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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Thursday, April 1, 2021
2:00 P.M.

State Capitol, Conference Room 329 & Via Videoconference

In **SUPPORT** of
SB 768 SD 2 HD 1
RELATING TO ZERO-EMISSION VEHICLES.
(Written Testimony Only)

Chair Johanson, Vice Chair Kitagawa, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports SB 768 SD 2 HD 1, which establishes the rental car modernization task force to determine the feasibility of installing electric vehicle charging infrastructure to support a one hundred per cent zero emission rental motor vehicle fleet by 2035.

HSEO supports the proposed task force, which will begin planning the transition to electric rental motor vehicle fleets to achieve the State's zero-emission transportation goals and avoid disruption in the rental car market as vehicle manufacturers cease production of gasoline-powered vehicles. This purpose aligns with the State's efforts to expand strategies and mechanisms to reduce greenhouse gas emissions through the reduction of energy use, adoption of renewable energy, and control of air pollution among all agencies, departments, industries, and sectors, including transportation. For Hawaii to meet its statutory target "to sequester more greenhouse gases than emitted as soon as practicable, but no later than 2045," programs that support the adoption of cleaner transportation options are necessary and important.

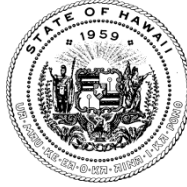
SB 768 SD 2 HD 1 directs the task force to develop a plan to determine the feasibility of installing electric vehicle charging infrastructure at a rate and volume to support a one hundred per cent zero-emission rental motor vehicle fleet by 2035 and include in the plan an analysis of how airport parking structures may be able to accommodate charging station infrastructure and the financial requirements to do so. HSEO agrees that transitioning to electric rental motor vehicles will require appropriate electric charging infrastructure and capacity at airports, hotels, and other destinations to be successful. Assessing these locations to fully understand their ability to install and operate the necessary charging infrastructure to support a one hundred per cent zero-emission rental motor vehicle fleet by 2035 will provide the necessary information to ensure an effective transition plan. It is likely that significant electric system upgrades would be required to support level 3 DC fast charging infrastructure in many of the locations, including airport parking structures.

The adoption and widespread deployment of electric vehicles is essential to reduce Hawaii's dependence on fossil fuels. Rental car efficiency is one of the recommended petroleum reduction tactics identified on page 9 of the Hawaii Clean Energy Initiative Transportation Energy Analysis, prepared for HSEO by the International Council on Clean Transportation. Incorporating electric vehicles into vehicle rental fleets will markedly increase exposure to electric vehicles, which can boost acceptance and adoption of electric vehicles by familiarizing residents and travelers with the technology and operating characteristics of the vehicles.

As the State develops plans to achieve a decarbonized ground transportation sector, it is important to ensure the necessary infrastructure is in place to enable all market participants to address the effects of climate change to support the State's economy, environment, health, and way of life.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



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

April 1, 2021
2:00 p.m.
State Capitol Room 329, Teleconference

S.B. 768, S.D. 2, H.D. 1
RELATING TO ZERO-EMISSION VEHICLES

House Committee on Consumer Protection and Commerce

The Department of Transportation (DOT) **supports the intent** of this bill which would establish the rental car modernization task force to develop a plan to determine the feasibility of installing electric vehicle charging infrastructure to support a one hundred per cent zero-emission rental motor vehicle fleet by 2035.

Thank you for the opportunity to provide testimony.



Email: communications@ulupono.com

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Thursday, April 1, 2021 — 2:00 p.m.

Ulupono Initiative supports the intent of SB 768 SD 2 HD 1, Relating to Zero-Emission Vehicles.

Dear Chair Johanson and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono supports the intent of SB 768 SD 2 HD 1, which establishes the rental car modernization task force to develop a plan to determine the feasibility of installing electric vehicle charging infrastructure to support a 100% zero-emission rental motor vehicle fleet by 2035; the task force is to submit an initial report to the legislature no later than December 1, 2021 and a final report to the legislature no later than December 1, 2022; and the task force is dissolved on May 31, 2023.

