



DAVID Y. IGE  
GOVERNOR

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DIRECTOR

## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of  
**MIKE MCCARTNEY**  
Director

Department of Business, Economic Development, and Tourism  
before the

### HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Thursday, March 14, 2019  
8:35 AM  
State Capitol, Conference Room #325

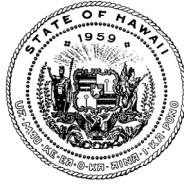
In consideration of  
**SB 1241, SD1**  
**RELATING TO ENERGY DATA.**

Chair Rhoads, Vice Chair Wakai, and members of the Committees. The Department of Business, Economic Development, and Tourism (DBEDT) **supports** SB 1241, SD1, which permits DBEDT to share energy data with the Department of Health (DOH) for the purposes of regulating greenhouse gas emissions.

DOH is the primary agency with regulatory oversight of Hawaii's Greenhouse Gas (GHG) emissions and compliance with Act 234, Session Laws of Hawaii, 2007. Act 234 requires that by January 1, 2020, Hawaii's GHG emissions be reduced below 1990 levels as estimated by DBEDT. To create this estimate DBEDT was privy to confidential information about Hawaii's fuel supply chain included in the energy data collection program outlined in Section 486J-5.5, Hawaii Revised Statutes (HRS). Without this data, DOH is unable to comply with its statutory requirement under Section 342B-72, HRS, and Section 11-60.1-204(k), Hawaii Administrative Rules, to provide an annual evaluation of progress to achieve the statewide greenhouse gas emission limits in accordance with the method used by DBEDT to prepare the 1990 gas emissions estimates set out in Act 234.

To this end it is essential for "greenhouse gas emissions inventory reporting" to be added to the list of activities supported by the energy data collection program, and for DOH to be added to the list of state departments that have access to the corresponding database.

Thank you for the opportunity to testify.



**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
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**Testimony in SUPPORT of SB1241, SD1  
RELATING TO ENERGY DATA**

REPRESENTATIVE NICOLE E. LOWEN, CHAIR  
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Hearing Date: March 14, 2019

Room Number: 325

1 **Fiscal Implications:** None.

2 **Department Testimony:** The Department of Health (Department) supports this bill that would  
3 allow the Department of Business, Economic Development and Tourism (DBEDT) and the  
4 Public Utilities Commission (PUC) to share energy data in its original form with the Department  
5 and its authorized representatives in order to develop the most accurate estimates of statewide  
6 greenhouse gas (GHG) emissions.

7 Chapter 342B-71, Hawaii Revised Statutes, specifies a statewide GHG emissions limit of  
8 equal to or below the 1990 level by 2020 as part of Hawaii's commitment to reduce its  
9 contribution to climate change. State measures to implement reductions include GHG emission  
10 caps specified in state rules for large stationary sources. In accordance with §11-60.1-204,  
11 Hawaii Administrative Rules, the caps would no longer apply if the statewide GHG emissions  
12 limit is met prior to 2020 and projections indicate ongoing maintenance of the limit. The  
13 accuracy of emission estimates for compiling statewide GHG inventories of emissions and sinks  
14 (GHG removals) is critical for determining progress relative to the statewide limit, whether  
15 emission caps would apply to the affected sources, and if the 2020 goal has been met.

16 The current statute prohibits DBEDT and the PUC from sharing energy data in its  
17 original form with the Department and its authorized representatives. This data must be  
18 aggregated by DBEDT to protect proprietary information or processes prior to sharing it with the  
19 Department. The emission calculations from the aggregated data have a higher degree of

1 uncertainty than calculations using the original data which makes it difficult for the Department  
2 to ascertain the accuracy of the inventories and the progress made relative to the state's GHG  
3 reduction goal. Access to the energy data is essential since the energy sector is responsible for  
4 approximately 90% of the statewide GHG emissions. Acquiring the energy data in its original  
5 form would reduce uncertainty and enable the development of higher quality, more defensible  
6 statewide GHG emissions inventories that will serve as the basis for decision making and  
7 provide direction in future GHG reduction efforts.

8 **Offered Amendments:** None

9 Thank you for the opportunity to testify on this measure.

**SB-1241-SD-1**

Submitted on: 3/12/2019 12:18:54 AM

Testimony for EEP on 3/14/2019 8:35:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Brodie Lockard	Organizing for Action	Support	No

Comments:



# ELEMENTAL EXCELERATOR

## Written Statement of Elemental Excelerator before the House Committee on Energy and Environmental Protection Thursday, March 14, 2019

### In consideration of SB 1241 SD1 RELATING TO ENERGY DATA

#### **Aloha Chair Lowen, Vice-Chair Wildberger, and Members of the House Committee on Energy and Environmental Protection:**

Elemental Excelerator respectfully submits our **support SB 1241 SD 1**, which permits the Department of Business, Economic Development, and Tourism (DBEDT) to share energy data with the Department of Health (DOH) for purposes of regulating greenhouse gas emissions.

Elemental Excelerator is a Honolulu-based growth accelerator program founded and operating in Hawai'i. We have awarded over \$30 million to 82 companies resulting in 56 demonstration projects in Hawaii & Asia Pacific. Elemental Excelerator is a Honolulu-based growth accelerator program founded and operating in Hawai'i. Each year, we select 15-20 companies that best fit our mission and fund each company up to \$1 million. We recruit innovative entrepreneurs from around the world to come to Hawai'i and find transformative solutions to help us achieve our 100% clean energy goals.

In April 2018, Elemental Excelerator commissioned a study entitled *Transcending Oil: Hawai'i's Path to a Clean Energy Economy*. The study found that in Hawai'i, transitioning to renewable energy is cheaper than sticking with fossil fuels like oil and coal. The faster we go, the cheaper it will be. The study also recommended creating an open data environment as an enabling tool to realign incentives with clean energy goals.<sup>1</sup>

**We support SB 1241 SD 1** because we believe shared energy data between DOH and DBEDT will enable increased coordination between state departments to regulate greenhouse gas emissions. About 15% of Elemental Excelerator's 82 portfolio companies, such as Kevala focus on clean energy-related data that is meaningful, transparent, and broadly accessible, demonstrating a growing opportunity to attract innovation with forward-thinking policies.<sup>2</sup>

*Transcending Oil* states that "[a]ccelerating the transition [to clean energy] could reduce oil consumption by 85 to 267 million gallons and spur as much as \$2.8 billion additional cumulative investment by 2030, compared to Business as Usual. It could also create up to 1,500 net new jobs per year, on average, between 2021 and 2030. To realize these outcomes, we find Hawai'i will need to build a more efficient and open electric grid equipped with AMI and implement regulatory frameworks that allow distributed PV, DR, and other flexible resources to

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<sup>1</sup> *Transcending Oil*, pg.3, Retrieved from <https://www.transcendingoil.com/>

<sup>2</sup> Kevala. (n.d.). Retrieved from <https://elementalexcelerator.com/companies/kevala/>

*provide an array of grid services. Increased energy efficiency investments can make the acceleration more attainable. **Data sharing and transparency** can make sure all of these resources and frameworks operate efficiently and cost-effectively.*"<sup>3</sup>

Mahalo for the opportunity to provide testimony on this legislation.

Sincerely,



Aki Marceau  
Managing Director, Policy & Community - Hawai'i

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<sup>3</sup>Transcending Oil, pg.36, Retrieved from <https://www.transcendingoil.com/>

**SB-1241-SD-1**

Submitted on: 3/12/2019 11:36:44 AM

Testimony for EEP on 3/14/2019 8:35:00 AM

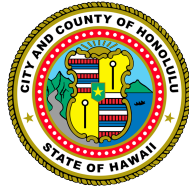
<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Erica Scott	Individual	Support	No

Comments:

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

**CITY AND COUNTY OF HONOLULU**

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KIRK CALDWELL  
MAYOR

JOSHUA W. STANBRO  
EXECUTIVE DIRECTOR &  
CHIEF RESILIENCE OFFICER

FRIDAY, MARCH 15, 2019 8:35AM

STATE OF HAWAII  
COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

**TESTIMONY ON SENATE BILL 1241 SD1  
A BILL RELATING TO ENERGY DATA**

**LATE**

BY,

JOSHUA STANBRO  
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER  
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Lowen, Vice Chair Wildberger, and Members of the Committee:

The City and County of Honolulu (City) Office of Climate Change, Sustainability and Resiliency (Resilience Office) **supports the intent** and requests the below amendment to SB1241 SD1, which permits the Department of Business, Economic Development, and Tourism to share energy data with the Department of Health for purposes of regulating greenhouse gas emissions.

The City is committed to developing a resilience strategy and comprehensive climate action plan that requires establishing a greenhouse gas (GHG) emissions inventory, setting GHG emissions reduction targets, and identifying specific strategies to achieve GHG emissions reduction targets. The City depends on the same energy data to develop our GHG inventory as the State of Hawai'i GHG Inventory developed by the Department of Health. While the City utilized best-practice estimation methods to create its most recent inventory, more granular, segmented, and accurate data--particularly related to fuel use in the petroleum refining and transportation sectors--will allow faster and more accurate updating of our annual GHG inventory process going forward. It will also enable more effective policy development, save money, and reduce the potential for sub-optimal investment decisions in furtherance of critical energy, environmental, and socioeconomic priorities.

To enable the City and its counterparts at the County of Hawai'i, County of Kaua'i, and County of Maui who also depend on this data to create their own GHG emission inventories, the Resilience Office offers the following amendments:



Chair Lowen  
Vice Chair Wildberger  
March 15, 2019 8:35AM  
Page 2

"§486J-7 **Confidential information obtained by another state agency.** Any confidential information pertinent to the responsibilities of the commission or the department specified in this chapter that is obtained by another state agency, including the department of taxation, the attorney general, and the consumer advocate, shall be available only to the attorney general, the attorney general's authorized representatives, the department of business, economic development, and tourism, the department of health, the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, the County of Hawai'i Department of Research and Development, the County of Kaua'i Office of Economic Development, the County of Maui Office of Economic Development, and the commission and shall be treated in a confidential manner."

Thank you for the opportunity to testify.