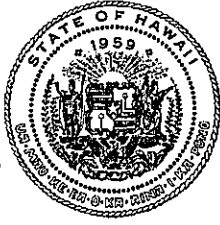


**SB 868**



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of  
**THEODORE E. LIU**  
Director

Department of Business, Economic Development, and Tourism  
before the

**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT**

Tuesday, February 10, 2009

3:45 p.m.

State Capitol, Conference Room 225

in consideration of  
**SB 868**  
**RELATING TO ENERGY RESOURCES.**

Good afternoon, Chair Gabbard, Vice Chair English, Members  
of the Committee on Energy and Environment.

The Department of Business, Economic Development, and  
Tourism (DBEDT) strongly supports SB 868, an Administration bill  
which provides amendments to Section 196-1, Hawaii Revised  
Statute, to allow the Energy Resources Coordinator (ERC) to  
effectively carry out its statutory role governing energy  
resource planning as well as preserving and ensuring Hawaii's  
energy security. SB 868 defines the various energy resources and  
market sectors that constitute the essential elements for  
developing effective energy resources plans and policy for the  
State to achieve energy independence and security. As State  
Energy Resources Coordinator (ERC), one of the primary functions  
of the DBEDT Director is to formulate plans for the optimum  
development of Hawaii's energy resources as well as preserving,

ensuring and protecting the state's energy security. The other agencies with statutory roles relating to energy have different primary missions and functions than those of the ERC. These functions are complementary and consistent, but not redundant. For instance, the Consumer Advocate represents the interests of the consumers of energy in the State, while the ERC represents the State and its broader, strategic energy policy perspectives to coordinate and manage statewide energy resource development. On the other hand, the Public Utilities Commission's role is primarily regulatory in nature, focusing on those energy sectors that are regulated by the Commission.

SB 868's proposed amendments to Section 196-2 provide clarity as to the energy resources and market sectors that are necessary and important sources of data and information that are essential and required by the ERC to effectively plan for Hawaii's energy future and energy independence.

Thank you for the opportunity to offer these comments.



**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT**

February 10, 2008, 3:45 P.M.

Room 225

**(Testimony is 1 page long)**

**TESTIMONY IN SUPPORT OF SB 868**

Chair Gabbard and members of the committee:

The Blue Planet Foundation strongly supports SB 868, clarifying and further defining duties and responsibilities of the state energy office. We view this bill as a relatively straightforward housekeeping measure that provides more depth in defining the duties of the increasingly important energy office.

Blue Planet believes, however, that it may be time to consider elevating the level of energy planning and implementation in Hawai'i. If we are serious about ending our addiction to fossil fuel and seek to be powered by 100% clean, renewable, and indigenous sources, the government office charged with guiding the transition deserves greater standing and funding within state government. We would support the creation of a state Hawai'i Energy Security Authority (HESA), something akin to the existing Hawai'i Tourism Authority (HTA). HESA would be a stand-alone entity, tasked with all aspects of planning, permitting, and implementation of Hawaii's clean energy future. The Authority would be funded solely from a fee on each barrel of oil imported into the state; as dependency on oil decreases, so does the work of the Authority, and the budget decreases accordingly. Given Hawaii's energy independence the status, funding, and prioritization it deserves would help ensure that we achieve our clean energy goals.

Nonetheless, the simple changes in SB 868 are supported as an interim step.

Thank you for the opportunity to testify.