Ulupono supports Hawai'i's reduction of fossil fuel use as we strive to meet the State's 100% renewable goal by 2045. Though a number of governments around the globe have set much more aggressive precedents, establishing a working group to assist the rental industry in planning for a transition to zero-emission vehicles is a positive step forward for Hawai'i.

However, we find that the proposed working group should bolster the level of expertise and knowledge from those that sell, install and operate EV charging stations. **Specifically, we strongly recommend that the working group be amended to include one member representing the EV charging infrastructure industry, as invited by the chairperson.**

Overall, Ulupono finds that electric vehicles (EVs) are an important avenue to address Hawai'i's pressing climate issues and align with the State's energy and environmental goals. EVs currently offer an effective option to advance clean, renewable ground transportation and provide immediate benefits to Hawai'i.

In fact, the Governor of California recently signed an executive order to eliminate the sale of new gas cars and trucks by 2035. California joins a multitude of countries and cities across Europe, as well as China and British Columbia, who have taken similar measures to eliminate the sale of new fossil fuel vehicles.

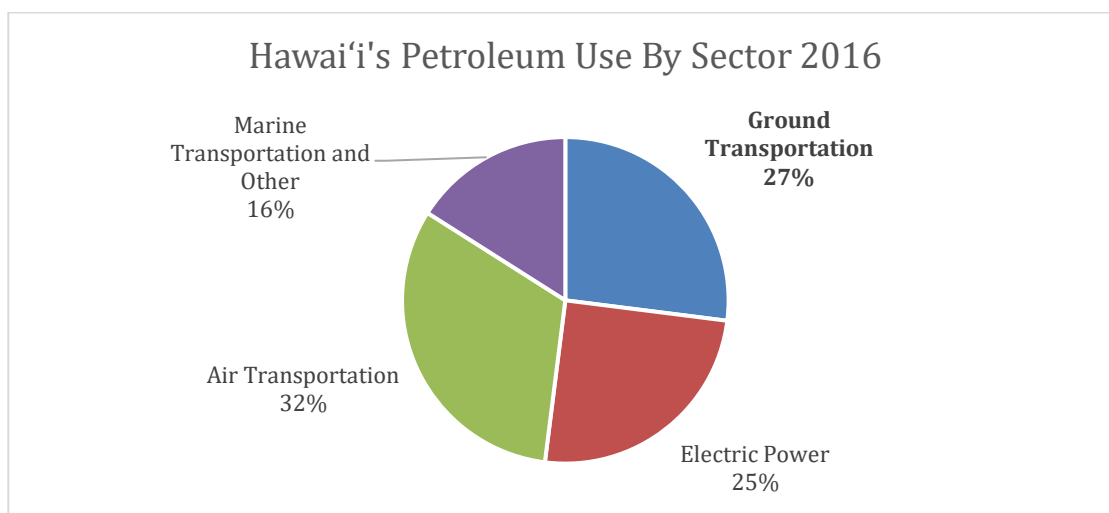
Investing in a Sustainable Hawai'i

Most recently, Nissan committed to having every new vehicle in major markets (including the US) be electrified by the early 2030s, and General Motors (GM) committed to stop making gasoline and diesel cars, vans and SUVs by 2035.

The future of transportation does not depend on fossil fuels and the State of Hawai'i should continue to lead by example and further show the world that Hawai'i is serious about the sustainability and resiliency of our community by encouraging EVs as this bill proposes.

EVs Provide Immediate Energy and Environmental Impact

Ground transportation alone utilizes more than a quarter of the state's imported petroleum. Electrifying ground transportation will reduce our demand for imported fossil fuels, keeping millions of dollars in the state and cutting harmful pollution.



Source: Hawai'i State Energy Office – Hawai'i Energy Facts & Figures

Converting from petroleum-based vehicles to EVs reduces greenhouse gas (GHG) emissions immediately, helping combat climate change and its impacts on our islands. EVs produce zero-emissions at the tailpipe, and even when full lifecycle emissions (from manufacturing through disposal) are considered, EV emissions are approximately 50 percent lower than internal combustion engine (ICE) vehicles.

