

TESTIMONY OF HERMINA MORITA
CHAIR, PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE
HOUSE COMMITTEE ON
ENERGY & ENVIRONMENTAL PROTECTION

FEBRUARY 13, 2014
9:30 a.m.

MEASURE: H.B. No. 2156
TITLE: Relating to Greenhouse Gas Emissions

Chair Lee and Members of the Committee:

DESCRIPTION:

This measure proposes to: 1) revise Section 342B-72, Hawaii Revised Statutes, by stating that the Director of the Department of Health “may” adopt rules to establish “greenhouse gas emission limits applicable to sources or categories of sources,” and 2) removing the deadline of December 31, 2011 for the adoption of rules.

POSITION:

The Public Utilities Commission (“Commission”) supports this measure and would like to offer the following comments for the Committee’s consideration.

COMMENTS:

The Commission is keenly aware of the importance of well-designed regulation of the electric utility sector to achieve “the maximum practically and technically feasible and cost-effective reductions in greenhouse gas emissions.”

The Commission regulates Hawaii’s electric utilities and the implementation of the Renewable Portfolio Standards (“RPS”) and Energy Efficiency Portfolio Standards (“EEPS”) requiring increased use of renewable resources for the production of electricity, increased efficiency of electricity use, and reduced reliance on fossil fuels.

RPS and EEPS have been – and are projected to continue to be – effective, resulting in electricity-sector greenhouse gases at or below 1990 levels before 2020 without the need for additional regulation.

As a result of the effectiveness of RPS and EEPS, recently, the Commission, the Department of Business, Economic Development & Tourism, and the Department of Health submitted consolidated comments to the U.S. Environmental Protection Agency in response to comments to its solicitation of comments advocating for a systems approach for the implementation of its Section 111(d) of the United States Clean Air Act regulating emissions from power plants.

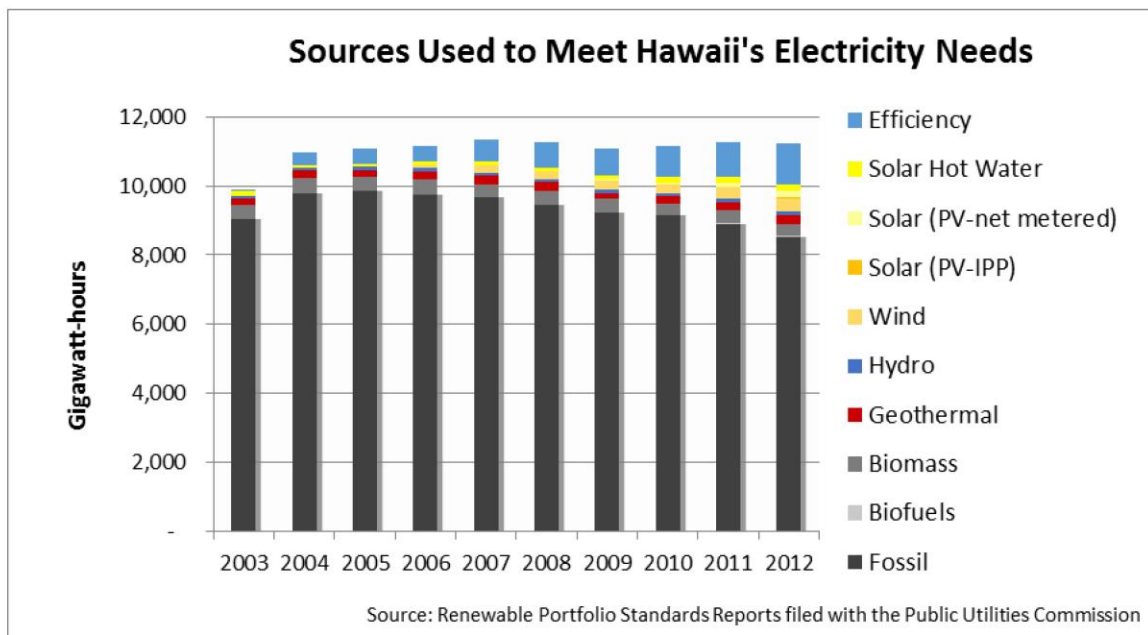
It may be ineffective and possibly counter-productive to focus on the emissions of individual generation facilities, since increased emissions at one location may be in support of lower emissions – or zero emissions – from non-combustion technologies elsewhere on the system.¹ Therefore, a systems-based approach is preferred. The passage of this bill simply removes prescriptive language to give the Department of Health more flexibility to avoid the need to promulgate unnecessary and potentially costly regulation.

Electricity generation, transmission, distribution, and use should be viewed as one complex, integrated system. Components of the system include energy efficiency, demand response, a variety of grid management techniques and energy storage options, and all feasible electricity generation technologies, energy sources, and fuels.

