



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of  
**MARK B. GLICK, Chief Energy Officer**

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

Thursday, March 28, 2024  
1:00 PM  
State Capitol, Conference Room 229 and Videoconference

In Support of  
**SCR 97 / SR 82**

**REQUESTING THE HAWAII STATE ENERGY OFFICE TO CONVENE A  
RENEWABLE LIQUID FUELS WORKING GROUP TO STUDY LOCAL  
PRODUCTION, DEVELOPMENT, AND INCENTIVES FOR RENEWABLE LIQUID  
FUELS.**

Chair DeCoite, Vice Chair Wakai, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SCR 97 / SR 82 requesting HSEO to convene a renewable liquid fuels working group to study local production, development, and incentives for renewable liquid fuels.

Hawai'i's energy strategy seeks to establish an affordable, clean, resilient, and diversified energy resource portfolio. Locally-produced renewable fuels should play a vital role in the energy mix needed to decarbonize the transportation sector and contribute to Hawai'i's 100% renewable portfolio. However, land availability severely limits the amount of local production towards Hawai'i's economic, energy and agricultural objectives. HSEO agrees with the merit of convening local experts to identify potential opportunities, synergies, and barriers for these fuels.

Renewable liquid fuels have the potential to decrease carbon emissions from transportation, especially in aircraft and medium and heavy-duty vehicles.<sup>1</sup> However, the Decarbonization Report prepared by HSEO pursuant to Act 238 (2022) and submitted to the Hawai'i Legislature in December of 2023 pointed out that renewable liquid fuels have widely varying environmental and cost profiles, depending on a variety of factors. The proposed working group could bring together the appropriate energy stakeholders to meaningfully engage in an analytical review of resource base potential and the most appropriate approaches, strategies, realistic quantities, and associated incentives and recommendations for local production of renewable liquid fuels.

In support of this, HSEO respectfully recommends the following addition to page 3, starting on line 18:

“(9) And others, as invited by the chair; and”

This will allow the chair the flexibility to invite a participant not otherwise identified in the resolution.

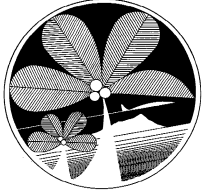
HSEO is committed to the near-term development of effective solutions for renewable liquid fuels that foster affordability, lower carbon intensity of our existing fuel mix, and energy security and access to capital to move forward Hawai'i's energy transition. HSEO looks forward to supporting this sector of the energy economy.

Thank you for the opportunity to testify.

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<sup>1</sup> Hawai'i State Energy Office (2023). Hawai'i Pathways to Decarbonization Report to the 2024 Hawai'i State Legislature Act 238 (SLH 2022). Available at: [https://energy.hawaii.gov/wp-content/uploads/2022/10/Act-238\\_HSEO\\_Decarbonization\\_FinalReport\\_2023.pdf](https://energy.hawaii.gov/wp-content/uploads/2022/10/Act-238_HSEO_Decarbonization_FinalReport_2023.pdf) pages 105 and 113

# AIRLINES COMMITTEE OF HAWAII



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Senator Lynn DeCoite, Chair  
Senator Glenn Wakai, Vice Chair  
Committee on Energy, Economic Development, and Tourism

Thursday, March 28, 2024; 1:00 p.m.  
Conference room 229 & Videoconference

**RE: SCR 97/SR 82 Requesting the Hawaii State Energy Office to Convene a Renewable Liquid Fuels Working Group to Study Local Production, Development, and Incentives for Renewable Liquid Fuels – IN SUPPORT, REQUEST AMENDMENT**

Aloha Chair DeCoite, Vice Chair Wakai and Members of the Committee:

The Airlines Committee of Hawaii (ACH), comprised of 20 signatory air carriers that serve the State of Hawaii, appreciates the opportunity to offer testimony in support of SCR 97 and SR 82 - Requesting the Hawaii State Energy Office to Convene a Renewable Liquid Fuels Working Group to Study Local Production, Development, and Incentives for Renewable Liquid Fuels.

As the ACH represents both domestic and international carriers, and sustainable aviation fuel initiatives are a priority of our industry, we would like to request an amendment to include a representative from the ACH be invited to participate in the working group.

Thank you for the opportunity to submit testimony. We ask for your favorable consideration in passing these resolutions with our requested amendment.

Sincerely,

Airlines Committee of Hawaii Executive Committee

A handwritten signature in black ink, appearing to read "B. Baker".

Brendan Baker

A handwritten signature in black ink, appearing to read "Mark Berg".

Mark Berg

A handwritten signature in blue ink, appearing to read "David Sellers".

David Sellers

A handwritten signature in black ink, appearing to read "Randall Fiertz".

Randall Fiertz

A handwritten signature in black ink, appearing to read "Richard Ide".

Richard Ide

\*ACH members are Air Canada, Air New Zealand, Alaska Airlines, All Nippon Airways/Air Japan, Aloha Air Cargo, American Airlines, China Airlines, Delta Air Lines, Federal Express, Fiji Airways, Hawaiian Airlines, Japan Airlines, Korean Airlines, Philippine Airlines, Qantas Airways, Southwest Airlines, Sun Country, United Airlines, United Parcel Service, and WestJet.