EVs can also support integrating more renewables on the electric grid with smart charging technology and rate structures. Thus, proliferating EVs throughout Hawai'i can help accelerate progress towards the State's 100 percent RPS goal, as well as contribute to the State's Paris Agreement commitments and carbon neutral goal.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

SB-768-HD-1

Submitted on: 3/30/2021 9:33:52 PM

Testimony for CPC on 4/1/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ted Bohlen	Climate Protectors Hawai'i	Oppose	No

Comments:

To: The Honorable Aaron Ling Johanson, Chair,

The Honorable Lisa Kitagawa, Vice Chair, and Members of the

House Committee on Consumer Protection and Commerce

From: Climate Protectors Hawai'i

RE: SB768 SD2 HD1 RELATING TO ZERO-EMISSION VEHICLES

Hearing Date: Thursday, April 1, 2021, 2:00 pm, by videoconference

Aloha Chair Johanson, Vice Chair Kitagawa, and Consumer Protection and Commerce Committee members:

The Climate Protectors Hawai'i is a group focused on reversing the climate crisis and encouraging Hawai'i to lead the world towards a safe and sustainable climate and future. **The Climate Protectors Hawai'i OPPOSES SB768 SD2 HD1 UNLESS IT IS AMENDED.**

As a tropical island State, Hawai'i will be among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, food insecurity, and rising sea levels destroying our shorelines. We must do all we can to reduce our carbon footprint and become carbon negative as soon as possible.

This bill would establish a rental car modernization task force. But, as amended in HD1, the task force would only develop a plan to determine the feasibility of installing electric vehicle charging infrastructure to support a zero-emission rental motor vehicle fleet by 2035.

Given the climate crisis, **bolder action is needed!** Hawai'i needs clean ground transportation as soon as feasible in order to reach its clean energy goals, and sufficient charging infrastructure is essential to achieving clean ground transportation. Merely determining feasibility is no substitute for actually developing a plan for installing

needed infrastructure. The Climate Protectors Hawai'i **OPPOSES the HD1 change** and urges the Committee to amend the bill as follows:

The language in the first sentence of **Section 2(c)** should be amended to read:

"The task force shall develop a **feasible** plan to ~~determine the feasibility of installing~~ **for how** electric vehicle charging infrastructure **should be installed** at a rate and volume to support a 100 percent zero-emission rental motor vehicle fleet by 2035."

With this amendment, Hawaii can move forward with feasible plans to transition its rental motor vehicle fleet entirely to zero emission vehicles by 2035. Please **pass this bill with this proposed amendment!** Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



To: The House Committee on Consumer Protection and Commerce
From: Sherry Pollack, 350Hawaii.org
Date: Thursday, April 1, 2021, 2pm

OPPOSITION TO AMENDED VERSIONS OF SB768

Aloha Chair Johanson, Vice Chair Kitagawa, and Consumer Protection and Commerce Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. On behalf of our 6,000 members and supporters, 350Hawaii.org offers the following comments on this bill.

We are in strong support of the original language in **SB768** that required rental car lessors to transition to one hundred percent zero-emission vehicles. SB768 *would have* incorporated large numbers of zero-emission vehicles into rental motor vehicle fleets which would significantly reduce carbon emissions, increase the number of zero-emission vehicles entering the secondary market, making them more affordable to more Hawaii residents, and demonstrate to all who visit the State that Hawaii is a leader in clean energy and sustainable transportation.

Please restore the original language in this bill. Environmental threats are growing worse and we are facing a climate crisis. SB768 was a great step towards the types of actions that we must begin to take in earnest if we are to avert climate catastrophe. We don't need a taskforce, particularly one that does not include community stakeholders, to simply delay the work that needs to begin now. **The longer we delay the transformation to renewable energy, the closer we come to irreversible climate chaos.**

Climate change is very much upon us. Important measures like SB768 should take effect absolutely as soon as possible. The UN IPCC report makes clear we have kicked the can down the road for far too long and must take immediate responsibility for the damage we've already done.