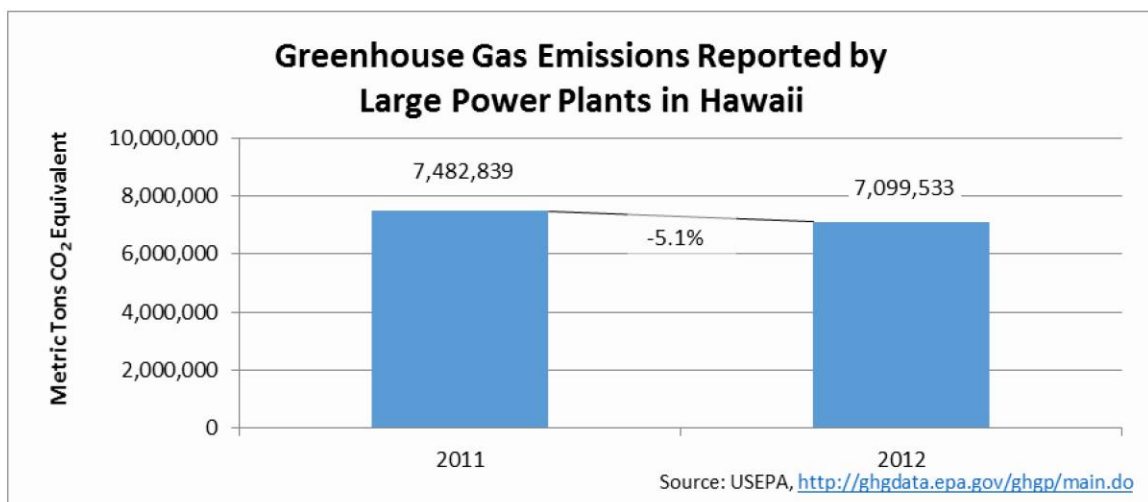
There is a concern that potential conflicts or inconsistencies between State and Federal regulations could result in delays, additional complexity, or uncertainty, reducing the rate of energy diversification. This could result in a loss of momentum, increased carbon emissions, and increased costs for Hawaii ratepayers or other energy users. Providing the Department of Health with the discretion to track progress towards State energy and emission reduction goals, prior to adopting rules and limits on specific sources, would be more effective.

As shown in the graph below, electricity sources, including efficiency, have become more diverse and less carbon intensive over the past several years.

¹For example, new generation may be provided by facilities (e.g., solar, wind) with zero carbon emissions but variable and intermittent electrical output. It may be necessary for an existing fossil unit to provide firming (i.e., ramp up and down quickly, or start up and shut down more often) to support the use of these variable sources. This may mean increased emissions from that specific fossil unit, in support of a reduction in overall electricity sector emissions. If a fossil source is precluded from providing the needed firming services, the renewables may be curtailed, resulting in higher emissions overall. See the November 2013 report by the North American Electric Reliability Corporation and the California Independent System Operator Corporation, here: http://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC-CAISO_VG_Assessment_Final.pdf. Please note that some of Hawaii's grids are already above 50% penetration of renewables, especially at times of low load, so this may be a significant issue for some units.



Significant reductions in carbon dioxide equivalent emissions have been reported for large power plants in Hawaii in recent years, as reported in the U.S. Environmental Protection Agency's Facility Level Information on Greenhouse Gases Tool,² otherwise referred to as FLIGHT, as shown in the graph below.



These greenhouse gas emissions level reductions are expected to continue, as numerous programs and projects to increase efficiency and renewable energy are under way in the electricity sector, including Commission dockets on integrated resource planning (Docket No. [2012-0036](#)); energy efficiency portfolio standards ([2010-0037](#)); as-available renewable

²U.S. Environmental Protection Agency, <http://ghgdata.epa.gov/ghgp/main.do>

electricity generation (Docket No. [2011-0225](#)); investigation of Oahu-Maui interisland transmission system (Docket No. [2013-0169](#)); reliability standards working group (Docket No. [2011-0206](#)); demand response (Docket No. [2007-0341](#)); feed-in tariffs (Docket No. [2013-0194](#)); the public benefit fee energy efficiency program (Docket No. [2007-0323](#)); on-bill financing (Docket No. [2011-0186](#)); various electric utility rate cases; investigation of decoupling (Docket No. [2013-0141](#)); and requests for proposals and waivers for renewable energy projects, to name several notable proceedings.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

COMMITTEE ON ENERGY AND ENVIRONMENT
H.B. 2156 RELATING TO GREENHOUSE GAS EMISSIONS

Testimony of Gary Gill
Deputy Director, Environmental Health Administration

February 13, 2014
9:30 a.m.

1 **Department's Position:** The Department of Health (Department) supports the intent of this bill to
2 provide more flexibility for the Department, but we feel the measure is not needed.

3 **Fiscal Implications:** None.

4 **Purpose and Justification:** This bill amends Chapter 342B, HRS to remove the deadline and mandate
5 for the Department to adopt rules implementing the 1990 statewide greenhouse gas (GHG) emission
6 limit. In 2007, Act 234 established a statewide GHG emission limit and required the Department to
7 adopt rules to implement the limit. The statewide GHG emission limit was set at the 1990 emission
8 level and is required to be achieved by the year 2020.

9 This bill is not necessary. The Department has determined that in order to meet the 1990
10 statewide GHG emission limit, GHG emission reductions and the adoption of administrative rules are
11 required. The Department has completed the administrative rulemaking process with the final rules
12 currently awaiting the Governor's approval. The GHG rules will require approximately 20 of the largest
13 GHG emitting facilities to submit a plan to reduce GHG emissions by 16 percent by the year 2020.

