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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

SENATE COMMITTEE ON WAYS AND MEANS

Monday, February 25, 2019
10:25 AM
State Capitol, Conference Room 211

In consideration of
SB 609, SD1
RELATING TO CRITICAL INFRASTRUCTURE RESILIENCY

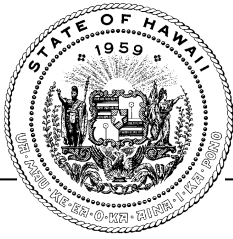
Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee. The Department of Business, Economic Development, and Tourism (DBEDT) **offers comments** on SB 609, SD1, which establishes a Homeland Security and Resiliency Council to identify electric grid and other critical infrastructure needs and provide recommendations for enhancing the State's grid and critical infrastructure resiliency.

DBEDT agrees that there is a need for coordination among different agencies, levels of government, and the private sector to establish strategies, goals, priorities, and recommendations to both address the resiliency and interdependencies of critical infrastructure sectors, and to identify resources to implement projects which ameliorate vulnerabilities of critical infrastructure and key resources in the State.

However, DBEDT believes that relevant authorities, responsibilities and objectives already exist pursuant to sections 127A-1, 127A-12, 128A-1, and 128A-3, Hawaii Revised Statutes. As such, DBEDT prefers strengthening the capacity of key coordinating agencies to more comprehensively address existing duties.

DBEDT defers to the State Department of Defense, Office of Homeland Security as to further refinement of this measure.

Thank you for the opportunity to testify on this matter.



OFFICE OF PLANNING STATE OF HAWAII

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Statement of
LEO R. ASUNCION
Planning Program Administrator, Office of Planning
before the
SENATE COMMITTEE ON WAYS AND MEANS
Monday, February 25, 2019
10:25 AM
State Capitol, Conference Room 211

in consideration of
SB 609, SB1
RELATING TO CRITICAL INFRASTRUCTURE RESILIENCY

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the House Committee on Ways and Means.

The Office of Planning (OP) offers the following comments on SB 609, SD1, which appropriates funds to establish a Homeland Security and Resiliency Council to identify electric grid and other critical infrastructure needs and provide recommendations for enhancing the State's grid and critical infrastructure resiliency.

OP agrees that there is a need to for coordination among different agencies, levels of government, and the private sector to establish strategies, goals, priorities, and recommendations to enhance security and resiliency of the electric grid and other critical infrastructure sectors in the state. However, OP defers to the State Department of Defense, Office of Homeland Security as to the implementation and refinement of this measure and avoid possible duplication of authorities, responsibilities and objectives.

OP appreciates this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to testify on this matter.

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843
www.boardofwatersupply.com




February 25, 2019

KIRK CALDWELL, MAYOR

BRYAN P. ANDAYA, Chair
KAPUA SPROAT, Vice Chair
KAY C. MATSUI
RAY C. SOON
MAX J. SWORD

ROSS S. SASAMURA, Ex-Officio
JADE T. BUTAY, Ex-Officio

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer 

The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S. C. Keith-Agaran, Vice Chair
and Members
Committee on Ways and Means
Hawaii State Capitol, Room 211
Honolulu, Hawaii 96813

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and Members:

Subject: Senate Bill 609, Senate Draft 1, Relating to Critical Infrastructure Resiliency

The Board of Water Supply (BWS) supports Senate Bill (SB) 609, Senate Draft (SD) 1. As a water utility serving almost one million residents and visitors, the BWS is designated as part of Hawaii's critical infrastructure by the Department of Homeland Security. The BWS recognizes that natural disasters and other emergencies can have a devastating impact on the health, safety and welfare of every resident and visitor on the Island of Oahu.

The proposed homeland security and resiliency council appears beneficial on the outset. The list of members is comprised from a broad spectrum of state and city agencies vital to the state's security, economy, public health or safety, including water, environment, and transportation. The scope could be challenging, nevertheless the BWS supports the State's efforts to establish strategies, goals, and priorities to protect and enhance resiliency of critical infrastructure sectors.

Thank you for your consideration of our testimony on SB 609, SD1.

Very truly yours,



ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

SB-609-SD-1

Submitted on: 2/24/2019 10:13:36 AM

Testimony for WAM on 2/25/2019 10:25:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
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HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: Senate Committee on Ways and Means

From: Cheryl Kakazu Park, Director

Date: February 25, 2019, 10:25 a.m.
State Capitol, Conference Room 211

Re: Testimony on S.B. No. 609, S.D. 1
Relating to Critical Infrastructure Resiliency

Thank you for the opportunity to submit testimony on this bill, which would establish a Homeland Security and Resiliency Council. The Office of Information Practices (OIP) takes no position on the substance of this bill, but **recommends an amendment to clarify what information is “confidential or sensitive” such that it must be protected from public release.**

