



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented to the  
Senate Committee on Energy, Economic Development, and Tourism,  
and  
Senate Committee on Commerce, Consumer Protection, and Health  
Monday, February 10, 2020 at 2:45 p.m.

By  
Richard Rocheleau, Director  
Hawai'i Natural Energy Institute  
And  
Michael Bruno, PhD  
Provost  
University of Hawai'i at Mānoa

### SB 2818 – RELATING TO RENEWABLE ENERGY

Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and members of the committees:

The Hawai'i Natural Energy Institute (HNEI) supports the intent of this bill and provides the following comments.

SB 2818 would require the Hawai'i Public Utilities Commission (PUC) to contract with HNEI to conduct a study to determine the economic and technical feasibility of the use of renewable gas by gas utilities, and would appropriate funds for the study.

HNEI is currently conducting preliminary assessments of the potential for producing renewable natural gas (RNG) in the state. These assessments will include an inventory of existing and potential feedstocks, conversion technologies, a review of incentives in other locations, and greenhouse gas emissions impacts of RNG production.

The study contemplated by the bill is both broader than HNEI's current assessments and includes more specific factors to be assessed, which may be appropriate before requiring gas utilities to meet specific renewable targets. However, HNEI believes that some of the listed factors such as those listed in section 3(a)(10)(F) effects on the economy, (G) balance of trade, culture, community, environment, land, and water, and (I) demographics, are unclear or overly broad. HNEI requests that these factors be clarified or left for the PUC to determine their practicality and relevance to the study.

Funding for the study could be accommodated through HNEI's barrel tax allocation, and should not require an additional appropriation.

Thank you for the opportunity to comment on SB 2818.

TESTIMONY OF  
JAMES P. GRIFFIN, Ph.D.  
CHAIR, PUBLIC UTILITIES COMMISSION  
STATE OF HAWAII

TO THE  
SENATE COMMITTEES ON  
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
AND  
COMMERCE, CONSUMER PROTECTION, AND HEALTH

February 10, 2020  
2:45 p.m.

Chair Wakai, Chair Baker, and Members of the Committees:

**MEASURE:** S.B. No. 2818

**TITLE:** RELATING TO RENEWABLE ENERGY.

**DESCRIPTION:** Requires a study regarding renewable gas to determine economic and technical feasibility of the use of renewable gas by gas utility companies. Appropriates funds for the study.

**POSITION:**

The Public Utilities Commission offers the following comments for consideration.

**COMMENTS:**

The Commission supports this measure's intent to study the availability, feasibility, and costs of the use of renewable gas in Hawaii by gas utility companies.

The Commission believes this type of study is important to inform how utilization of renewable gas can help achieve state energy goals.

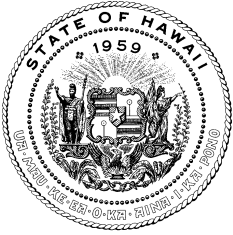
After discussion with the Hawaii State Energy Office (HSEO), the Commission respectfully recommends that responsibility for developing the renewable gas study with the Hawaii Natural Energy Institute (HNEI) be assigned to the HSEO rather than the Commission. The HSEO may be better situated to oversee the study and facilitate collaboration with various industries and stakeholders that would be impacted by the

establishment of renewable energy standards, especially with regard to unregulated companies that fall outside the Commission's jurisdiction.

The Commission defers to the HSEO and HNEI on the appropriate source of funding and recommends ensuring that sufficient funds are made available to successfully achieve the study's objectives.

With respect to the scope of the study, the Commission notes that the list of factors under Section 3(a)(10) is quite extensive and may require analysis that is extraneous to the purpose of the study, which is to evaluate "availability, feasibility, and cost of the use of renewable gas." Lines 18 and 19 on page 6, as currently written, grant the study's administrator the authority to analyze any additional factors that are deemed appropriate. Therefore, the study may be better served by reducing the list of required considerations in Section 3(a)(10) to a more focused set of important factors. This would afford the study's administrator the flexibility needed to conduct this study in an efficient manner.

Thank you for the opportunity to testify on this measure.



# HAWAII STATE ENERGY OFFICE

## STATE OF HAWAII

235 South Beretania Street, 5<sup>TH</sup> Floor, Honolulu, HI 96813 | energy.hawaii.gov

DAVID Y. IGE  
GOVERNOR

SCOTT J. GLENN  
CHIEF ENERGY OFFICER

(808) 587-3807

Testimony of  
**SCOTT J. GLENN, Chief Energy Officer**

before the  
**SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
AND  
COMMERCE, CONSUMER PROTECTION, AND HEALTH**

Monday, February 10, 2020

2:45 PM

State Capitol, Conference Room 414

in SUPPORT of  
**SB 2818**  
**RELATING TO RENEWABLE ENERGY.**

Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and members of the Committees. The Hawaii State Energy Office (HSEO) supports SB 2818 which would assess the total potential of renewable natural gas production and use in Hawaii, with a specific focus on the potential for renewable gas to be distributed by regulated gas utility service providers.

Renewable natural gas is currently produced and used in Hawaii, providing valuable energy services, utilizing waste products, and capturing and diverting methane, a potent greenhouse gas, for beneficial use. It's our understanding that the Hawaii Natural Energy Institute is working on preliminary assessments. We look forward to their results, and to working with them as we develop statewide energy and greenhouse gas strategies incorporating realistic and integrated assessments of resources, economics, and milestones.

We appreciate the statement in the preamble of SB 2818, "is important that all relevant entities are aligned..." and look forward to assisting in these efforts as part of our new responsibilities, established by Act 122 of 2019 and now in Sections 196-71 and 196-72 of the Hawaii Revised Statutes, including:

From Section 196-71(b)(1):

Provide analysis and planning to actively develop and inform policies to achieve energy efficiency, renewable energy, energy resiliency, and clean transportation goals with the legislature, public utilities commission, state agencies, and other relevant stakeholders;

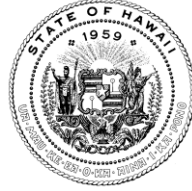
From Section 196-72(d):

- (1) Formulate, analyze, recommend ... policies, strategies, and plans, in coordination with public and private sector stakeholders, to cost-effectively and equitably achieve the State's energy goals;

- (5) Identify market gaps and innovation opportunities, collaborate with stakeholders, and facilitate public-private partnerships ... to encourage private and public exploration, research, and development of energy resources...
- (12) Act as the State's energy data clearinghouse by identifying, collecting, compiling, analyzing, publishing ... data and analyses;
- (16) Identify and recommend policies to align utility goals with those of ratepayers...

We do note that the list of tasks in the bill is quite extensive; removing some of the less easily quantified items on page 6 may allow for a more timely and focused study.