14 Thank you for the opportunity to testify on this bill.

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HADA testimony
 With Comments and Deep Concerns
 on HB2156
 RELATING TO GREENHOUSE GAS EMISSIONS
 Presented to the House Committee on Energy & Environmental Protection
 for the public hearing
 9:30 a.m. Thursday, February 13, 2014

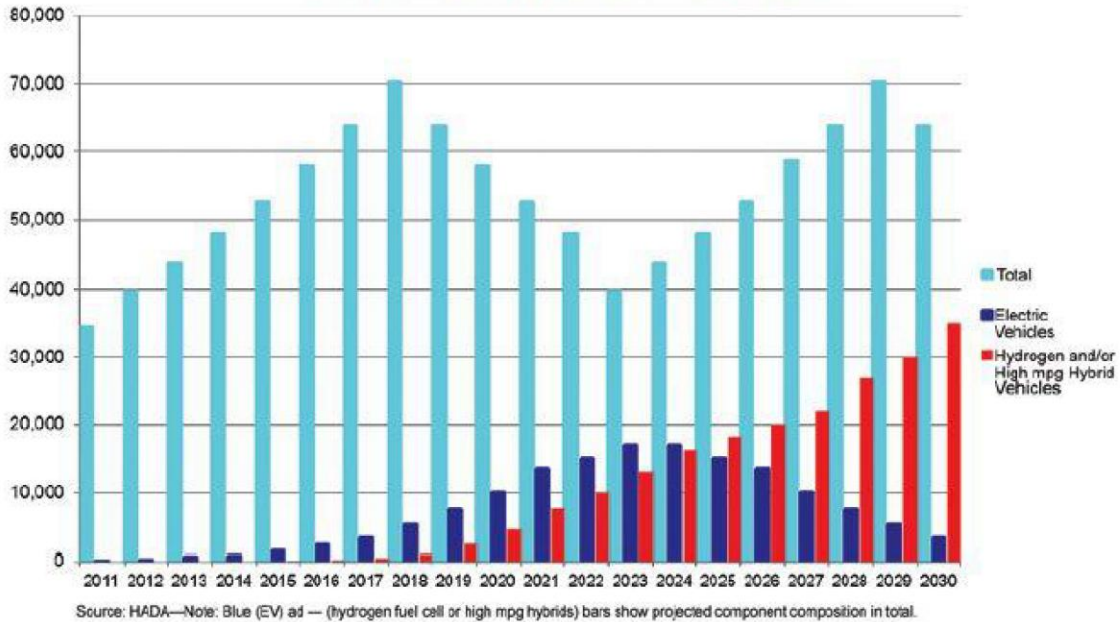
by the Member of the Hawaii Automobile Dealers Association
 Hawaii's new car dealers

Chair Lee, Vice Chair Thielen and members of the committee:

As many in Hawaii know, HADA dealers have worked diligently to help fulfill the goals of the Hawaii Clean Energy Initiative. Dealers, through voluntary efforts and investments in inventory and technology, have helped Hawaii achieve a high level of success in uptake of vehicles that use renewable energy. See the HADA chart showing the vehicle uptake needed:

Electric /Hydrogen Vehicle Adoption Rate 2011-2030

Needed to meet goals of Hawaii Clean Energy Initiative



With continued support, Hawaii can stay on track.

It should be noted that states which seek to regulate air standards with regard to mobile emissions must comply with those standards set by the California Air Resources Board (CARB).

Mandates like those in California, however, have proven ineffective and disruptive.

Hawaii would be ill-served to become a CARB state.

Please see the link below to the study done by the National Automobile Dealers Association—which showed the ineffectiveness and disruptiveness of the California mandates.

<http://www.nada.org/NR/rdonlyres/03616653-B6E2-48C3-89FA-765114FEDEF5/0/PatchworkProvenExecutiveSummary.pdf>

Hawaii wisely chose NOT to adopt the so-called California mandate on zero emission vehicles and has had success with voluntary adoption

The car business evolved naturally and it continues to evolve.

Many cost-conscious and eco-conscious customers are pre-walking the showrooms online, comparing prices and the new fuel-saving features, before making a trip down to the dealership to buy.

According to a recent report, the average new vehicle customer prior to 2006, visited 4.1 dealerships before making a car purchase; today's number is 1.3.

While car shopping has become more efficient, the new car has evolved too.

Just like the snow leopard evolved to a white coat, the fossil-fueled car is evolving into the slipstream efficient, 40 mpg, 50 mpg models and hybrid models...and electric cars with their 100+mpg equivalence.

In 2014, along comes hydrogen to propel new cars. The most abundant element in the universe—in a highly-reinforced tank inside a car—will send its electrons through a circuit and create an electric car of a different sort. Its tank will be refilled conveniently and quickly at hydrogen fueling stations.

It's an evolution envisioned by many car makers.

It will take a lengthy adoption period for the new fuel technology to become ubiquitous in private passenger vehicles—which, because of the freedom of mobility which cars provide—will see private transportation remain the primary form of transportation in America.

Transformation takes time.

As a HADA dealer member pointed out at a VIP Preview Night speech at the auto show, it has taken decades to see cell phone technology evolve from its 1983 introduction. Many will recall the heavy Motorola 8300—which some called “The Brick”—which has evolved to the sleek, lightweight SmartPhones of today.

No one believes this natural adoption process could have been accelerated by California mandating cell phone production. Yet the California state legislature has done just that with regard to vehicles, mandating that 4.5% of manufacturers’ sales in 2018 be hybrid vehicles (capable of operating on electric power as well as other power) or zero emission vehicles (ZEVs).

