Operations, and Mitigation and Conservation Programs. These Status Reports are vital elements of the overall Comprehensive Energy Situation Report that DBEDT must prepare and distribute. If information is not forthcoming in a timely manner and properly formatted consistent with the Energy Emergency Plan, then this vital Situation Report would be deemed incomplete.

I urge your support for HB3070. Thank you for the opportunity to comment.