Thank you for the opportunity to testify.



**LATE**

DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LT. GOVERNOR

**STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310  
P.O. BOX 541  
HONOLULU, HAWAII 96809  
Phone Number: 586-2850  
Fax Number: 586-2856  
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
Senate Committee on Energy, Economic Development, and Tourism  
and  
Senate Committee on Commerce, Consumer Protection, and Health  
Monday, February 10, 2020  
2:45 p.m.  
State Capitol, Conference Room 414**

**On the following measure:  
S.B. 2818, RELATING TO RENEWABLE ENERGY**

Chairs Wakai and Baker and Members of the Committees:

My name is Dean Nishina, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department supports this bill and recommends possible amendments.

The purposes of this bill are to: (1) require a study to determine economic and technical feasibility of the use of renewable gas by Hawaii gas utility companies; and (2) appropriate funds for the study.

The Department supports studying the ability of Hawaii's gas industry to produce cost-effective renewable gas so that the potential impact of imposing a renewable standard on customers can be evaluated. This study could help inform reasonable goals that can be established in any future renewable gas portfolio standards.

The Department appreciates how section 3(a) of the bill outlines the expected findings, which shall include, but not be limited to: (1) the potential volume and costs to

produce and/or import renewable gas to meet Hawaii's market needs; (2) an inventory of currently available feedstock and acreage in Hawaii for renewable gas production; (3) currently available incentives to develop renewable gas sources in Hawaii and in other jurisdictions; (4) how the use of renewable gas could affect the production of greenhouse gas emissions; and (5) the barriers to producing and utilizing renewable gas in Hawaii and possible solutions to overcome the barriers. While the measure does not preclude consideration of other study objectives, the Department offers that it is equally important to study and understand Hawaii's existing gas market, which consists of both regulated and unregulated gas sales, to avoid unintended consequences. For example, if a renewable gas standard is applied only to Public Utilities Commission (Commission) regulated gas operations, a possible outcome might be that the majority of, if not all, gas sales would be shifted to the unregulated gas market, which would circumvent the renewable gas standards. Specifically requiring an analysis of Hawaii's gas market, including both the regulated and unregulated segments, would avoid the possibility that this important factor might unintentionally be ignored in a comprehensive study. This holistic approach should better align any useful findings in the study, and any future proposed statutory mechanisms, with the goals of reducing Hawaii's contribution to carbon production and greenhouse gases. If the Legislature agrees with the need to also study the gas market to understand the market dynamics of regulated and unregulated gas sales, the Department respectfully suggests revisions to this bill, such as amending subsection (a)(10)(L) on page 6, lines 11 to 12 to read, "Required regulated and unregulated gas company infrastructure improvements and additions."

The Department also respectfully suggests amending subsection (a)(11) on page 6, line 20 to page 7, line 3 to clarify that the study of any "renewable gas policy framework" should "ensure timely recovery of" only *reasonable* renewable gas costs attributable to regulated gas operations from gas utility customers, so that those customers do not subsidize unregulated customers.

Finally, it has come to the Department's attention that the Commission and the Hawaii State Energy Office (HSEO) have discussed this bill and that, due to various reasons, the Commission and HSEO may have determined that HSEO should be the

Testimony of DCCA

S.B. 2818

Page 3 of 3

state agency to contract with Hawaii Natural Energy Institute (HNEI) to conduct the proposed study. The Department defers to the Commission and HSEO on identifying the appropriate agency to contract with the HNEI, as well as whether the proposed amount of funding for the proposed study is sufficient.

Thank you for the opportunity to testify on this bill.



**SB-2818**

Submitted on: 2/7/2020 11:10:39 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carl Campagna	Testifying for Hawaii Bioeconomy Trade Organization	Support	No

Comments:

The Hawaii Bioeconomy Trade Organization, made up of the commercial stakeholders in the fuels sector in Hawaii, strongly supports this bill.

We, now as ever, believe that the path towards a renewable future for Hawaii necessarily includes fuels and gases. However, in order to prevent price shocks, stalls and stoppages in service, and economic stress across many sectors, including Hospitality, we believe it is vital to perform a comprehensive study with a detailed scope of work prior to the assigning of arbitrary goals. Though it may look on the surface that creating aggressive goals produces positive long term outcomes, in this case, comparing Renewable Fuels to Renewable Electricity as a blanket approach would cause more harm than good. The Supply Chain and infrastructure for Renewable Fuels must be considered and accommodated for, and include a program to invite investors and new technology, feedstock growth and an increase in local agriculture.

This measure when passed will require that a locally based, comprehensive study with a detailed scope of work be performed. The results of this study can then be used to define and then implement the responsible steps needed to achieve a successful Renewable Fuels Portfolio Standard specific to the needs, challenges and opportunities of the State of Hawaii.



February 7, 2020

The Honorable Glenn Wakai, 15<sup>th</sup> District  
415 South Beretania Street  
Hawaii State Capitol, Room 407  
Honolulu, HI 96813

**RE: SB 2818 – Renewable Natural Gas Study – SUPPORT**

Dear Senator Wakai,

The Coalition for Renewable Natural Gas (RNG Coalition) writes in strong **SUPPORT** of **SB 2818**, important legislation that would call for a study regarding the availability, feasibility, and costs of the use of renewable gas in Hawai'i by gas utility companies.

The RNG Coalition is the non-profit organization that provides public policy advocacy and education for the renewable natural gas industry in Hawai'i and across North America. Our membership is comprised of 220+ member companies - leaders from each sector of the industry - including producers of 95% of all RNG in the United States and Canada. Together, we advocate for the sustainable development, deployment and utilization of renewable natural gas (RNG or biogas-derived biomethane) so that present and future generations have access to domestic, renewable, clean fuel and energy.

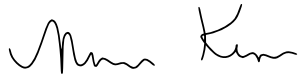
RNG is sustainably produced from methane captured as organic waste decomposes naturally at landfills, food waste recycling facilities, wastewater treatment plants, livestock and agricultural operations. RNG production facilities capture, control and convert methane that would otherwise be flared (combusted and wasted) – or worse, escape fugitively into the atmosphere as a greenhouse gas that is up to 86 times more potent than carbon dioxide – into an ultra-low carbon (or carbon negative) transportation fuel, renewable electricity or heat for residential, commercial and industrial customers.

