



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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

before the  
**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
AND  
COMMITTEE ON WATER AND LAND**

Friday, February 11, 2022  
3:10 PM  
State Capitol, Conference Room 224 & Videoconference.

**COMMENTS  
SB 3314  
RELATING TO THE HAWAII STATE ENERGY OFFICE.**

Chairs Wakai and Inouye, Vice Chairs Misalucha and Keith-Agaran and Members of the Committees, the Hawai'i State Energy Office (HSEO) offers comments on SB 3314, which transfers the Hawaii state energy office from the department of business, economic development, and tourism (DBEDT) to the department of land and natural resources (DLNR).

HSEO's testimony is guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

The legislature established the HSEO as a separate agency attached to DBEDT with the 2019 passage and signing into law of Act 122 that codified HSEO's mission in Section 196-71(a), HRS "to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy economy."

DBEDT's mission focuses on economic development and innovation sector job growth whereas DLNR's mission is focused on enhancing, protecting, conserving, and managing Hawaii's unique and limited natural, cultural, and historic resources. The HSEO works closely with DBEDT and its other attached agencies including Office of Planning and Sustainable Development, Hawaii Green Infrastructure Authority,

Natural Energy Laboratory of Hawaii Authority, Land Use Commission, Hawaii Community Development Authority, and Hawaii Technology Development Corporation on energy-related economic development projects. Recent activities have focused on supporting the economic recovery from the devastating impacts of the COVID-19 pandemic while facilitating the State's transition to clean energy.

HSEO also works closely with the Hawai'i Climate Change Mitigation and Adaptation Commission co-chaired by the Directors of the Office of Planning and Sustainable Development and the DLNR on energy-related mitigation policies and programs to decarbonize Hawai'i's economy. HSEO works effectively with the DLNR on matters of joint concern under the current structure as an agency attached to DBEDT. HSEO believes its mission aligns more closely with DBEDT and its similarly attached agencies and that it can continue to work constructively with the DLNR as needed.

HSEO is concerned about the diversion of resources and time, and potential expense, required to effect the change given the administrative aspects of such an effort that would also involve the Department of Human Resources Development, the Department of Accounting and General Services, and the Department of Budget and Finance.

Thank you for the opportunity to testify.





**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE  
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Statement of  
**MIKE MCCARTNEY**  
Director

Department of Business, Economic Development, and Tourism  
before the

**SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
AND WATER AND LAND**

Friday, February 11, 2022

3:10 PM

State Capitol, Conference Room 224

In consideration of

**SB3314**

**RELATING TO THE HAWAII STATE ENERGY OFFICE.**

Chairs Wakai and Inouye, Vice Chairs Misalucha and Keith-Agaran, and members of the Committee.

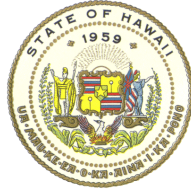
The Department of Business, Economic Development and Tourism (DBEDT) offers comments on SB3314, which transfers the Hawaii State Energy Office (HSEO) from DBEDT to the Department of Land and Natural Resources (DLNR).

The HSEO's mission is to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy economy. Not only does the HSEO collaborate with stakeholders and the broader community to educate and solicit feedback about Hawaii's clean energy goals, but they also help stimulate economic growth by elevating job growth prospects, and business opportunities in an innovative economy.

DBEDT's approach to economic development consists of a balance between economic growth and the well-being of Hawaii's people, culture, and environment. The divisions and attached agencies of DBEDT work together in a team approach. Thus, the HSEO works closely together with the Office of Planning and Sustainable Development, Hawaii Green Infrastructure Authority, the Natural Energy Laboratory of Hawaii Authority, Land Use Commission, Hawaii Community Development Authority, and the Hawaii Technology Development Corporation on various energy projects.

Therefore, DBEDT believes that at the present time the Hawaii State Energy Office should remain within DBEDT. Thank you for the opportunity to testify.

DAVID Y. IGE  
GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of  
SUZANNE CASE  
Chairperson**

**Before the Senate Committees on  
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
and  
WATER AND LAND**

**Friday, February 11, 2022  
3:10 PM**

**State Capitol, Conference Room 224, Via Videoconference**

**In consideration of  
SENATE BILL 3314  
RELATING TO THE HAWAII STATE ENERGY OFFICE**

Senate Bill 3314 proposes to transfer the State Energy Office (Office) to the Department of Land and Natural Resources with any preamble discussing the move. **The Department of Land and Natural Resources (Department) offers the following comments on this bill.**

The Department already has a very broad mandate with jurisdiction from the mountain tops to three miles out to sea. Our mission is to “Enhance, protect, conserve and manage Hawaii’s unique and limited natural, cultural and historic resources held in public trust for current and future generations of the people of Hawaii nei, and its visitors, in partnership with others from the public and private sectors.” The Office, on the other hand, is rooted in a “commitment to maximize the deployment of cost-effective investment in clean energy production and management for the purpose of promoting Hawaii’s energy security. While there is some overlap, due to the commercial and entrepreneurial focus of the Office as compared to the natural resources and preservation focus of the Department, we feel that the Office fits better at their current location, the Department of Business, Economic Development, and Tourism (DBEDT).

The Bill assumes that the Department has both personnel and space to accommodate the Office. The Department has neither. The State Historic Preservation Division (SHPD) of the Department is already located in Kapolei because of space limitations at Kalanimoku. Ideally, SHPD would be co-located with the rest of the Department. Who would be responsible for locating space, paying for the move and any rent if necessary? Funding for these items should be included in the bill.

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**ROBERT K. MASUDA**  
FIRST DEPUTY

**M. KALEO MANUEL**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

It is not clear how much support staff would be included in the transfer. The Department has a very small administrative staff that provides fiscal, human resources and IT support to the Department. If the Office is not bringing its own staff to support in these areas, the Department will need additional personnel to effectively support the new office.

The bill does not address how the Office will be integrated into the functions and processes of the Department. For example, will the Board of Land and Natural Resources have oversight over the Office? If the answer is no, why not, if they are within the Department? Does the Advisory Council to Hawaii Natural Energy Institute (304A-1892) get expanded to include someone from the Department?

There have been no conversations between the Department and DBEDT about a proposed transfer of the Hawaii State Energy Office. The Bill should be amended to 1) evaluate whether this transfer is good for either Department and the Office, 2) allow for transition planning and time for a transition, and 3) provide funding for transition planning and additional personnel the Department would need to accommodate the Office. Finally, a preamble should address the reasons for this change and how the integration of the Office into the Department is envisioned.

Thank you for this opportunity to comment on this measure.