



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 18, 2020

TO: Representative Sylvia Luke
Chair, Committee on Finance
Submitted Via Capitol Website

FROM: Tiffany Yajima

RE: **H.B. 2681, H.D.1 – Relating to Energy**
Hearing Date: Thursday, February 20, 2020 at 11:00a.m.
Conference Room: 308

Dear Chair Luke and Members of the Committee on Finance:

On behalf of the Alliance for Automotive Innovation (“Alliance”) we submit this testimony in **support** of H.B. 2681, H.D.1, which authorizes the issuance of revenue bonds and appropriates funding for the construction of hydrogen fueling stations.

The Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. Members include motor vehicle manufacturers, original equipment suppliers, technology, and other automotive-related companies and trade associations.

The Alliance supports the development of hydrogen as a fuel for motor vehicles, and remains ready and willing to assist in the pursuit of hydrogen as a feasible alternative fuel for Hawaii. We recognize the State has difficult choices to make on the allocation of funds, and also recognize the work the State Energy Office, the Department of Transportation, HCATT, and other public and private sector participants have done to advance hydrogen for Hawaii. While the automotive industry has made and continues to make a significant investment in hydrogen, the Alliance also recognizes the importance of government support for infrastructure projects like hydrogen fueling stations.

Thank you for the opportunity to submit testimony in support of this measure.



Written Statement of
David H. Molinaro
Acting Director
Hawaii Center for Advanced Transportation Technologies
before the
House Committee on Economic Development & Business
Thursday, February 20
11:00 a.m.
State Capitol, Conference Room 309
In consideration of
HB2681, HD1
RELATING TO ENERGY.

Chair McKelvey, Vice Chair Kitagawa, and Members of the Committee.

HCATT **supports** HB2681, HD1 as it directly relates to HI revised statute §196-10, Hawaii renewable hydrogen program legislative guidance to design, implement, and administer hydrogen demonstration projects, including infrastructure for the production, storage and refueling of hydrogen vehicles. The development and deployment of hydrogen infrastructure on Oahu and a neighbor Island will serve a catalyst in further expanding the State's renewable energy technology portfolio which will reduce its dependency on fossil fuels, promote financial independence, and be a foundation for an economy based on renewable energy technologies such as hydrogen.

Hydrogen and fuel cell systems are no longer considered research and development technologies. Countries throughout the world have embraced hydrogen as an integral part of their economic expansion, reducing their dependency on fossil fuels, and reducing CO₂ emissions.

In the United States, predominately in California, the adaptation of hydrogen fuel cell vehicles are in full swing with nearly 7,000 vehicles and almost 50 fueling station in use. According to the US Department of Energy Fuel Cell Technologies Office, the number of stations schedule for that state alone will increase to 1000 by 2030.

Ohio, South Carolina, New York, Connecticut, Massachusetts, Colorado, Utah, Texas and Michigan are all developing plans to expand hydrogen fuel cell integration and adoption. Hawaii has been a leader in hydrogen technologies and has one commercial hydrogen station and two federally funded stations used for research and development, the largest of which belongs to HCATT and is located at Joint Base Pearl Harbor Hickam.

This Bill is an important continuation of the legislative mandate of §196-10. HCATT comments the issuance of general obligation bonds would likely attract more private sector interest for the project and be a significant step in advancing the deployment and adoption of hydrogen fuel cell technologies and supporting Hawaii's 2045 RPS mandate.

Thank you for the opportunity to present these comments



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TO:
Committee on Finance
Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 20, 2020
TIME: 11am
PLACE: Conference Room 308

RE: HB2681 HD1 Relating to Energy

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

We support this measure to allow the Hawaii Technology Development Corporation to issue revenue bonds for the creation of hydrogen facilities. Diversifying our fuel options can help make our energy sector more flexible and resilient. We thank you for the opportunity to testify.