We believe that the adoption of SB 2818 would provide the state of Hawai'i with important data to support future policies to increase the development, deployment and utilization of renewable natural gas. An increase in RNG activity would represent an excellent opportunity to decarbonize the State's economy while simultaneously improving environmental quality,

fostering improved management of waste streams, diversifying energy and fuel supply, and advancing Hawai'i's clean energy objectives by generating additional market demand for RNG. The development of RNG production facilities in Hawai'i would also improve the management of *organic* waste streams – thereby reducing the related air, soil, and water impacts of that waste. RNG projects developed in Hawai'i would also bring substantial economic benefits to the State. RNG production facilities attract between \$10-\$100 million in capital investment per project and the creation of up to 173 direct and indirect jobs per project.<sup>1</sup>

We appreciate your authorship of this important legislation and look forward to working together. The RNG Coalition is pleased to support SB 2818.

Sincerely,

A handwritten signature in black ink, appearing to read "Nina Kapoor".

Nina Kapoor Oliveira  
Director of State Government Affairs  
Coalition for Renewable Natural Gas  
916.588.3033  
Nina@RNGCoalition.com

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<sup>1</sup>[https://static1.squarespace.com/static/53a09c47e4b050b5ad5bf4f5/t/59077544ebbd1ad192d13ff6/1493660998766/ICF\\_RNG+Jobs+Study\\_FINAL+with+infographic.pdf](https://static1.squarespace.com/static/53a09c47e4b050b5ad5bf4f5/t/59077544ebbd1ad192d13ff6/1493660998766/ICF_RNG+Jobs+Study_FINAL+with+infographic.pdf)



**Testimony to the  
Committee on Energy, Economic Development, and Tourism and the  
Committee on Commerce, Consumer Protection, and Health**

**Monday, February 10, 2020  
2:45 PM  
Conference Room 414, Hawaii State Capitol**

**Senate Bill 2818**

Chair Wakai, Chair Baker, Vice Chair Taniguchi, Vice Chair Chang, and members of the Committees,

Hawaii Gas **strongly supports** SB 2818, which requires a study regarding renewable gas to determine availability, feasibility, and costs of the use of renewable gas by gas utility companies.

We are committed to using as much renewable gas in our pipelines as possible, and we continue to do our part to meet Hawaii's 2045 carbon neutrality goal, together, in an affordable, resilient, and sustainable way for our ratepayers and Hawaii's communities.

We believe that the transition to renewable gas fuel sources must be carefully studied so that the transition can occur in a responsible and cost-effective way for the people of Hawaii.

HRS §269-95 (renewable portfolio standards study) required the Hawaii natural energy institute to study the capability of Hawaii's electric utility companies to achieve renewable portfolio standards in a cost-effective manner before any standards were advanced for the electric utilities. That study, required every 5 years, established the blueprint from which meaningful, science-driven, attainable, and sustainable changes could be made by the electric utilities.

Renewable gas has never been afforded a locally focused study, and it is critically important to assess the true cost and impact on ratepayers. Does Hawaii have the resources in-state to create reliable renewable natural gas and renewable hydrogen? What about the impact of the competing demands for land-use in Hawaii and the numerous legislative priorities that establish land use policy? The state's limited prime lands are in high and competitive demand by agriculture, solar, affordable housing, and energy crops. This bill provides for these items to be carefully studied.

While sun, wind and biomass create limitless potential resources available to create renewable electricity, readily available resources to create renewable gas in Hawaii are sparse. For renewable gas to be a scalable, viable source beyond what is available today, research and development is required. In Hawaii, there are currently only three known ways to create renewable gas: capture methane produced from wastewater treatment plants and landfills,



create renewable hydrogen through renewable energy developments (both of which are controlled by others), or grow crops and process them through biodigesters. Local production would require access to local resources, such as methane, land, water, farmers, labor and curtailed renewable energy. Alternatively, renewable gas can be imported at potentially greater cost. Whether locally produced or imported, each option comes with availability, cost, feasibility and reliability of supply issues.

The renewable gas development at the City and County Honouliuli waste water treatment plant, for example, is an award-winning facility that has demonstrated great promise in utilizing waste product to create renewable gas. Unfortunately, that competitively procured supply contract expires in 2024, essentially eliminating this precious resource needed to produce renewable gas and thwarting our progress.

Similarly, Hawaii Gas is recognized as a leader in utilizing hydrogen in our pipeline, and we have more hydrogen in our distribution system than any other gas utility in the country. While more hydrogen could be created by curtailed renewable energy such as geothermal, wind, and solar, that curtailed energy is owned by other utilities and contractually not available to Hawaii Gas. The potential use of that inaccessible renewable energy would be part of this study.

We know that Hawaii residents are facing dire economic struggles. People struggle to make ends meet and find affordable housing, forcing many of them to leave Hawaii entirely. It's impossible to ignore the ALICE report's troubling finding that 37% face severe financial hardship and poverty. Parity and fairness should be focused on the ratepayer. We remain mindful of our efforts on their pocketbooks.

Some have advocated for inserting "visionary goals" of an RPS to spur innovation, before those goals are studied. "Visionary goals" belong in strategic plans, not in policy and statute where mandates and penalties inevitably leave the burden of those moon-shots on the backs of the residents and ratepayers of Hawaii.

Even now, the Legislature contemplates changing the RPS for electric utilities. The legislature is posing wise questions: are the 100% RPS by 2045 and interim targets realistic, too low, or a vision that is unrealistically out of reach? Are the terms in the original statute correctly defined?

Hawaii Gas has been committed to its employees and the people and communities of Hawaii for over 115 years. While we represent less than 2% of the state's energy demand and less than 1% of its carbon emissions, we take very seriously our critical role in the state's environment and resiliency in the event of natural disasters, and we understand all too well that our residential and commercial customers depend on us to provide this service at a cost they can afford.

Hawaii Gas supports an appropriate, objective, and science and technology driven study to explore the feasibility of using more renewable gas by gas utilities. These studied findings will



be compiled and reviewed by energy utility experts and will address the many questions on availability, feasibility and cost that must be answered to inform the legislature.

For these reasons we strongly support SB2818 and thank you for the opportunity to testify.



P.O. Box 37158, Honolulu, Hawai`i 96837-0158  
Phone: 927-0709 [henry.lifeoftheland@gmail.com](mailto:henry.lifeoftheland@gmail.com)

COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
Senator Glenn Wakai, Chair  
Senator Brian T. Taniguchi, Vice Chair

COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH  
Senator Rosalyn H. Baker, Chair  
Senator Stanley Chang, Vice Chair

DATE: Monday, February 10, 2020  
TIME: 2:45 p.m.  
PLACE: Conference Room 414

SB 2818 RELATING TO RENEWABLE ENERGY.

Oppose

Aloha Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and Members of the Committees

Life of the Land is Hawai`i's own energy, environmental and community action group advocating for the people and `aina for 49 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

In 2001, the Hawai`i State Legislature imposed the Renewable Portfolio Standard on the electric utilities forcing them to increase their use of renewable energy

resources even though, at that time, renewables were more expensive. The global demand for solar has driven the price downward where it along with wind are the two cheapest forms of renewable energy.