**Testimony to  
The Committee on Energy, Economic Development, and Tourism  
March 28, 2024  
1:00 PM  
Conference Room 229 & Videoconference  
Hawaii State Capitol**

**SCR 97 / SR 82**

Chair DeCoite, Vice Chair Wakai and members of the committee,

Hawaii Gas **supports** SCR 97 / SR 82 requesting the Hawaii State Energy Office to convene a renewable liquid fuels working group to study local production, development, and incentives for renewable liquid fuels.

Since 1904, Hawaii Gas has been a pioneer in the gas industry. Hawaii Gas is again at the leading edge of our industry given our integration of both renewable natural gas (RNG) and hydrogen into our fuel supply mix and distributing it through our utility pipeline system. Hawaii Gas plays a vital role in Hawaii's energy portfolio by providing clean, reliable, and cost-effective energy to over 70,000 customers on all islands, all of whom depend on the company for water heating, cooking, drying, and other commercial and industrial applications. Hawaii Gas continues to look towards new, innovative, and economic ways to incorporate renewable energy sources while also reducing our greenhouse gas emissions.

Renewable liquid fuels, including renewable diesel, naphtha, and sustainable aviation fuels, offer additional solutions for the State to achieve its goal of net zero greenhouse gas emissions while ensuring energy security and fostering economic growth.

The establishment of a Renewable Liquid Fuels Working Group, as proposed in the resolution, will provide a platform for stakeholders from government, industry, academia, and the non-profit sector to come together, share expertise, and develop actionable strategies to advance the production, development, and utilization of renewable liquid fuels in Hawaii.

We urge you to support SCR 97 / SR 82, which will help accelerate Hawaii's journey towards a cleaner, more sustainable energy future.

Thank you for the opportunity to testify.



March 28, 2024

**TESTIMONY IN SUPPORT TO SCR97 / SR82  
REQUESTING THE HAWAII STATE ENERGY OFFICE TO  
CONVENE A RENEWABLE LIQUID FUELS WORKING  
GROUP TO STUDY LOCAL PRODUCTION, DEVELOPMENT,  
AND INCENTIVES FOR RENEWABLE LIQUID FUELS.**

Senate Committee on Energy, Economic Development, and  
Tourism

The Honorable Lynn DeCoite, Chair  
The Honorable Glenn Wakai, Vice Chair  
Thursday, March 28, 2024, 1:00 pm  
VIA VIDEOCONFERENCE &  
Conference Room 229  
State Capitol  
415 South Beretania Street

Chair DeCoite, Vice Chair Wakai and members of the Committee,

Island Energy Services (IES) supports the intent of SCR97 / SR82 to convene a Renewable Liquid Fuels Working Group to study the local production, development and incentives for renewable liquid fuels. IES believes the input from the “Working Group” is a critical step at this time to set in motion a smooth transition to the stated policy of reducing and ultimately eliminating the use of hydrocarbon-based liquid fuels by 2045. Determining the appropriate steps along an orderly pathway, with the least amount of disruption, will require a concerted effort from a broad range of in-state stakeholders likely informed by experiences from outside of Hawaii. Recognizing that the production of the necessary replacement liquid fuels in sufficient quantities cannot be achieved in its entirety via local production, importation will be paramount to any plan to achieve a fossil-free energy system. As a major local fuel supplier, and Hawaii’s premier importer of liquid fuels, IES strongly suggests the list of representatives include an entity with a demonstrated ability to successfully import large cargoes of liquid fuels.

BE IT FURTHER RESOLVED that the chairperson of the working group is requested to invite the following individuals to participate in the working group:

- (1) A representative from the Hawaii Farm Bureau;

- (2) A representative from Airlines for America;
- (3) A representative from Hawaiian Electric;
- (4) A representative from Hawaii Gas;
- (5) A representative from the Kauai Island Utility Cooperative;
- (6) A representative from local feedstock producers;
- (7) A representative from local fuel producers; and
- (8) A representative from a non-profit organization with a focus on climate change mitigation, environmental sustainability, or renewable energy; and
- (9) A representative from a local fuel importer, with state-wide logistical supply and distribution capability; and

IES is a locally managed and headquartered integrated logistics and retail fuel supplier providing over 20% of the liquid energy needs of the State of Hawai'i. Our operations extend across all islands with major assets on Oahu, Maui, Kauai, and Hawaii Island. At IES, our local workforce of 285 employees takes tremendous pride in serving our customers safely, environmentally responsibly, reliably, efficiently with cost competitive products and services. Whether you and your goods are moving by air, land, or sea, IES is there to support island residents now and into the future. As for the future, IES is collaborating with other partners to transition Hawai'i's energy supply to ever cleaner sources of energy including, biofuels such as renewable fuels for electrical power generation, ground and marine transportation and sustainable aviation fuel (SAF) for airplanes.

We thank the Senate Energy, Economic Development, and Tourism Committee for hearing this bill and thank you for the opportunity to testify.

Albert D.K. Chee, Jr.  
Vice President