John Uekawa, President
Dave Rolf, Executive Director

HADA Testimony in SUPPORT of HB2681, HD1 RELATING TO ENERGY

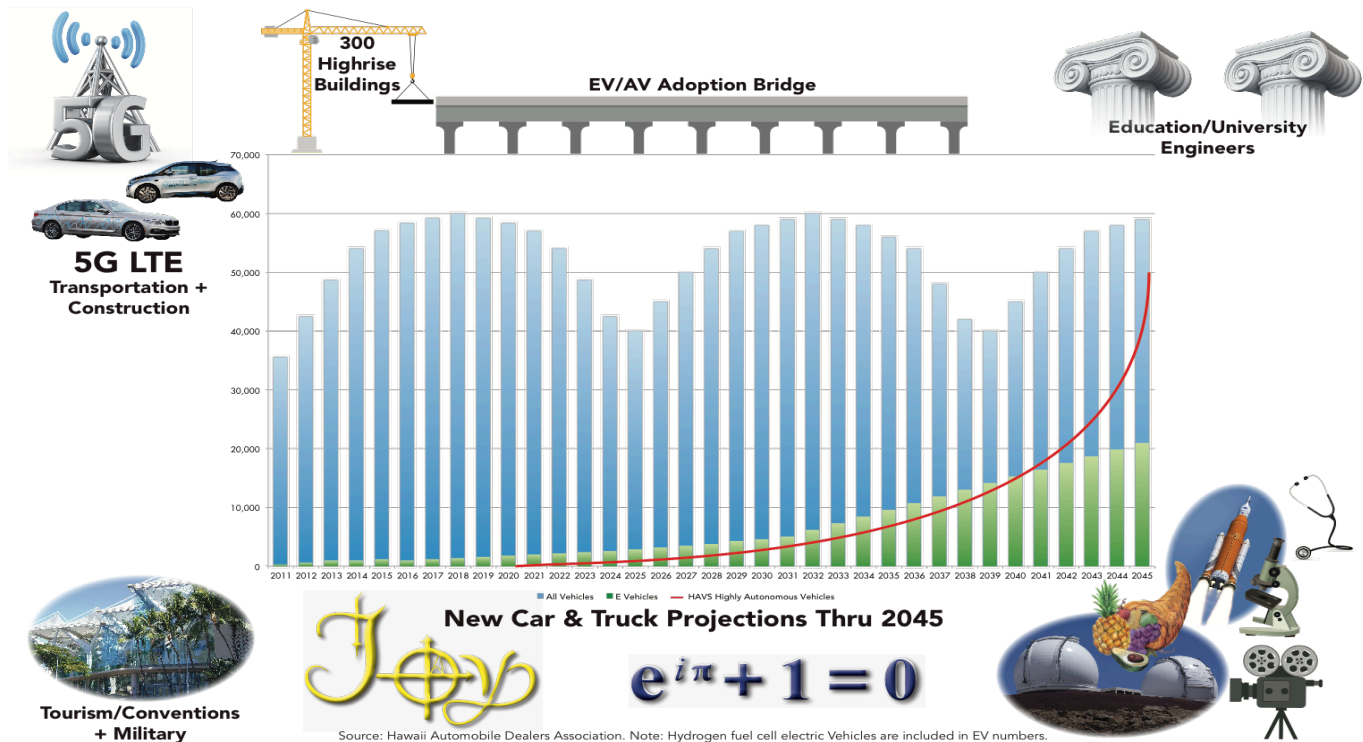
Presented to the House Committee On Finance
at the Public Hearing 11 a.m., Thursday, February 20, 2020
in Room 308 Hawaii State Capitol

by David H. Rolf for members of the Hawaii Automobile Dealers Association,
Hawaii's franchised new car dealers, who provide sales, warranty work and other factory-certified maintenance service for Hawaii's privately-owned and fleet-owned cars and light trucks

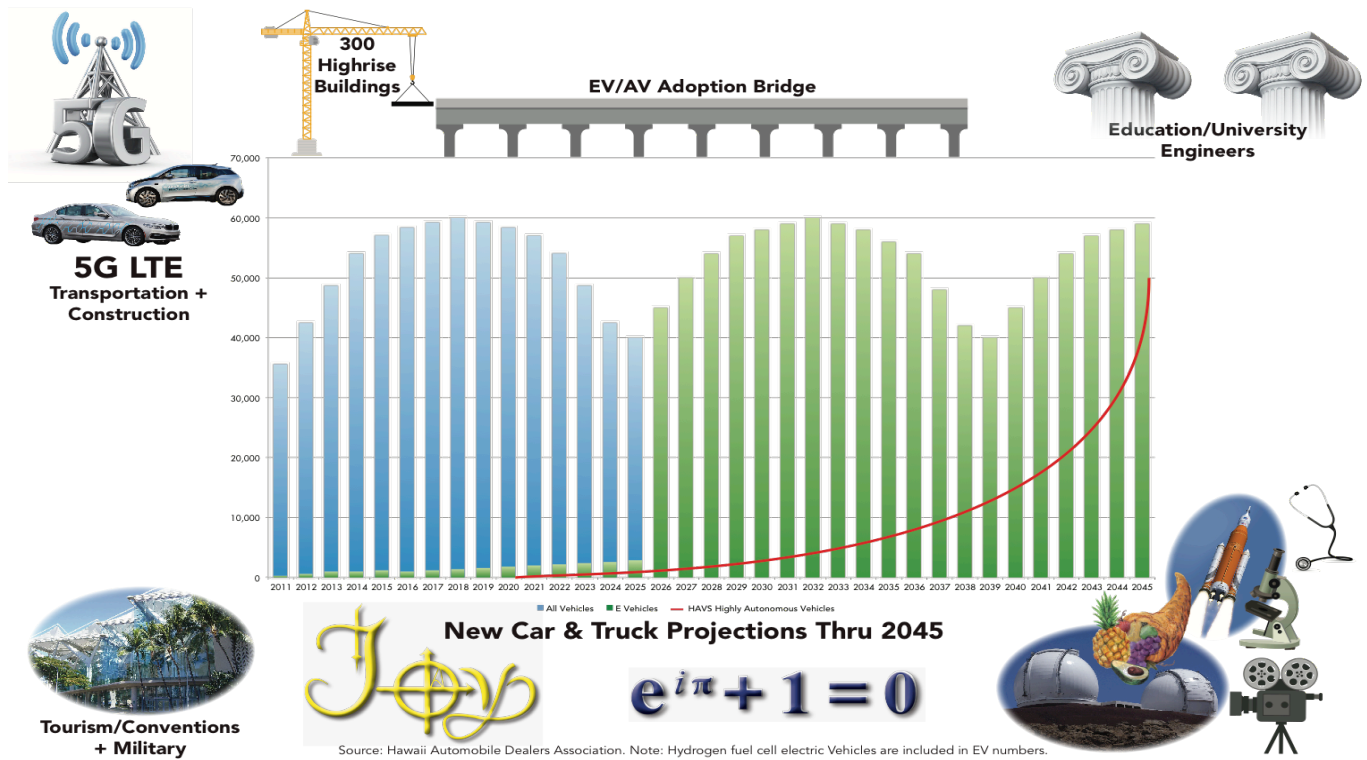
Chair Luke, Vice chair Cullen and members of the committee:

HADA members offer their support for HB2681, HD1 which authorizes the issuance of revenue bonds pursuant to part III of chapter 39, HRS, and appropriates funds to the Hawaii Technology Development Corporation for the purpose of constructing one Oahu and one neighbor island electrolysis hydrogen production, storage, and dispensing facility to be managed by the Hawaii Center for Advanced Transportation Technologies. Appropriates funds.

HADA offers the following graphic to provide insights. HADA refers to the graphic as the Rosetta Stone. It shows HADA's anticipated customer uptake 2011 through 2045 of electric vehicles (including hydrogen fuel-cell electric vehicles), internal combustion/hybrid electric vehicles, and autonomous vehicles.



However, in order reach the aspirational goals of 100% clean energy vehicles by 2045, the graphic, and adoption curve of battery electric and hydrogen fuel cell electric vehicles would need to look like this (green bars).



HADA dealers believe that this bill offers the opportunity for the State to provide a hydrogen production storage and dispensing facility that would provide a valuable role in launching hydrogen as a fuel for ground transportation, and assist the State in promoting clean energy in transportation.

We note, though, that is illogical to assume that customer uptake in 2025 will take such a dramatic upturn, as shown above.

More likely, the uptake will follow the first graphic. The transition to renewable fuels will be an evolution, not a revolution.

Likely, a fleet contract for hydrogen will be necessary for government revenue bonds to be repaid at the outset.

Thank you for the opportunity to testify in SUPPORT of HB2681, HD1. We respectfully ask that you pass the bill forward for further consideration.

Respectfully submitted,
David H. Rolf
On behalf of the Hawaii Automobile Dealers Association

HADA
Making Hawaii Better Together



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Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair
Committee on Finance

**RE: HB 2681 HD1 Relating to Energy – In Support, request amendments
February 20, 2020; Conference room 308; 11:00 A.M.; Agenda #1**

Aloha Chair Luke, Vice Chair Cullen and members of the committee:

Servco Pacific Inc. appreciates this opportunity to offer testimony in support of HB 2681 HD1 which authorizes the issuance of revenue bonds pursuant to part III of chapter 39, HRS, and appropriates funds to the Hawaii Technology Development Corporation for the purpose of constructing one Oahu and one neighbor island electrolysis hydrogen production, storage and dispensing facility to be managed by the Hawaii Center for Advanced Transportation Technologies.

This bill aligns with Hawaii's dedication to improve transportation efficiency and reduce carbon emissions in our State. We would like to ask the committee's consideration of the following amendments:

- The station should meet or exceed all current SAE international hydrogen fueling standards and protocols, including but not limited to J2601, J2719 and J2799; and
- The station should meet or exceed Vehicle Manufacturer's fueling standards and protocols for vehicles which are intended to use the station

In 2018, Servco launched the first publicly accessible hydrogen fueling station in Mapunapuna. The station was funded solely by Servco. Producing hydrogen from water using a renewable source of electricity helps Hawaii become more self-reliant and reduce our dependency on imported oil.

We respectfully ask for your support in passing HB 2681 HD1 with our requested amendments to demonstrate Hawaii's commitment to its clean energy goals. Thank you.

Peter Dames
Executive Vice President