Over the past two decades the State Legislature has repeatedly raised the issue of climate change and has asserted that it is an existential threat to the environment and the economy.

SB 2818 asserts that the gas company should continue to generate 95% of its fuel from fossil fuel while the State studies the issue of whether to impose any renewable energy standard on the gas company.

The Hawaii Natural Energy Institute (HNEI) shall conduct an “independent” renewable gas study to be peer reviewed by fossil fuel loving experts from the American Gas Association and Gas Technology Institute.

Mahalo  
Henry Curtis  
Executive Director





February 7, 2020

**TESTIMONY SUPPORTING  
SENATE BILL 2818, RELATING TO RENEWABLE ENERGY**

Senate Committee on Energy, Economic Development & Tourism  
The Honorable Glenn Wakai, Chair  
The Honorable Brian Taniguchi, Vice Chair

Senate Committee on Commerce, Consumer Protection & Health  
The Honorable Rosalyn Baker, Chair  
The Honorable Stanley Chang, Vice Chair

Monday, February 10, 2020 at 2:45 p.m.  
State Capitol, Conference Room 414

Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and members of both Committees,

Thank you for this opportunity to submit written testimony commenting on Senate Bill 2818, Relating to Renewable Energy. My name is Lance Tanaka, director of government and public affairs for Par Hawaii. Par Hawaii, LLC and Par Hawaii Refining, LLC are subsidiaries of Texas-based Par Pacific Holdings, Inc. Par Hawaii operates the state's only refinery, markets fuels through a statewide network of Hele- and 76-branded retail locations, and distributes fuels via pipelines on Oahu and barges to all major harbors in the state.

SB 2818 requires a study regarding renewable gas to determine economic and technical feasibility of the use of renewable gas by gas utility companies. Appropriates funds for the study.

**Par Hawaii supports the state's clean energy goals and is in favor of having a study conducted prior to enacting RPS legislation for renewable gas to avoid any unintended consequences that could be detrimental to consumers.**

Thank you for allowing Par Hawaii the opportunity to present this testimony for the Committees' consideration.



Email: [communications@ulupono.com](mailto:communications@ulupono.com)

SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM AND  
COMMERCE, CONSUMER PROTECTION, AND HEALTH  
Monday, February 10, 2020 — 2:45 p.m. — Room 414

**Ulupono Initiative supports SB 2818, Relating to Renewable Energy.**

Dear Chair Wakai, Chair Baker, and Members of the Committees:

My name is Amy Hennessey, and I am the Senior Vice President of Communications & External Affairs at Ulupono Initiative. We are a Hawai'i-based impact investment firm that strives to improve our community's quality of life by creating more locally produced food; increasing affordable clean renewable energy and transportation options; and better managing waste and fresh water resources.

**Ulupono supports SB 2818**, which requires a study regarding renewable natural gas to determine economic and technical feasibility of the use of renewable gas by gas utility companies.

Ulupono supports renewable energy diversity in the State's effort to reach its 2045 goal. Having a well-developed and planned approach for gas utility renewable energy standards will prove to have lasting effects on Hawai'i's energy future. Renewable natural gas technologies certainly exist but pushing the gas utility to go to renewable sources as quickly as the electric utility ignores current market and technological realities. Establishing a renewable portfolio standard (RPS) for the gas utility should be done after careful study and that effort should not be used as a reason to delay fixing the well-known defects in the RPS definition for the electric utility.

Thank you for this opportunity to testify.

Respectfully,

Amy Hennessey, APR  
Senior Vice President, Communications & External Affairs

*Investing in a Sustainable Hawai'i*



183 Pinana St., Kailua, HI 96734 • 808-262-1285 • [info@350Hawaii.org](mailto:info@350Hawaii.org)

To: The Senate Committee on Energy, Economic Development and Tourism  
and  
The Senate Committee on Commerce, Consumer Protection, and Health  
From: Sherry Pollack, Co-Founder, 350Hawaii.org  
Date: Monday, February 10, 2020, 2:45pm

**In strong opposition to SB2818**

Aloha Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and Committee members of EET and CPH:

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **strongly opposes SB2818.**

SB2812 goes against the best interests of hard-working people in Hawaii, and in particular, our youth who will have to live with the worst effects of Climate Breakdown if we fail to quickly transition off fossil fuels and reduce our greenhouse gas emissions immediately as recommended in the latest IPCC report.

Why should the State spend taxpayer money on behalf of the gas utility on a feasibility study on the use of renewable gas? Hawaii Gas is owned by a multi-billion-dollar corporation, Macquarie Infrastructure Company. If anything, it is their responsibility to conduct such a study. They can certainly afford it.

And if Hawaii Gas was sincerely a good-neighbor company, they would have conducted this study a long time ago. Hawaii Gas testified at the legislature in 2009 stating “We are actively taking the necessary steps to increase the renewable content of our gas to 50 percent for the entire state within five years.” In a 2019 hearing at the Honolulu City Council, however, Hawaii Gas testified that renewable natural gas is a mere 3% of what they produce. Thus, we see the regrettable result of not having included gas utilities in the RPS from the beginning.

Furthermore, the veiled threats by Hawaii Gas that consumer prices may have to be increased if pressed to transition towards renewable energy sources is particularly egregious. We have abundant data showing that renewable energy is now cheaper than fossil fuels. Hawaii is blessed with abundant zero-emission energy sources. With existing technology including energy storage, we can have energy independence for Hawaii through 100% clean energy if we invest properly in these resources and at the scale required. Rather than putting money into an unnecessary study, it would be much more in our best interests to invest that money towards a clean energy economy now, so that Hawaii can move as quickly as possible to attain our renewable energy goals.

**Bottom line, there is no justification for taxpayer dollars to be put forward for such a study.**

Even more concerning is the stipulation in this bill that fossil fuel-promoting entities including the American Gas Association and Gas Technology Institute conduct the peer review. The fossil fuel industry knew about climate change for decades, yet fueled a colossal denial machine to block any meaningful action to confront it. As a result, we have lost precious time and are now in the midst of a Climate Crisis. We cannot afford to waste more time on any unnecessary studies. Our only recourse now is to act swiftly and boldly to reduce our greenhouse gas emissions lest we steal our children's future. We must continue to do our part to avoid the most devastating impacts of climate change.

Mahalo for the opportunity to testify.

Sherry Pollack  
Co-Founder, 350Hawaii.org

**SB-2818**

Submitted on: 2/7/2020 7:23:44 AM

Testimony for EET on 2/10/2020 2:45:00 PM

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

Comments:

we need to pursue all avenues of renewable and affordable energy.

people are leaving the islands because it's too expensive to live here with one job.