Proposed subsection 128A-__(h), at bill page 7 lines 8-12, requires the Council to “protect from public release any confidential or sensitive information if the release of that information could expose critical infrastructure to attack or damage.” OIP has previously found that information whose disclosure could reasonably be expected to cause damage to public security can be withheld from the public under the Uniform Information Practices Act (UIPA), chapter 92F, HRS. Specifically, such information would fall within the UIPA’s exception for information whose disclosure would frustrate a legitimate government function. OIP recommends inserting a reference to the UIPA’s frustration exception into the proposed confidentiality provision to make clear that it requires protection of information

that can be withheld under the UIPA or other applicable laws, by **replacing proposed subsection (h) with the following:**

(h) In carrying out its duties, the council shall take appropriate measures to protect from public release any information that may be withheld from the public under section 92F-13(3) or other applicable laws, including but not limited to information whose release could reasonably be expected to cause damage to public security.

Thank you for the opportunity to testify.

SB-609-SD-1

Submitted on: 2/23/2019 9:30:42 PM

Testimony for WAM on 2/25/2019 10:25:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dolors Cook	Testifying for Defense	Comments	No

Comments:

SB 609 SD1 Comments



February 23, 2019

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
Senate Committee on Ways and Means

Comments in Support of the Intent of SB 609, SD1 Relating to Critical Infrastructure Resiliency (Establishes a Homeland Security and Resiliency Council to identify electric grid and other critical infrastructure needs and provide recommendations for enhancing the State's grid and critical infrastructure resiliency. Appropriates funds. (SD1).)

WAM Hrg: Monday, February 25, 2019, 10:25 a.m., in Conf. Rm. 211

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, resort operators, and major utility companies. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support for SB 609, SD1.**

SB 609, SD1. This measure establishes a Homeland Security and Resiliency Council to identify electric grid and other critical infrastructure needs and provide recommendations for enhancing grid and critical infrastructure resiliency throughout the State; and includes an appropriation.

LURF's Position. Hawaii is susceptible to natural disasters like flooding, hurricanes, and storm surges. Thus, critical infrastructure resiliency is particularly important due to the State's remote location and a resilient electric grid is a critical component to the State's ability to overcome a natural disaster. As the frequency and intensity of natural disasters increase, systemic resiliency planning is needed to coordinate the interdependencies between different critical infrastructure sectors, including energy, water, environmental services, transportation, and communications.

Based on the above, LURF is in **support of SB 609, SD1.**

Thank you for the opportunity to provide comments in support of this measure.

**TESTIMONY BEFORE THE SENATE COMMITTEE ON
WAYS AND MEANS**

S.B. 609, S.D. 1

Relating to Critical Infrastructure Resiliency

Monday, February 25, 2019
10:25 a.m., Agenda Item #9
State Capitol, Conference Room 211

Rodney Chong
Director, Grid Modernization
Hawaiian Electric Company, Inc.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

My name is Rodney Chong and I am testifying on behalf of Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawai'i Electric Light Company **in support** of S.B. 609, S.D. 1, Relating to Critical Infrastructure Resiliency.

This bill appropriately focuses on the need for holistic and systemic resiliency planning to ensure the State is prepared for natural disasters and other emergencies. The makeup of the proposed Homeland Security and Resiliency Council involves state and county emergency planning agencies as well as owners and operators of various critical infrastructure sectors in addition to electricity. This bill provides a systems-thinking approach which recognizes and takes into account critical interdependencies between sectors.

Leadership of the Council under the state Office of Homeland Security and the Hawaii State Energy Office will help connect the dots between long range strategy and tactical plans for resiliency preparedness and action. Also, the structure of the Council is flexible such that participation or input of members of the public; experts in the field;

county, state, or federal officials; or others as necessary. The Council will facilitate a fully vetted solution that considers all options, while assessing the capacity and availability of existing and new sources of revenue to support recommendations.

Finally, we believe that the work product of the Council that considers a fully vetted solution can help guide our future planning efforts such as the Integrated Grid Planning Process (IGP), to ensure electric grid resiliency is taken into consideration.

Accordingly, the Hawaiian Electric Companies support S.B. 609, S.D. 1. Thank you for this opportunity to testify.

OFFICE OF INFORMATION PRACTICES

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HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: Senate Committee on Ways and Means

From: Cheryl Kakazu Park, Director

Date: February 25, 2019, 10:25 a.m.
State Capitol, Conference Room 211

Re: Testimony on S.B. No. 609, S.D. 1
Relating to Critical Infrastructure Resiliency

Thank you for the opportunity to submit testimony on this bill, which would establish a Homeland Security and Resiliency Council. The Office of Information Practices (OIP) takes no position on the substance of this bill, but **recommends an amendment to clarify what information is “confidential or sensitive” such that it must be protected from public release.**

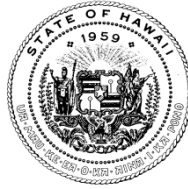
Proposed subsection 128A-__(h), at bill page 7 lines 8-12, requires the Council to “protect from public release any confidential or sensitive information if the release of that information could expose critical infrastructure to attack or damage.” OIP has previously found that information whose disclosure could reasonably be expected to cause damage to public security can be withheld from the public under the Uniform Information Practices Act (UIPA), chapter 92F, HRS. Specifically, such information would fall within the UIPA’s exception for information whose disclosure would frustrate a legitimate government function. OIP recommends inserting a reference to the UIPA’s frustration exception into the proposed confidentiality provision to make clear that it requires protection of information

that can be withheld under the UIPA or other applicable laws, by **replacing proposed subsection (h) with the following:**

(h) In carrying out its duties, the council shall take appropriate measures to protect from public release any information that may be withheld from the public under section 92F-13(3) or other applicable laws, including but not limited to information whose release could reasonably be expected to cause damage to public security.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



LATE

TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 25, 2019
10:25 a.m.
State Capitol, Room 211

S.B. 609, S.D. 1
RELATING TO CRITICAL INFRASTRUCTURE RESILIENCY.

Senate Committee on Ways and Means

The Department of Transportation (DOT) agrees that Hawaii must have infrastructures in place that can withstand natural disasters and emergencies.

The DOT **supports** this bill to establish a homeland security and resiliency council to identify electric grid and other critical infrastructure needs and provide recommendations for enhancing grid and critical infrastructure resiliency throughout the State.

Thank you for the opportunity to provide testimony.



LATE

Testimony to the Senate Committee on Ways & Means

Monday, February 25, 2019 10:25 a.m.
Conference Room 211, State Capitol
RE: Senate Bill 609 SD1

Chairs Dela Cruz, Vice Chair Keith-Agaran and Members of the Committees on Ways & Means:

Hawaii Gas supports SB 609 SD1 and provides the following comments regarding this bill.

SB 609 SD1 amends Chapter 128A, Hawaii Revised Statutes, to create a State Homeland Security and Resiliency Council and other critical infrastructure needs and provide recommendations for enhancing grid and critical infrastructure resiliency throughout the state.

We support the inclusion of representatives from gas utilities operating in the state. There are a number of reasons why federal, state and local governments consider natural gas systems as a critical part of energy security.

The U.S. Department of Homeland Security recognizes the interrelated segments: electricity, oil natural gas as part of the energy infrastructure system. Without a stable energy supply, health and welfare are threatened, and the economy cannot function.¹

The physical operations of natural gas production, transmission and distribution make the system inherently reliable and resilient. Natural gas pipelines are mostly underground and protected from weather and other elements. Disruptions to natural gas service are rare.

The inherent characteristics of natural gas are an important factor that cannot be overlooked.

Unlike electricity, natural gas moves by pressure. The gas moves through an underground transportation system that travel over distance. In sharp contrast to electricity, natural gas moves slowly through a pipeline and its flow can be controlled. This allows time for the pipeline operators to manage the flow of natural gas and to adjust their operations in the unlikely event of a disruption. Because of the pipeline operators' ability to manage natural gas on their transportation systems, a failure at a single point of the system typically has a localized effect,² which means that repair work can be isolated to the impacted area without having to disrupt or shut off the rest of the system.

¹ U.S. Department of Homeland Security, Cyber and Infrastructure Security Agency, Energy Sector, <https://www.dhs.gov/cisa/energy-sector>

² Natural Gas Council, "Natural Gas Systems: Reliable & Resilient;" July 2017.



Cyber and physical security are integral to the natural gas industry. Natural gas pipelines are considered critical infrastructure. Hawaii Gas in accordance with federal requirements must run simulated exercises in response/recovery efforts to help prepare for natural or man-made disasters. In addition, Hawaii Gas works closely with government agencies to share threat information and to coordinate emergency response actions.

On the cybersecurity front, the federal government partners with the natural gas industry on cyber security frameworks and initiatives to promote situational awareness, mitigating measures, and response/recovery.³ The federal government promotes Information Sharing and Analysis Centers (ISACs) and Information Sharing and Analysis Organizations (ISAOs) as a best security practice.

In December 2018, Hawaii Gas began producing renewable natural gas (RNG) from the City & County of Honolulu's Honouliuli Wastewater Treatment Plant in Ewa Beach. This facility produces 800,000 therms annually; displaces the need for 15,000 barrels of oil; and reduces greenhouse gases equivalent to the amount produced by 400 cars annually. Our company is able to add RNG into our existing pipeline with synthetic natural gas (SNG) produced at our SNG Plant in Campbell Industrial Park. We are pursuing the development of more renewable resources like wastewater and landfill waste to continue our path to meeting the state's clean energy goals.

Thank you for the opportunity to testify on SB 609 SD1.

Sincerely,

Jeannine A. Souki
Director, Government Affairs and Communications
Hawaii Gas

³ Ibid.

LATE

SB-609-SD-1

Submitted on: 2/25/2019 9:38:52 AM

Testimony for WAM on 2/25/2019 10:25:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Testifying for Oahu County Democrats	Support	No

Comments: