



COLLEGE OF SOCIAL SCIENCES

HAWAII ENERGY POLICY FORUM

UNIVERSITY OF HAWAII AT MĀNOA

Hawai'i Energy Policy Forum

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 Mr. Lance Tanaka, Tesoro HI Corp
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 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
 Monday, February 4, 2008
 1:15 p.m.
 Conference Room 225

IN SUPPORT OF S.B. 2625 – Relating to Transportation

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 SB 2625 that achieves the goal of Point Seven to improve energy efficiencies and options in transportation.

SB 2625 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 the passage of this bill. 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. Increase choices in modes of travel enabling greater public choice for energy-efficient and flexible trip planning;
2. Increase the fuel efficiency of Hawaii's vehicle population by providing incentives that will influence consumers to buy and use more efficient vehicles; and
3. Diversify energy sources will provide 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.

While we strongly support the passage of SB 2625, the Working Group recommends a few amendments, which we believe will strengthen the bill as follows:

- o Working Group membership. All of the organizations listed in SB 2625 are currently members of the Working Group and need not be specified. Further, given its evolving work, the Working Group prefers to have the flexibility to add additional members in the future. Therefore, it recommends that the list of Working Group members provided in lines 20 -22 on page 4 through lines 1 through 12 on page 5 be deleted, as proposed in the attached draft of SB2625, SD1.
- o Reporting requirements. Finally, we ask the Committees to extend the reporting period from 2009 to 2010 to enable the Working Group to produce a fully developed report. We would be pleased to submit an interim progress report to the 2009 Legislature.

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) 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 whole¹ fully supports SB 2625, with the suggested amendments, and urges its passage by the Committees.

¹ This testimony reflects the position of the Forum as a whole, which deliberated upon and reached consensus; but it may not necessarily reflect the position of individual Forum members nor their companies or organizations.

A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII

1 SECTION 1. Act 254, Session Laws of Hawaii 2007, (Act 254)
2 appropriated funds to the University of Hawaii social sciences
3 public policy center to enable the Hawaii energy policy forum at
4 the University of Hawaii at Manoa to conduct a study on energy-
5 efficient transportation strategies in conjunction with the
6 department of business, economic development, and tourism. Act
7 254 required that the study include the following criteria in
8 its analysis:

9 (1) Developing tangible goals, objectives, desired
10 outcomes, and actions to implement an energy-efficient
11 transportation strategy;

12 (2) Developing implementation benchmarks for measuring
13 outcomes of energy-efficient transportation strategies; and

14 (3) A cost-benefit analysis of each energy-efficient
15 transportation strategy.

16 In August 2007, the Hawaii energy policy forum convened the
17 energy-efficiency transportation strategies working group to
18 develop the parameters of the study. The working group members

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1 include representatives from the state department of
2 transportation, the department of business, economic
3 development, and tourism, each county's transportation division,
4 labor organizations, transportation planning organizations,
5 petroleum refineries, and from the automobile dealers and
6 manufacturers industries.

7 The working group developed a vision of "an energy-
8 efficient transportation system that integrates effective
9 community input and planning (demand), and offers people of all
10 ages and walks of life flexible options (supply), including mass
11 transit, private and public vehicles, and self-powered
12 conveyance in alternative combinations that provide mobility at
13 acceptable cost."

14 The working group also established three goals on which the
15 study should focus:

16 (1) Increase choices for modes of travel. Multiple modes
17 of travel permit greater public choice for efficient and
18 flexible trip planning;

19 (2) Increase fuel efficiency of vehicle population.
20 Incentives to improve the fuel efficiency of Hawaii's vehicle
21 population will influence consumer behavior in favor of buying
22 and using more efficient vehicles; and

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1 (3) Diversify energy sources available to meet
2 transportation energy needs. Greater diversity of energy sources
3 provides additional flexibility in meeting the energy needs of
4 the transportation sector.

5 The working group also agreed upon the following:

6 (1) In order to agree upon specific transportation energy-
7 efficiency benchmarks and goals for the State of Hawaii as
8 required in Act 254, additional review of relevant data is
9 needed. The data that should be considered by the working group
10 includes transportation demand and fuel consumption data from
11 the state, county, and city jurisdictions and their respective
12 government agency sources;

13 (2) The State will be more likely to meet its goals and
14 make progress toward meeting long-term benchmarks if current
15 information on transportation system energy-efficiency is
16 regularly available and changes in energy efficiency of the
17 transportation sector are regularly monitored; and

18 (3) In order to regularly monitor progress toward meeting
19 the benchmarks that would be recommended, a statewide
20 transportation sector energy-efficiency information and
21 monitoring system should be established and maintained.

22 The working group, however, agreed that specific outcomes,
23 objectives and benchmarks as well as initiatives would be

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1 developed without examining baseline data and developing a
2 system that would monitor progress. The working group,
3 therefore, agreed upon the strategies detailed in section 2(b)
4 of this Act for the coming year to build the foundation for the
5 system.

6 The purpose of this Act is to appropriate funds for the
7 Hawaii energy policy forum to continue its work with the energy-
8 efficiency transportation strategies working group created in
9 response to Act 254, Session Laws of Hawaii 2007, to develop
10 energy-efficient transportation strategies.

11 SECTION 2. (a) The Hawaii energy policy forum at the
12 University of Hawaii at Manoa shall conduct a study on energy-
13 efficient transportation strategies in conjunction with the
14 department of business, economic development, and tourism, the
15 department of transportation, and members of the energy-
16 efficient transportation strategies working group. ~~The working~~
17 ~~group shall comprise representatives from the following:~~

- 18 ~~— (1) Each of the counties;~~
19 ~~— (2) The office of Hawaiian affairs;~~
20 ~~— (3) The research corporation of the University of Hawaii;~~
21 ~~— (4) The Hawaii natural energy institute;~~
22 ~~— (5) The Oahu metropolitan planning organization;~~
23 ~~— (6) Honolulu Clean Cities;~~

- 1 ~~(7) The Hawaii Center for Advanced Transportation~~
2 ~~Technologies;~~
- 3 ~~(8) The Hawaii State AFL-CIO;~~
- 4 ~~(9) The Hawaii Auto Dealers Association;~~
- 5 ~~(10) The Hawaii Transportation Association;~~
- 6 ~~(11) The Alliance of Automobile Manufacturers;~~
- 7 ~~(12) Energy Industries;~~
- 8 ~~(13) Tesoro Hawaii Corporation; and~~
- 9 ~~(14) The Hawaiian Electric Company.~~

10 (b) The energy-efficient transportation strategies study
11 under subsection (a) shall include but not be limited to:

12 (1) Determining data available among government and
13 business sources pertinent to energy-efficient transportation
14 strategies;

15 (2) Identifying gaps in critical data; and

16 (3) Developing a reasonable and workable plan for
17 developing, using, and maintaining a statewide transportation
18 energy information and monitoring system.

19 (c) The University of Hawaii social sciences public policy
20 center and the Hawaii energy policy forum shall continue to
21 engage and integrate the energy-efficiency transportation
22 strategies working group to engage Hawaii's business,

1 government, labor, and community leaders into the study on
2 energy-efficient transportation strategies.

3 (d) The department of business, economic development, and
4 tourism, the department of transportation and the members of the
5 energy-efficiency transportation strategies working group shall
6 consult with and otherwise assist the University of Hawaii
7 social sciences public policy center and the Hawaii energy
8 policy forum on the energy-efficient transportation strategies
9 study.

10 (e) The Hawaii energy policy forum shall submit an interim
11 report on its findings and recommendations to the legislature no
12 later than twenty days prior to the convening of the regular
13 session of 2009-, and a final report on its findings and
14 recommendations to the legislature no later than twenty days
15 prior to the convening of the regular session of 2010.

16 SECTION 3. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$175,000 or so much
18 thereof as may be necessary for fiscal year 2008-2009 for
19 ~~conducting a study on energy-efficient transportation~~
20 strategies.

21 The sum appropriated shall be expended by the University of
22 Hawaii social sciences public policy center for the purposes of
23 this Act.

1 SECTION 4. This Act shall take effect on July 1, 2008.

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