**SB-2818**

Submitted on: 2/7/2020 8:30:08 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ryan Day	Individual	Support	No

Comments:

Aloha,

As a professional chef for over 20 years, I support SB 2818. Cooking with gas is very important for any kitchen. The studies should help show how much more economical it is cooking with gas than diesel powered electricity that we currently use in Hawaii, not to mention the savings passed on to the restaurants. Gas is cheaper.

Mahalo,

Ryan Day

**SB-2818**

Submitted on: 2/7/2020 8:34:32 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mustafa Demirbag	Individual	Support	No

## Comments:

The cost of living in Hawaii is one of the highest in the nation. Many of my friends and family members live in their parents and/or grandparents house because they can not afford to live on their own. Gas is an affordable and reliable energy source for me, many of my family members and friends. Please do not put anymore financial burden on struggling Hawaii residents.

**SB-2818**

Submitted on: 2/7/2020 9:16:27 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Michelle Makii	Individual	Support	No

Comments:

Aloha,

I support this bill. I am one to heavily research both sides of all issues to come to a resonable and realistic plan of action. When I was in college, I always thought of moving home after graduation to be with my family, however the thought did come across my mind to stay in the mainland to pursue a career due to the high cost of living on Maui. I am born and raised in Hawaii and the choice to move home after purusing higher education should not be a difficult decision. We need to make responsible decisions to not only help our environment but also those that live in it day in and day out. I urge you to please push towards research in the renewable energy sector.

Sincerely,

Michelle Spencer



**SB-2818**

Submitted on: 2/7/2020 10:36:01 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Colin Hashiro	Individual	Support	No

Comments:

**SB-2818**

Submitted on: 2/7/2020 10:39:33 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Brian Yee	Individual	Support	No

Comments:

I am in support of SB2818.

**SB-2818**

Submitted on: 2/7/2020 11:41:46 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dean Russell	Individual	Support	No

Comments:

I still believe that gas has a place in the Hawaii clean energy mix. Home construction costs are already to high. We don't need any additional regulations without understanding the economic impact.

**SB-2818**

Submitted on: 2/7/2020 11:45:19 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Remigio Dela Cruz	Individual	Support	No

Comments:

Natrual Gas is the least expensive clean energy that we have. Thank you for your consideration.

**SB-2818**

Submitted on: 2/7/2020 11:46:29 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Glenn Matsunaga	Individual	Support	No

Comments:

**SB-2818**

Submitted on: 2/7/2020 2:15:03 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Susan Okouchi	Individual	Support	No

Comments:

**SB-2818**

Submitted on: 2/7/2020 3:04:49 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jared Pasalo	Individual	Support	No

Comments:

**SB-2818**

Submitted on: 2/7/2020 3:52:03 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
CK Lee	Individual	Support	No

Comments:

Natural gas is clearly a smart option, that could impact affordable housing cost while ensuring there is a diversified and reliable energy source; particularly important for an island state.



**SB-2818**

Submitted on: 2/7/2020 4:57:54 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ryan Yoshida	Individual	Support	No

Comments:

Dear Senators,

I would like to express my support for SB2818 to study renewable gas options for Hawaii. As a gas customer, I appreciate the affordability of gas, and would like to see if renewable gas can be produced and or supplied in a way that maintains gas's affordability and reliability. Thank you for reading my testimony.

**SB-2818**

Submitted on: 2/8/2020 3:41:55 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mark A. Koppel	Individual	Oppose	No

Comments:

Aloha Committee Members,

In light of Hawaii's committment to eliminating fossils, this bill makes no sense. It is ridiculous.

Please kill it now.

Mahalo

**SB-2818**

Submitted on: 2/9/2020 8:12:25 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kevin Nishimura	Individual	Support	No

Comments:

I fully support this measure as a critical step toward a Clean future for Hawaii. Solving for renewable, sustainable, yet affordable energy for Hawaii must be done with careful consideration to a complex mix of variables and the availability/scarcity of resources. We cannot afford to ignore our limitations and vulnerabilities as islanders. Moving ahead with smart, well informed decisions will yield us the most favorable results.

**LATE**

**SB-2818**

Submitted on: 2/9/2020 3:46:37 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Alan B Burdick	Testifying for Progressive Democrats of Hawaii	Oppose	No

Comments:

Progressive Democrats of Hawaii OPPOSE this bill because it appears that the study that it calls for will be strongly biased in favor of the fossil-fuel industry.

**LATE**

**SB-2818**

Submitted on: 2/9/2020 11:48:11 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
David Mulinix	Testifying for Our Revolution Hawaii	Oppose	No

Comments:

**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
SENATE COMMITTEE ON COMMITTEE ON COMMERCE,  
CONSUMER PROTECTION, AND HEALTH**

February 10, 2020, 2:45 P.M.  
Room 414  
(Testimony is 5 pages long)

**TESTIMONY IN SUPPORT OF SB 2818 WITH AMENDMENTS**

Aloha Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and members of the committees:

Blue Planet Foundation **supports SB 2818** if it is amended to require that gas utility companies in Hawai'i achieve the same renewable energy targets as Hawai'i's electric utilities. Given the existential threat of climate change to Hawai'i's economy and way of life, it is time to set an expiration date on all fossil fuel use in Hawai'i—not just certain companies or certain sectors. Passing an amended version of SB 2818 is essential for **accelerating progress** and ensuring **consistency, fairness, and consumer confidence** in Hawai'i's 100% renewable energy target.

## **THE SUCCESS AND IMPORTANCE OF THE RPS LAW**

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Hawai'i's RPS law has been a resounding success. In 2015, the legislature set a vision for Hawai'i's energy security, economic viability, and environmental protection by setting a target of 100% renewable energy by 2045. The 100% RPS law has since impacted the energy system exactly as intended, and is driving energy progress in the state. It has unlocked innovation, strengthened collaborations, and fostered alignment on a variety of regulatory and technology issues. With strong Public Utilities Commission guidance and oversight, Hawai'i's 100% RPS is resulting in utility long-range plans that will achieve the mandate ahead of schedule, while simultaneously saving consumers billions of dollars compared to the fossil fuel status quo.

The 100% RPS has set market expectations. Hawai'i is now securing 100% renewable energy projects, able to provide energy at any time of day or night, for a stable cost that is substantially less than the cost of fossil fuel. Recent renewable energy contracts between developers and the electric utility are set to deliver clean energy at record low prices, proving it is possible to

generate clean electricity far cheaper than from fossil fuels.<sup>1</sup> The power from these projects will be as low as 8 cents per kilowatt-hour (kWh), with most coming in below 10 cents per kWh. Even the highest-priced project is substantially lower than the 15 cents per kWh average cost to produce electricity from fossil fuels. By comparison, just a few years ago, Hawai'i was considering importing liquefied natural gas (LNG)—another fossil fuel—to generate electricity for 15 to 20 cents per kWh.

## 100% RPS FOR GAS UTILITIES IS CRITICAL

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Senate Bill 2818 should be amended to establish a renewable portfolio standard requiring that 100% of gas sold by gas utility companies in the state be renewable by 2045. Expanding Hawai'i's 100% RPS to apply to gas utility companies is a necessary next step if we hope to achieve our ambitious clean energy and climate targets—particularly meeting the commitment to the Paris Climate Agreement (Act 32 of 2017) and target of net carbon neutral by 2045 (Act 15 of 2018). **Simultaneously, such a policy would fix the current unfairness in the energy market**, which requires electric utilities, but not gas utilities, to comply with a renewable portfolio standard. Without an RPS policy for gas, Hawai'i could remain dependent on fossil fuels for decades and fail to achieve its critical climate goals.

Consumers sometimes confuse “natural gas” with renewable energy. As most commonly used, natural gas is “natural” in the same way that oil and coal are “natural.” **Natural gas is a fossil fuel.** It is not renewable, and it is inconsistent with a shift to 100% renewable energy. On the mainland, natural gas is now responsible for more climate-heating emissions than coal is. Globally, fossil gas is the fastest-growing source of climate change emissions, according to study published in Environmental Research Letters last month.<sup>2</sup>

In Hawai'i, a former Hawaii Gas executive has called attention to the folly of promoting fossil natural gas use in the islands. In written testimony on January 23, 2020, to the Honolulu City Council regarding Bill 25 (2019), former Hawaii Gas Executive Vice President Joseph Boivin wrote: “Promoting the use of natural gas or propane, renewable or not, does not make sense in Hawaii, and especially so given the impact that we know fossil fuels are having on our environment.” In regards to using gas water heaters over solar water heaters, he wrote: “Despite the claims, the economics do not in any way favor the ongoing use of gas energy over the sun. To argue otherwise is disingenuous and ludicrous.”<sup>3</sup>

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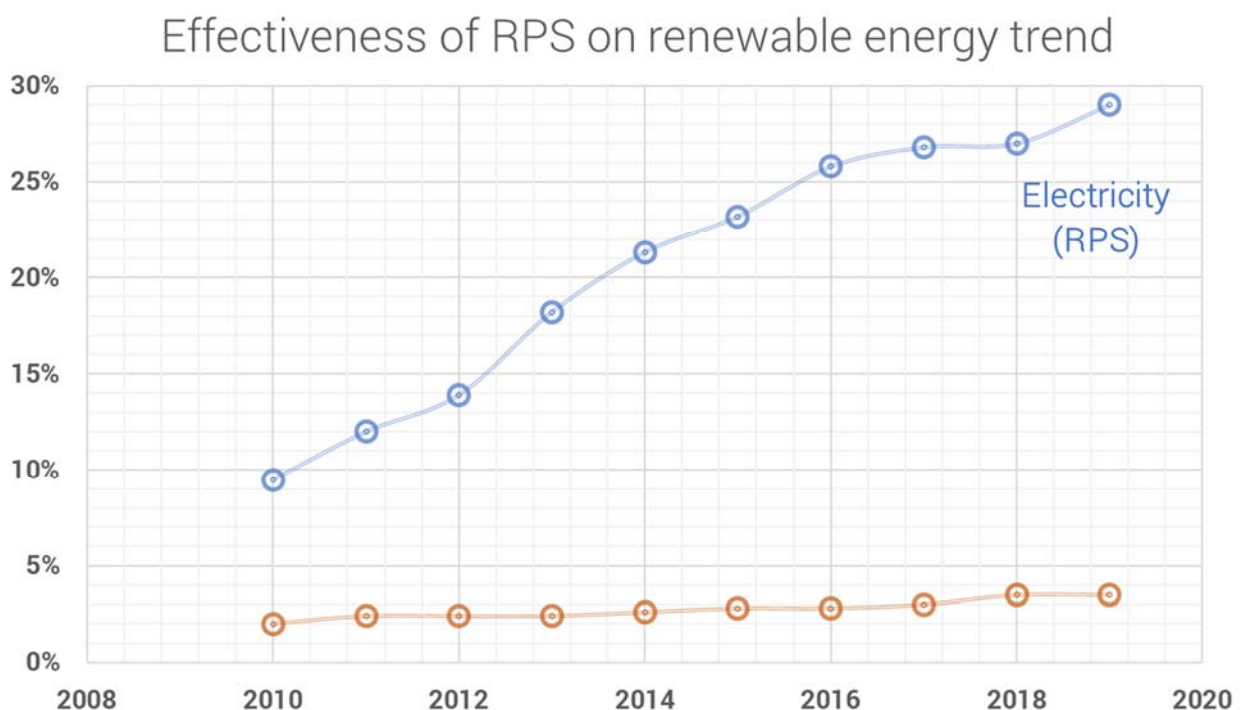
<sup>1</sup> See <https://www.hawaiielectric.com/new-solar-plus-storage-projects-set-low-price-benchmark-for-renewable-energy-in-hawaii>

<sup>2</sup> R B Jackson, et al. 2019. Environmental Research Letters. 14, 121001

<sup>3</sup> Written testimony of Joseph Boivin to the Honolulu City Council Committee on Zoning, Planning and Housing on Bill 25. January 23, 2020. Available at [http://www4.honolulu.gov/docushare/dsweb/Get/Document-250019/M-0040\(20\).PDF](http://www4.honolulu.gov/docushare/dsweb/Get/Document-250019/M-0040(20).PDF)

## HAWAI'I'S RENEWABLE GAS PERCENTAGE IS FAR BEHIND RENEWABLE ELECTRICITY

***It is clear, however, that renewable standards are required to ensure that Hawaii Gas continue to increase the amount of renewable gas in their system.*** Despite promises over the past decade about increasing the use of renewable gas, the actual use of RNG has remained nearly flat. The chart below, using data from the statutorily required renewable energy annual reports,<sup>4</sup> compares the renewable progress made by the electric utility versus the gas utility. The electric utility has steadily increasing renewable goals set for by the RPS.