Ten or so states have followed suit.

But this interference with the Natural Process of the adoption of these vehicles has already disrupted automakers attempts to supply zero emission vehicles.

There is a growing market for electric cars, even though there is a lack of public charging infrastructure, 100-mile range considerations, and low-information about the cost-saving benefits. Yet, these cars have become increasingly popular for savvy homeowners who have short commutes and who have found ways to enjoy the cost savings of PV + EV...the so-called “sunshine driving” using photovoltaic home rooftop units to power their homes and cars.

Some 1,200 EVs are on the roadways in Hawaii. The highest adoption rate of any state.

Nature’s Power is following Nature’s Process in adoption.

California, over the years, has failed to achieve mandated levels placed on the auto industry through eight separate mandates, all the while, interrupting electric vehicle adoption in non-California-mandate states.

Hawaii wisely chose not to be a state to adopt the EPA-recognized California Air Resources Board’s (CARB) mandate for zero emission vehicles. But Hawaii has suffered a bit by the lack of early availability of these vehicles which had to be allotted to states which had adopted the California mandate.

With the failure of California mandates, and lack of flexibility, states like New Mexico and Arizona, which had early adopted the mandates during a the mandate craze, have repealed their unworkable CA-LEV mandate laws.

The free market for vehicle purchase, under manufacturer mandate conditions imposed by states, acts like a caged animal and fails to reproduce normally.

When federal regulatory officials decide to free America from the EPA's grandfathered California mandates the world's automakers will see all states, including Hawaii and the many non-mandate states, move forward more rapidly in the natural market process of renewable fuel vehicle adoption.

Aristotle wrote that nature does nothing in vain.

Regarding ZEV Mandates...

“In terms of what would be out there years in advance, we've been wrong every time.”

Jerry Martin
a CARB spokesperson

Also, regarding California's failed ZEV mandates, please note the following:

First issued in 1990—
--reissued in 1996
--reissued in 1998
--reissued in 2000
--reissued in 2001
--reissued in 2003
--reissued in 2008

Source—
Association of Automobile
Manufacturers

It is clear that mandates through state efforts to regulate air standards are disruptive in that manufacturers have a difficult time building vehicles for different state requirements.

We offer these comments with continuing support of the Hawaii Clean Energy Initiative.

In conclusion, establishing greenhouse gas emission limits on sources or categories of sources (which include mobile sources) by authorizing the Director of Health to adopt rules pursuant to chapter 91 (Hawaii Administrative Rules) would set back the successful adoption process that is underway.

For the above reasons, which would set back efforts underway, HADA requests that HB2156 be held in committee.

Respectfully submitted,

David H. Rolf
Hawaii Automobile Dealers Association
1100 Alakea St. Suite 2601
Honolulu, Hawaii 96813
Tel: 808 593-0031

Testimony before the House Committee on Energy and Environmental Protection

H.B. 2156 -- Relating to Greenhouse Gas Emissions

Thursday, February 13, 2014
9:30 a.m., Conference Room 325

By Ron Cox
Hawaiian Electric Company, Inc.

Written Testimony Only

Chair Lee, Vice Chair Thielen and Members of the Committee:

My name is Ron Cox. I am the Vice President of Power Supply at Hawaiian Electric Company. I am providing written testimony on behalf of Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company (the "Hawaiian Electric Companies").

The Hawaiian Electric Companies understand the general intent of H.B. 2156, which proposes to amend subsections (a), (b), and (e) of Hawaii Revised Statutes, Section 342B-72 to provide the Health Department director with flexibility in adopting statewide rules for the reduction of greenhouse gas (GHG) emissions. Hawaiian Electric has long been a supporter of Act 234¹, which requires reduction of GHG emissions in Hawaii to 1990 levels by January 1, 2020. The Act 234 GHG Emissions Reduction Task Force in which the Hawaiian Electric Companies actively participated, unanimously recommended an enhanced version of the Hawaii Clean Energy Initiative, called Work Plan #1, to achieve Act 234 GHG reduction goals.² Increased use of renewable energy is a key element of Work Plan #1 and the Hawaiian Electric Companies are a strong supporter of renewable energy. Currently, renewable energy provides

¹ Act 234, 2007 Session Laws (codified in part in Hawaii Revised Statutes, §432B-71 to -73)

² *Report to the Twenty-Fifth Legislature, State of Hawaii, Work Plan for Greenhouse Gas Emission Reductions, Prepared by: The Greenhouse Gas Emissions Reduction Task Force (December 30, 2009)*, at p. 3.

nearly 18% of our customers' electricity, which is twice the percentage of just five years ago and already greater than Hawaii's 2015 renewable portfolio standard goal of 15%.³

The Hawaiian Electric Companies also note several recent federal GHG initiatives, including the President's Climate Action Plan⁴ and an Executive Directive to the EPA to adopt GHG limits for new and existing power plants.⁵

The Hawaiian Electric Companies support legislation that provides the director with flexibility to better coordinate state GHG rules with the existing and pending federal laws and regulations, with the various elements of the Hawaii Clean Energy Initiative, and with the requirements and processes of other Hawaii government bodies such as the Hawaii Public Utilities Commission. Moreover, we believe that the director should have discretion to take account of the significant progress that has already been made towards the goals of the Act. In light of Hawaiian Electric Companies' aggressive renewable energy programs and other federal and state GHG programs and requirements, we suggest that the Committee consider the following amendment to the bill:

- Amendment to 342-72 subsection (c):
 - (c) Any rule adopted by the director pursuant to this section shall ensure all of the following:
 - (1) The greenhouse gas emission reductions achieved are real, permanent, quantifiable, verifiable, and enforceable by the director;
 - (2) Any greenhouse gas emission reduction requirements are distributed as equitably as practicable among stationary, mobile, and other sources and take into account reductions actually achieved by sources since the 1990 baseline year, to the extent that information is available; and**
 - (23) If applicable, the greenhouse gas emission reduction occurs over the same time period and is equivalent in amount to any direct emission reduction required pursuant to this part.**

Thank you for the opportunity to testify.

³ See Hawaiian Electric Companies' 2013 IRP Report and Action Plan, at http://www.hawaiianelectric.com/vcmcontent/IntegratedResource/IRP/PDF/IRP_2013_Report-Executive-Summary-Transmitta-Letter.pdf

⁴ Available at <http://www.whitehouse.gov/sites/default/files/image/president27sclimateactionplan.pdf>

⁵ Presidential Memorandum—Power Sector Carbon Pollution Standards, June 25, 2013.



HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

February 13, 2014, 9:00 A.M.

Room 325

(Testimony is 3 pages long)

TESTIMONY IN OPPOSITION TO HB 2156

Chair Lee and members of the Energy & Environmental Protection Committee:

The Blue Planet Foundation ***strongly opposes*** HB 2156, a measure which repeals the requirement that the Department of Health establish rules to achieve Hawaii's greenhouse gas reduction targets.

First of all, we note that the Department of Health has *already* prepared these rules. HB 2156 threatens to render that prior effort a waste of taxpayer money, for no benefit.

Furthermore, HB 2156 will: (1) impose a significant setback for enforcement of Hawaii's greenhouse gas (GHG) reduction effort, (2) create a serious risk that the state will not achieve its carbon pollution goals, even in the face of national and international recognition that dealing with climate-changing GHG emissions must be an urgent priority, and (3) damage Hawaii's reputation as a policy leader in GHG mitigation efforts.

Put simply, the policy before you would eliminate the sensible requirement that Hawaii implement rules to achieve the maximum practically and technically feasible and cost-effective reductions in carbon pollution emissions.

Background of Hawaii's approach to reducing carbon pollution

The historic Act 234 of 2007 was one of the first laws in the nation to set binding, enforceable caps on a state's climate-changing greenhouse gas emissions. The law, modeled after California's AB 32 of 2006, has three objectives:

1. Identify and inventory all sources of greenhouse gases, including secondary sources and “leakage” (GHG emissions increased outside of the state due to Hawai‘i activity). This inventory sets the baseline for 1990 levels and current trajectories.
2. Set a binding cap of 1990 GHG levels—the maximum level of pollution—to be achieved by 2020.
3. Adopt rules to achieve the GHG limits. The law requires that the Department of Health develop rules with stakeholders that enable the various GHG emitting sectors to meet the emissions target. The law directs the State to establish “emissions reduction measures to achieve the maximum practically and technically feasible and cost-effective reductions in greenhouse gas emissions...” (emphasis added). The law further specifies that the rules ensure that any GHG emissions reductions are real, permanent, quantifiable, verifiable, and enforceable.

DOH has already prepared rules using a system-wide GHG assessment

The first two objectives of Act 234 have been accomplished. For the third, the Department of Health prepared draft GHG reduction rules. After receiving public comment on the initial draft of these rules, DOH issued a revised set of rules that now await Gov. Neil Abercrombie’s signature.

In brief, the rules prepared by DOH address the largest carbon polluters in the state, such as power plants and refineries. These large polluters would be required to submit and implement a plan for reducing their emissions. The revised rules make it easier for the affected facilities to meet the targets, by requiring that they reduce their carbon pollution emissions by 16% instead of the previous 25% target (measured relative to 2010 emissions). This change was based on an updated assessment of system-wide GHG emissions, and what it will take to meet the 1990 level required by law. In addition, the revised rules allow for affected facilities to “partner” with other facilities so as to ensure that the entire system of large polluters collectively achieves the required target. This system-wide approach enables the most cost-effective reductions to be taken first.

Blue Planet supports these efforts to cut carbon pollution and we have been advocating for the rules to be signed. Carbon pollution almost invariably represents waste in our economy, as nearly all that carbon is imported at a cost of billions annually to residents. We have the tools and solutions today to show the world how a modern energy system functions. The GHG rules can usher in a new era for smart energy in Hawai‘i, and provide a “backstop” to support sustainable clean energy progress.

Greenhouse gas reduction rules are needed as a backstop to energy goals

The predominant argument for gutting Act 234's rule requirement appears to be that GHG reduction rules are "unnecessary" because attainment of Hawaii's Clean Energy Initiative (HCEI) will sufficiently reduce GHG emissions through the renewable portfolio standard (RPS) and energy efficiency portfolio standard (EEPS).

While achievement of the RPS and EEPS targets may result in GHG emissions below 1990 levels in 2020, it is not a certainty. Only the electricity RPS and EEPS have been codified in statute. Moreover, the measurement of RPS and EEPS standards does not measure success relative to GHG emissions. If HCEI is successful in reducing Hawaii's dependence on fossil fuels, then GHG emissions may fall. Under the current law, DOH has the authority and discretion to address that situation through its rules.

But if Hawai'i is serious about reducing the emissions of climate-changing carbon pollution, a back-up plan should be in place to ensure that fossil fuel reduction plans stay on track irrespective of HCEI's success or failure. DOH's rules are that "backstop."

A "wait and see" approach could fail, and will invite litigation

Some have suggested that GHG action at the federal level could affect the state's approach. However, it is unclear whether the EPA will implement a GHG reduction policy for existing carbon polluters. Moreover, there is nothing yet to suggest that Hawaii's rules will be incompatible with federal rules. Indeed, the existence of robust state GHG rules may help to ensure that Hawaii's approach remains cost-effective and designed for our unique island environment – rather than being forced into a homogenous federal regime that may, or may not, make sense for Hawaii.

In the absence of state rules, if there is any uncertainty regarding achievement of Act 234's 2020 target, it will invite litigation for a judicial determination of whether rules are required. It will be much more efficient and effective to leave this task to DOH, before judicial intervention becomes necessary.

Greenhouse gas reduction rules are needed now more than ever

California—which passed a GHG law a year prior to Hawaii's law—has completed their rulemaking process. California met their 2010 deadline to put in place a framework for rules governing carbon abatement. In fact, an oil and gas industry-led effort to repeal California's

GHG law failed three years ago. Other states, including New Jersey and Massachusetts, are proceeding with GHG policy in the absence of federal action.

Hawai'i is ground zero for impacts of climate change. Our islands face dramatic loss of beaches and shoreline with sea level rise, extreme changes to agriculture due to shifting precipitation patterns, and loss of marine life (and shoreline protection) from ocean acidification.

Since Hawaii's greenhouse gas law passed in 2007, many of the predicted impacts of human-caused climate change are occurring much faster than anybody expected—particularly ice melt. The last few years have been among the hottest globally in recorded history, and extreme weather events—consistent with climate change models—are increasing.

Hawai'i can and must be a leader in GHG reduction. It is critical that we retain a framework for rules to reduce GHG emissions statewide.

Blue Planet Foundation respectfully asks this committee to hold HB 2156.

Mahalo for this opportunity to testify.

HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Borgnino	Individual	Support	No

Comments: We need to have more control to slow down global warming.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Nancy Davlantes	Individual	Support	No

Comments:

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HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn L Knoll	Individual	Oppose	No

Comments:

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Testimony of Dr. Danny P. de Gracia, ThD

Regarding the measure

HB2156, Relating to Greenhouse Gas Emissions
to be heard by the House Committee on Energy & Environmental Protection
on February 13, 2014 at 9:30 am in Conference Room 325

Chair Lee, Vice Chair Thielen, Honorable Members of the Committee,

Thank for the opportunity to submit testimony in opposition to HB 2156, Relating to Greenhouse Gas Emissions.

It is my belief that the State of Hawaii should implement and enforce existing environmental laws regarding greenhouse gas emissions. Please defer this measure and work within the already existing regulatory structure.

HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Reed Gach	Individual	Oppose	No

Comments: Legislation HB 2156 makes the rules that I believe are vital for Hawaii discretionary, rather than a requirement. This would gut Hawaii's greenhouse gas law and essentially ensure no rules go into effect. Please vote against Hb 2156 Michael Reed Gach, Ph.D. P. O. Box 1808 Kihei HI 96753

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HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Todd Hairgrove	Individual	Oppose	Yes

Comments:

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HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
B.A. McClintock	Individual	Oppose	No

Comments: This bill will gut Hawaii's greenhouse gas law. We cannot morally nor environmentally afford to do this. Hawaii needs to continue to be environmental leaders on the climate change front, because, as an island, we will be the first to suffer. Please do all possible to stop this bill.

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Aloha,

I am OPPOSED to (HB 2156) to make the rules optional, rather than an obligatory!

I am in favor of greenhouse gas emission limits, and oppose efforts to undermine existing law. The Hawaii greenhouse gas emission limits law, called to reduce emissions to less than or equal to 1990 levels. It is **PAST TIME** for the Governor to sign the necessary documents to move forward!

Hawaii needs to take the lead to reduce the effects of climate change. Without a worldwide effort Hawaii is most likely to experience sea level rise, reduced rainfall, and severe storms; and we can realize tremendous savings by generating clean, renewable energy.

The influence of ALL Entities which oppose any effort to reduce greenhouse gas emission, must get their heads out of the sand, or ALL HUMANITY will SUFFER!

Mahalo!

HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Karen Chun	Individual	Oppose	No

Comments: Why on earth would anyone EXCEPT HECO/MECO want to gut the CO2 standards that the legislature passed by making them discretionary? You know that HEI makes its money importing oil/gas/coal into the state to run their subsidiaries HECO and MECO generators. Of course they want you to gut the CO2 requirements! Please vote no on this special interest bill that is NOT in our interest as an island state.

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HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30A m 325

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Dave Kisor	Individual	Oppose	No

Comments: Belay my last, I meant to oppose this bill! I was supporting greenhouse gas limits.