Zero-emission vehicles are better for the environment and the economy. They are the future for Hawaii and rental car fleets are the most logical place to accelerate progress on EV adoption statewide.

Thank you for the opportunity to testify.
Sherry Pollack
Co-Founder, 350Hawaii.org



Robert Muhs, Esq.

Vice President Government Affairs

T - 973 496-3532

Robert.muhs@avisbudget.com

Representative Aaron Ling Johanson, Chair
Representative Lisa Kitagawa, Vice Chair
Committee on Consumer Protection & Commerce

Thursday, April 1, 2021; 2:00 p.m.

Via Videoconference

RE: SB 768 SD2 HD1 – Relating to Zero-Emission Vehicles – Comments

Aloha Chair Johanson, Vice Chair Kitagawa and members of the committee:

My name is Robert Muhs, Vice President Government Affairs for Avis Budget Group. Avis Budget appreciates this opportunity to offer comments on SB 768 SD2 HD1, which establishes the rental car modernization task force to develop a plan to determine the feasibility of installing electric vehicle charging infrastructure to support a one hundred per cent zero-emission rental motor vehicle fleet by 2035; requires the task force to submit an initial report to the legislature no later than 12/01/21, and a final report to the legislature no later than 12/01/22; dissolves the task force on 5/31/23.

Avis Budget Group is aligned to the UN Sustainable Development Goals in climate change by advancing low carbon mobility solutions and community resilience.

The selection of cars Avis Budget offers is based on customer preference. Avis Budget always looks at the possibility of electric vehicles in our fleet but without a well-defined universal charging station infrastructure and a keen consumer awareness about how to use them and how long they can drive between charges, there is little to no demand.

We appreciate the Transportation Committee's amendments to increase the members on the task force representing the rental car industry from one to two, and including a representative of an auto manufacturing company. If not enough zero-emission vehicles are produced, it would be impossible to achieve a 100% zero emission fleet by 2035.

Avis Budget Group welcomes the opportunity to participate on the rental car modernization task force. Thank you for your efforts to address electric vehicle charging infrastructure needs.



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: March 31, 2021

TO: Representative Aaron Johanson
Chair, Committee on Consumer Protection and Commerce

FROM: Tiffany Yajima

RE: **S.B. 768, S.D.2, H.D.1 – Relating to Zero Emission Vehicles**
Hearing Date: Thursday, April 1, 2021 at 2:00 p.m.
Conference Room: 329

Dear Chair Johanson, Vice Chair Kitagawa, and Members of the Committee on Consumer Protection and Commerce:

On behalf of the Alliance for Automotive Innovation (“Auto Innovators”) we submit these **comments** on S.B. 768, SD2, HD1.

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 automobile manufacturers support the intent of this bill to form a taskforce within the Department of Transportation to determine the feasibility of installing sufficient electric vehicle charging infrastructure to support zero-emission rental motor vehicle fleets.

The Alliance notes that the H.D.1 version of this measure was amended to include “One local or regional representative of an auto manufacturing company, as invited by the chairperson.” As the trade association representing the automobile manufacturing industry as whole, we recommend a clarifying amendment to change the word “company” to “trade association.” Each manufacturer has its own unique approach to matters, and the Alliance can provide a broad perspective representative of the automobile manufacturing industry.

Thank you for the opportunity to submit these comments.



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: March 31, 2021

TO: Representative Aaron Johanson
Chair, Committee on Consumer Protection and Commerce

FROM: Tiffany Yajima

RE: **S.B. 768, SD2 HD1 - Relating to Zero Emission Vehicles**
Hearing Date: Thursday, April 1st, 2021 at 2:00 p.m.
Conference Room 329

Dear Chair Johanson, Vice Chair Kitagawa, and Members of the Committee on Consumer Protection and Commerce:

We submit this testimony on behalf of Enterprise Holdings, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, and Enterprise Commute (Van Pool).

Enterprise Holdings submits these **comments** supporting the intent of S.B. 768, S.D.2, H.D.1, which would establish a rental car modernization task force within the Department of Transportation that is tasked with determining the feasibility of installing sufficient electric vehicle charging infrastructure to support zero-emission rental car fleets.

Enterprise is a leader in sustainability in its industry and has invested in sustainable transportation by incorporating fuel efficient vehicles in its fleets and launching car sharing and van pool services in Hawaii. When electric vehicles first came onto the market, Enterprise launched a new program in Hawaii to incorporate EVs into its fleet. Despite the company's significant investment in EVs, consumer-driven demand for these vehicles was unsuccessful for a variety of reasons. As a practical matter, rental car companies cannot require renters to choose electric vehicles. There is also insufficient statewide charging infrastructure at the airport and other tourism destinations to support all-electric vehicle fleets. Moreover, rental car companies that are authorized to carry out vehicle rental activities at the Consolidated Rental Car Facility do not have the ability to install charging stations at CONRAC facilities where majority of rental cars are stored.

Enterprise is supportive of the state's efforts to move toward electric transportation and has participated in several working groups over the years that were tasked with increasing zero-emission vehicle charging infrastructure. We appreciate the amendments made in the HD1 and look forward to the opportunity to engage in productive conversations about realistic ways to increase the availability of charging infrastructure and the growth of the EV market in a sustainable way. Thank you for the opportunity to submit this testimony.

SB-768-HD-1

Submitted on: 3/30/2021 12:17:59 PM

Testimony for CPC on 4/1/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John D. Smith	Individual	Support	No

Comments:

I support.

SB-768-HD-1

Submitted on: 3/30/2021 2:09:26 PM

Testimony for CPC on 4/1/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kaikea K. Blakemore	Individual	Support	No

Comments:

Support

SB-768-HD-1

Submitted on: 3/31/2021 1:42:34 AM

Testimony for CPC on 4/1/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Pappas	Individual	Support	No

Comments:

Dear CPC Chair Johanson, CPC Vice Chair Kitagawa and CPC Committee members,

According to the Hawaii legislature:

- Most major auto manufacturers plan to phase out gasoline vehicles as quickly as possible
- Gas-powered cars are more expensive to build than electric vehicles (EVs)
- EVs are more reliable (require less maintenance) than gas-powered vehicles

In summary, "Gasoline-powered vehicles can no longer compete with electric vehicles in terms of performance, reliability, safety, or cost" (the Legislature's own words). All major car manufacturers are leaning electric because these cars are cheaper to build, safer, require less maintenance and are fun to drive. EVs will soon be arriving by the thousands on our shores and the charging infrastructure will have to be ready.

We are in strong support of SB768 to transition the State's fleet of rental vehicles to clean energy fuels as soon as possible. Hawaii imports fossil fuel to the tune of \$5 billion per year and two thirds of that is for transportation. Decarbonizing Hawaii's transportation sector needs to be one of the State's major goals.

Having purchased solar panels in 2008 and owning a Nissan Leaf EV since 2011 (which we charge at home), our family realizes the savings available in energy costs and car maintenance for anyone who takes this path. There is just no reason to continue with fossil-fueled electricity and gas-guzzling cars--especially for entire fleets.

The legislature needs to take action.

Please complete the plan for the rental fleet by the Dec. 1, 2021, and begin work on the State-wide EV charging infrastructure (including the airport). Please restore the original timeline for the gas-to-EV rental vehicle transition. Every month that is wasted means greater cost per vehicle, greater cost for maintenance and continued greenhouse gas emissions causing added climate change. We can't afford to wait any longer.

Please restore the timeline, including 10% EV transition by 2025 (or sooner). Anything less will be spending more money than is necessary.

Thank you for listening and for this opportunity to testify.

Sincerely,

Jan Pappas, Ronald Yasuda - Aiea, Hawaii