Hawaii Gas previously stated that they plan to “diversify our feed stock to include gas from renewable resources such as landfill gas and bio-methane, and other renewable sources, including animal fat and plant oils that are locally produced.”<sup>5</sup> A *Honolulu Advertiser* article from November 22, 2009 discussed the Gas Company’s plans and their belief that integrating high amounts of local feedstock is a good business decision for the company and for customers. In 2009 testimony to the legislature on HB 1464, The Gas Company stated: “We are actively taking the necessary steps to increase the renewable content of our gas to 50 percent for the

<sup>4</sup> Renewable Energy Annual Reports filed with the Hawaii Public Utilities Commission, available at <http://puc.hawaii.gov/reports/energy-reports/>

<sup>5</sup> The Gas Company Testimony in Support of HB 1464 HD2, Relating to Energy Resources (Feb. 26, 2009), available at [http://www.capitol.hawaii.gov/session2009/testimony/HB1464\\_HD2\\_TESTIMONY\\_FIN\\_02-27-09\\_4\\_.pdf](http://www.capitol.hawaii.gov/session2009/testimony/HB1464_HD2_TESTIMONY_FIN_02-27-09_4_.pdf)



entire state within five years.”<sup>6</sup> These statements likely gave some comfort to lawmakers at the time that binding renewable energy targets for natural gas weren’t necessary. Unfortunately, we are seeing the effect of those decisions ten years later.

## FOSSIL NATURAL GAS IS BEING BANNED THROUGHOUT THE COUNTRY

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An increasing number of cities across the country are banning natural gas for new buildings because of its threat to climate and health. Berkeley, California, was the first, followed in the state by San Jose, Mountain View, Santa Rosa and Brisbane. On the East Coast, Brookline, Massachusetts, last November became the first city in the state to ban new gas hookups. Dozens of other cities, from Cambridge and Newton in Massachusetts to Seattle, are considering similar bans.

## RENEWABLE GAS OPTIONS AVAILABLE

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Blue Planet recognizes that Hawaii Gas has started to integrate small amounts of renewable natural gas (RNG) into its supply. In December 2018, Hawaii Gas launched its operations at the first renewable natural gas facility in the islands, capturing and processing biogas created during the process of treating wastewater at the Honouliuli Wastewater Treatment Plant on Oahu.<sup>7</sup> The plant is expected to produce 800,000 therms energy per year, which is equivalent to about 15,000 barrels of oil. Previously, this gas was flared (i.e. burned) at the plant. With this project, the City and County of Honolulu will now derive revenue by selling the gas, rather than wasting it, and bring RNG on O’ahu to roughly 5% of the total gas supply. This is an admirable win-win solution. Blue Planet Foundation strongly supports these efforts to transition to renewable gas.

Scaling this will require the development of additional renewable natural gas sources—particularly identifying new solutions for local private and public entities, such as that developed with Honouliuli. These might include: wastewater treatment facilities, landfills, other waste sources, local crops, or renewable hydrogen. Suppliers in other locations may also become an option. In the continental U.S., Clean Energy Fuels Corp. is currently marketing a renewable natural gas product called “Redeem.” This is collected from various waste sources, such as landfills and farms, and then distributed across the country via a natural gas pipeline system. It is presently used to fuel thousands of vehicles each day.

Beyond using waste gas from sewage treatment and landfills, the gas utility has raised concerns about the viability, cost, and available volume of locally produced feedstock for renewable gas. While this may present real challenges, renewable natural gas is not the only option for the incumbent gas utility. Renewably produced hydrogen presents a perfect opportunity as a

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<sup>6</sup> *Id.*

<sup>7</sup> See <https://www.bizjournals.com/pacific/news/2018/12/20/hawaii-gas-completes-first-renewable-gas-facility.html>.

sustainable fuel—one with tremendous growth potential. Hydrogen—the most common element in the universe—will likely play a key role in our clean energy future, particularly in the transportation sector. Hydrogen can be used as a storage fuel, where hydrogen is created from geothermal, wind, or solar energy and stored (in pure gas, compressed, some chemical state, or through another medium) and used later in combustion or fuel cell applications.

Progressive gas companies around the globe are exploring the use of renewable hydrogen as a replacement for their natural gas sales. In Australia, Evoenergy and Canberra Institute of Technology are testing the direct conversion of natural gas infrastructure and pipelines to hydrogen.<sup>8</sup> In the United Kingdom, three natural gas distributors have detailed plans to convert the UK's residential gas system to a hydrogen delivery system. UK firms Northern Gas Networks and Cadent, as well as Norwegian gas firm Equinor, suggested an initial roll-out of the program to 3.7 million homes and 400,000 businesses in Northern England could commence as soon as 2028.<sup>9</sup>

Establishing an RPS for gas in Hawai'i will help foster the transition to low-carbon replacements for natural gas, and could help unlock a transformation to a hydrogen-based clean energy system for the state.

***In the interest of achieving our state's critical clean energy and climate goals, robust state energy policy, fairness, and unlocking innovation, Blue Planet Foundation strongly supports establishing a gas RPS via SB 2818.***

## CONCLUSION

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Blue Planet Foundation strongly supports amending SB 2818 to help **accelerate Hawai'i's clean energy progress, increase fairness across the energy sectors, and spur innovation and development in new, locally produced, renewable fuels**. This is an important measure for ensuring consistency, fairness, and consumer confidence in Hawai'i's 100% renewable energy target.

We look forward to working with the legislature on this key policy.

Thank you for the opportunity to testify.

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<sup>8</sup> Canberra Institute of Technology, "Nation's first hydrogen test station at CIT Fyshwick," December 4, 2018 ([https://cit.edu.au/news/hydrogen\\_test\\_station](https://cit.edu.au/news/hydrogen_test_station)).

<sup>9</sup> <https://arstechnica.com/science/2018/11/natural-gas-distributors-outline-proposal-to-convert-home-heating-to-hydrogen/>

**LATE**

**SB-2818**

Submitted on: 2/9/2020 10:49:14 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Victoria Anderson	Individual	Oppose	No

Comments:

Please do not pass this bill.

**LATE**

**SB-2818**

Submitted on: 2/10/2020 5:26:32 AM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Caroline Kunitake	Individual	Oppose	No

Comments:

Dear Chair Wakai, Chair Baker and Members of the Joint Committee on Energy, Economic Development and Tourism and the Committee on Commerce, Consumer Protection and Health,

I am writinto oppose SB2818.

Although burning renewable gas is cleaner than burning fossil fuels, the burning of biogas releases greenhouse gases like carbon dioxide and other pollutants, including smog-forming nitrogen oxides, ammonia and hydrogen sulfide. Renewable gas facilities have the potential to leak unused gas into the atmosphere (thus releasing more greenhouse gases) and can be quite smelly and dirty (e.g. manure digester).

Because Hawaii is located in a tropical environment, so many other cleaner renewable energy resources (e.g. solar, wind, hydro electric, etc.) can be developed.

Please oppose this bill.