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TO THE HOUSE COMMITTEES ON
ENERGY & ENVIRONMENTAL PROTECTION,

LATE

THE TWENTY-SEVENTH LEGISLATURE
REGULAR SESSION OF 2014
THURSDAY, February 13, 2014

TESTIMONY OF CLIFTON M. HASEGAWA, PRESIDENT AND CEO
CLIFTON M. HASEGAWA & ASSOCIATES, LLC

LATE

TESTIMONY OF CLIFTON M. HASEGAWA, PRESIDENT AND CEO
CLIFTON M. HASEGAWA & ASSOCIATES, LLC

TO THE HONORABLE CHRIS LEE, CHAIR
THE HONORABLE CYNTHIA THIELEN, VICE CHAIR
AND

MEMBERS OF THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION (EEP)

REPRESENTATIVE TY J.K. CULLEN

REPRESENTATIVE NICOLE E. LOWEN

REPRESENTATIVE CINDY EVANS

REPRESENTATIVE SCOTT Y. NISHIMOTO

REPRESENTATIVE FAYE P. HANO HANO

REPRESENTATIVE CALVIN K.Y. SAY

REPRESENTATIVE DEREK S.K. KAWAKAMI

REPRESENTATIVE RICHARD LEE FALE;

HOUSE BILL NO. 2156 - RELATING TO GREENHOUSE GAS EMISSIONS

DESCRIPTION: Provides the Director of Health (DOH) discretion to adopt rules for:

1. Establishing greenhouse gas emission limits applicable to sources or categories of sources, to be achieved by January 1, 2020, and establishing emission reduction measures to achieve the maximum practically and technically feasible and cost-effective reductions in greenhouse gas emissions in furtherance of achieving the statewide greenhouse gas emissions limit; and
2. Requiring the reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance.

POSITION:

I oppose H.B. 2156 as worded.

I recommend that H.B. 2156 be re-worded to make the adoption of rules by the Directory of Health mandatory and that the Directory of Health submit proposed rules to the Hawaii Legislature by March 26, 2014 for the following reasons:

The data that follows is posted on the Environmental Protection web site. The data demonstrates that the DOH program, in place, effectively and efficiently monitors and reports, greenhouse gas emissions. The effective and efficient enforcement of State and Federal laws to reduce and minimize greenhouse gas emissions by DOH is severely in need of reform.

The enforcement of violations by the DOH Clean Air Branch was put to the test by members of StopCaneBurning.org.

The Anti-Cane Burning advocates worked tirelessly to call attention to the need for enforcement of violations of permits issued by the DOH Clean Air Branch, bringing Hawaii out of the dark ages to have Hawaii recognize Federal laws, technical studies, and reports that are material and relevant to clean air and the minimizing of greenhouse gas emissions.

THE HAWAII RENEWABLE ENERGY INDUSTRY HAS AND CONTINUES TO MOVE FORWARD TO REDUCE GREENHOUSE GAS EMISSIONS.

TO ALLOW EMITTERS TO CONTINUE TO DO BUSINESS AS USUAL, WITHOUT LIMITATION AND RESTRICTION, IS COUNTERPRODUCTIVE AND HYPOCRITICAL.

EPA - 2012 GREENHOUSE GAS EMISSIONS FROM LARGE FACILITIES

FACILITY NAME/LOCATION 2012 EMISSIONS - METRIC TONS CO_{2e}

MAUI

CENTRAL MAUI LANDFILL REFUSE & RECYCLING CENTER

PUUNENE, HI, 96784 18,480

HAWAIIAN COMMERCIAL AND SUGAR COMPANY

PUUNENE, HI, 96784 164,307

MAUI ELECTRIC CO (MECO) - KAHULUI GENERATING STATION

KAHULUI, HI, 96732 177,796

MAUI ELECTRIC CO (MECO) - MAALAEA GENERATING STATION

KIHEI, HI, 96753 521,821

MAUI ELECTRIC CO (MECO) - PALAAU GENERATING STATION

KAUNAKAKAI, HI, 96748 24,574

BIG ISLAND

HAMAKUA ENERGY PARTNERS

HONOKAA, HI, 96727 140,188

HAWAII ELECTRIC LIGHT CO (HELCO) - KANOELEHUA HILL GENERATING STATION

HILO, HI, 96720 173,355

HAWAII ELECTRIC LIGHT CO (HELCO) - KEAHOLE GENERATING STATION

KAILUA KONA, HI, 96740 154,719

HAWAII ELECTRIC LIGHT CO (HELCO) - PUNA GENERATING STATION

KEAAU, HI, 96749 81,314

WEST HAWAII LANDFILL / PUU ANAHULU

WAIKOLOA, HI, 96738

OAHU

AES HAWAII INC

KAPOLEI, HI, 96707 1,319,720

ASPHALT HAWAII KALAELOA ASPHALT TERMINAL

Kapolei, HI, 96707 2,031

CHEVRON PRODUCTS COMPANY HAWAII REFINERY

KAPOLEI, HI, 96707 568,095

CITY & COUNTY OF HONOLULU - WAIMANALO GULCH MSWLF

KAPOLEI, HI, 96707 43,308

COVANTA HONOLULU RESOURCE RECOVERY VENTURE (H-POWER)

KAPOLEI, HI, 96707 212,935

HAWAIIAN ELECTRIC COMPANY (HECO) - WAI'AU GENERATING STATION

PEARL CITY, HI, 96782 862,773

HAWAIIAN ELECTRIC COMPANY (HECO) CAMPBELL INDUSTRIAL PARK GENERATING STATION

KAPOLEI, HI, 96707 37

HAWAIIAN ELECTRIC COMPANY (HECO) KAHE GENERATING STATION

Kapolei, HI, 96707 2,407,018

HAWAIIAN ELECTRIC COMPANY (HECO)-HONOLULU GENERATING STATION

HONOLULU, HI, 96813 53,675

KALAELOA COGENERATION PLANT

KAPOLEI, HI, 96707 913,579

KAPAA AND KALAHEO SANITARY LANDFILLS

Kailua, HI, 96734 71,335

PALAILAI LANDFILL

Kapolei, HI, 96707 37,478

REFINERY KAPOLEI

KAPOLEI, HI, 96707 520,851

SNG PLANT

Kapolei, HI, 96707 30,828

KAUAI

KAUAI ISLAND UTILITY COOPERATIVE - KAPAIA POWER STATION

LIHUE, HI, 96766 126,131

KAUAI ISLAND UTILITY COOPERATIVE, PORT ALLEN GENERATING STATION

ELEELE, HI, 96705 142,831

KEKAHA LANDFILL

Kekaha, HI, 96752 45,477

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Thank you for the opportunity to testify on this measure.

Clifton M. Hasegawa, President

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LATE

HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Thorne Abbott	Individual	Oppose	No

Comments: The hard efforts of Department of Health staff to draft regulations to control green house gases should not be ignored but rather should be implemented immediately. Please respect their efforts and defer this bill which would defeat the purpose and intent of those efforts. Mahalo!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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LATE

HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
	Individual	Oppose	No

Comments: Aloha, I write in opposition to this bill which would make the rules by the Department of Health discretionary in relationship to reducing greenhouse gas. Hawaii is becoming subject to the effects of climate change and without being a positive influence on the reductions of greenhouse gas emissions we will only be contributing to the detriment of our island communities. Therefore, I encourage you to HOLD this bill and allow past legislation to continue unimpeded. Mahalo, Cynthia K.L. Rezentos

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LATE

Thursday, February 13, 2014 / 9:30 A
Hawaii State Capitol, Room 325

House Bill 2156: Relating to Greenhouse Gas Emissions

Aloha Chair Lee and Vice Chair Thielen, and members of the House committee on Energy & Environmental Protection,

We are writing in support of HB 2156, Relating to Greenhouse Gas Emissions which would provide the director of the state Department of Health with greater flexibility in creating rules to reduce greenhouse gas emissions.

Chevron has worked with the Department of Health and other stakeholders concerning greenhouse gas emissions since the passage of Act 234 in 2007. We recognize that adopting rules for the state that achieve the goal of reducing emissions that are fair, reasonable, technically and economically feasible is a very time-consuming and complex task. Chevron supports HB 2156 as it provides the Department of Health additional flexibility and the time necessary to address the complex issues in a comprehensive manner.

Act 234 initially set 1990 as a benchmark goal for emissions reductions. Since 1990, the Chevron Hawaii refinery has systematically reduced its greenhouse gas emissions footprint, and has therefore not contributed to any increase in emissions that Act 234 seeks to reduce. Unfortunately, under the current draft rules without HB 2156, Chevron may nevertheless be required to further reduce its GHGs – something that is not technically or economically feasible for the refinery.

In summary, Chevron supports HB 2156 because it will give the Director the flexibility to confirm the GHG reductions achieved in the past by the Chevron Hawaii Refinery and possibly other sources, and focus the emissions reduction program on those stationary and other sources that are contributing to increased emissions since 1990.



LATE

COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

February 13, 2014, 9:30 A.M.
(Testimony is 1 page long)

TESTIMONY IN STRONG OPPOSITION TO HB 2156

Aloha Chair Lee and Members of the Committees:

The Sierra Club of Hawai'i, with over 12,000 dues paying members and supporters statewide, ***strongly opposes*** HB 2156. This measure gives the Director of the Department of Health the discretion whether to enforce Hawaii's greenhouse gas emission limits or not.

The Sierra Club supports tough, enforceable greenhouse gas emission limits. We must regulate the amount of pollutants produced in order to show leadership in mitigating our greenhouse gas emissions.

Further, this law is an important backstop on the state's broader clean energy goals. While we all hope our renewable portfolio standards will help limit the amount of greenhouse gas emitted in Hawai'i, we believe a governmental agency should be regulating these pollutants with an eye towards reducing the overall emissions. If our goals are not achieved, industry can be told to essentially price the cost of carbon.

We recognize certain parts of the industry are not happy with the current draft rules. This is something that can and should be resolved through the administrative process. There is no justification for gutting Hawaii's already moderate emission limits.

Mahalo for the opportunity to testify.

LATE

HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Marjorie &/or Duane Erway	Individual	Oppose	No

Comments: Please stop this very bad legislation from going into law! We have the greatest potential for generating renewable and clean energy! Mahalo for your consideration.

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HB2156

Submitted on: 2/13/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Support	No

Comments: Strongly Support.

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LATE

HB2156

Submitted on: 2/12/2014

Testimony for EEP on Feb 13, 2014 09:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Autumn Rose	Individual	Oppose	No

Comments: NO weakening of greenhouse gas requirements. "God always forgives. People sometimes forgive. But NATURE, mistreated, NEVER forgives."-- Pope Francis, Jan.2014. Global warming is real. We are in the midst of it. Gov. Abercrombie just needs to SIGN the bill on his desk. No need this bill. Kill it.

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