Mahalo,

Caroline Kunitake

**LATE**

**SB-2818**

Submitted on: 2/10/2020 8:20:21 AM  
Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nanea Lo	Individual	Oppose	No

Comments:

Hello,

My name is Nanea Lo. I am a lifelong resident of Hawai'i on O'ahu. I am writing in to say I do not support this bill.

me ke aloha 'Ä• ina,

Nanea Lo



Hawaiian  
Electric

**LATE**

**TESTIMONY BEFORE SENATE COMMITTEES ON  
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
&  
COMMERCE, CONSUMER PROTECTION, AND HEALTH**

**S.B. 2818**

**Relating to Renewable Energy**

Monday, February 10, 2020  
2:45pm, Agenda Item #2  
State Capitol, Conference Room 414

Chris Lau  
Manager, Corporate Energy Planning  
Hawaiian Electric Company, Inc.

Dear Chair Wakai and Chair Baker, Vice Chair Taniguchi and Vice Chair Chang, and  
Members of the Committees,

My name is Chris Lau and I am testifying on behalf of Hawaiian Electric  
Company, Inc. (Hawaiian Electric) **in support of S.B. 2818**, Relating to Renewable  
Energy. The bill requires the Hawai'i Natural Energy Institute (HNEI) to conduct a  
feasibility study of the use of renewable gas by the gas utilities and appropriates funds  
for the study.

Hawaiian Electric supports a study on the feasibility of renewable gas in Hawai'i.  
Renewable gas could help to achieve the State's renewable and greenhouse gas  
emissions goals by ensuring customers who choose to generate their electricity using  
fossil fuels have the ability to become renewable over time. However, renewable gas  
would need to be available at cost effective quantities to accomplish this. The study  
proposed in S.B. 2818 takes the first step in assessing several important factors for the  
development of renewable gas in the State.

Hawaiian Electric remains committed to achieving the RPS goals of 100 percent by 2045 and getting off fossil fuels but recognizes that achievement of this goal will require the collaborative efforts of many stakeholders. Renewable gas is a unique resource that sits at the nexus between the electricity sector and transportation sector where it can facilitate the addition of further renewables in the electricity sector, reducing emissions there, as well as reduce emissions in the transportation sector, where emissions have increased in recent years. Further study of this resource is warranted to better understand how it can help achieve the State's goals.

Accordingly, the Hawaiian Electric Companies support S.B. 2818 in its current form. Thank you for this opportunity to testify.



Chamber of Commerce HAWAII  
*The Voice of Business*

**LATE**

**Testimony to the Senate Committees on Energy, Economic Development, and  
Tourism, and Commerce, Consumer Protection, and Health  
Monday, February 10, 2020 at 2:45 P.M.  
Conference Room 414, State Capitol**

**RE: SB 2818, RELATING TO RENEWABLE ENERGY**

Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and Members of the Committees:

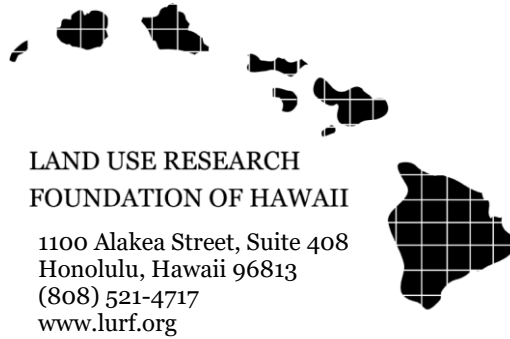
The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2818, which requires a study regarding renewable gas to determine economic and technical feasibility of the use of renewable gas by gas utility companies and appropriates funds for the study.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Hawaii continues to play a leading role in protecting our environment and increasing energy efficiency. We believe in the benefits of a sustainable future, but we must ensure that solutions that would affect the business community do not impede or create unintended burdens on entrepreneurs. Policies need to be shaped to create common ground, especially so that businesses can have the flexibility to develop and create practical, reasonable and rational solutions to address these important issues. A comprehensive study on the feasibility of the use of renewable gas will provide lawmakers with valuable data regarding future policies and ensure that businesses and consumers are presented with accurate information.

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





**LATE**

February 10, 2020

Senator Glenn Wakai, Chair  
Senator Brian T. Taniguchi, Vice Chair  
Senate Committee on Energy, Economic Development & Tourism

Senator Rosalyn H. Baker, Chair  
Senator Stanley Chang, Vice Chair  
Senate Committee on Consumer Protection and Health

**Strong Support of SB 2818, Relating to Renewable Energy (Requires a study regarding renewable gas to determine economic and technical feasibility of the use of renewable gas by gas utility companies. Appropriates funds for the study.)**

**ETT/CPH Hearing: Monday, February 10, 2020, 2:45 p.m., in Conf Rm 414**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and 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.

Kama'aina LURF members have been generating and using renewable energy for over 100 years. LURF's members are the leaders in Hawaii's renewable energy research and development, technology, generation, transmission and provide renewable energy opportunities for homeowners, commercial, tourism and industrial developments and agriculture.

LURF **strongly supports of SB 2818.**

**SB 1818.** This measure requires a study regarding renewable gas to determine economic and technical feasibility of the use of renewable gas by gas utility companies. The purpose of this bill is to conduct a study regarding the availability, feasibility, and costs of the use of renewable gas in Hawaii by gas utility companies; and appropriation of funds for the study.

**LURF's position.** Section 269-91, Hawaii Revised Statutes (HRS), identifies nine renewable energy resources, of which, five can be used in some form of gas: biogas, geothermal, biomass, biofuels and hydrogen. To reach Hawaii's renewable energy goals, Hawaii's renewable energy future must include renewable gas resources, as well as all forms of renewable energy, as defined by Section 269-91, HRS. We understand, however, that there may also be county

legislation that would frustrate the purposes of this study, by severely restricting the further research, development and use of renewable natural gas, and increasing energy costs for consumers. Since it appears that the goal of this study is to provide the information and data that could develop a comprehensive policy and renewable energy standards for the use of renewable natural gas, **LURF would respectfully recommend that a provision be added to restrict the counties from taking any actions that would frustrate the purposes of this study, restrict the further research, development and use of renewable gas, or increase the energy costs for consumers.**

**Conclusion.** In view of the above discussion, LURF **strongly supports the intent of SB 2818, and respectfully requests that your Committees adopt the above proposed amendments to SB 2818.**

Thank you for the opportunity to provide comments relating to this measure.

**LATE**

**SB-2818**

Submitted on: 2/10/2020 2:22:11 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Justin Salisbury	Individual	Oppose	No

Comments:

**LATE**

**SB-2818**

Submitted on: 2/10/2020 9:38:45 PM

Testimony for EET on 2/10/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Roseann Michaud	Individual	Oppose	No

Comments: