



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
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before the
**SENATE COMMITTEE ON
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
AND
COMMITTEE ON GOVERNMENT OPERATIONS**

Wednesday, February 9, 2022
3:00 PM
State Capitol, Conference Room 224 & Videoconference

**COMMENTS
SB 2483
RELATING TO ENERGY.**

Chairs Wakai and Moriwaki, Vice Chairs Misalucha and Dela Cruz, and members of the Committees, the Hawai'i State Energy Office (HSEO) offers comments on SB 2483 which includes as an objective in energy-related planning for the State's facility systems that all new utility scale electricity generation projects be renewable; includes state policies that ensure short- and long-term provision of adequate, reasonably priced, and dependable renewable energy services, prioritizing the dispatch of renewable energy generation; updates the State's policies to ensure that all new utility scale electricity generation projects are renewable, prioritize renewable energy generation, and include the use of non-fossil fuel sources in the development or expansion of energy systems; and appropriates moneys.

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

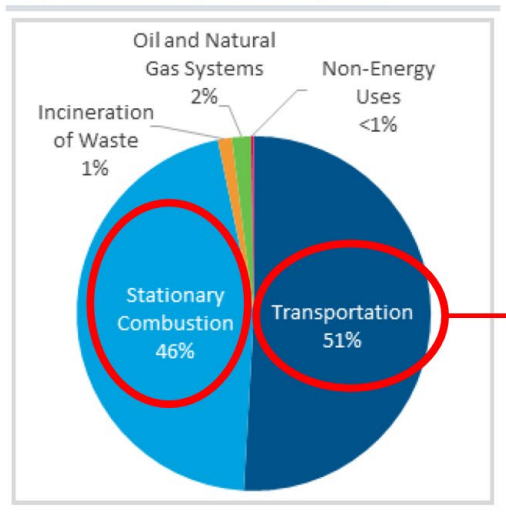
HSEO appreciates the background provided in Section 1 of the bill, regarding the importance of reducing carbon emissions in support of Hawai'i's goal. HSEO notes Section 225P-5 of the Hawaii Revised Statutes (HRS) that establishes a statewide

target “to sequester more atmospheric carbon and greenhouse gases than emitted within the State as quickly as practicable, but no later than 2045,” applies to emissions from all energy sources. HSEO also appreciates the intent to “ensure state policies that ensure short-and long-term provision of adequate, reasonably priced, and dependable” energy for Hawai'i.

HSEO notes two primary concerns with the bill as written. The first is that the bill narrows the scope of greenhouse gas emission avoidance from all energy sources to only avoiding emissions from the electricity sector. The second is that the bill shifts the policy ensuring affordability and dependability from all energy sources, to, specifically, utility-scale renewable energy. These concerns are explained further below.

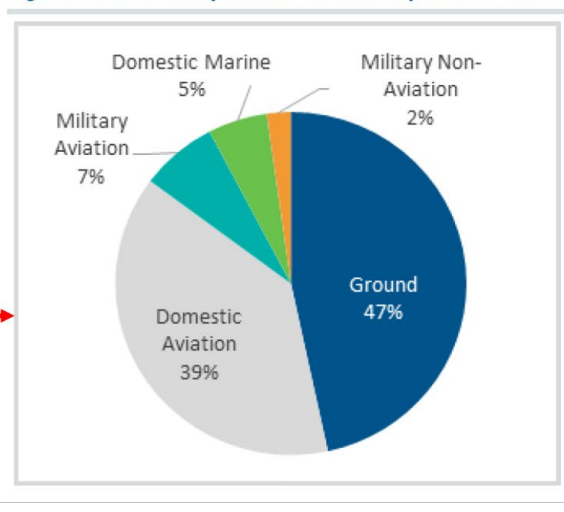
Department of Health Greenhouse Gas Inventory for Year 2017

Figure 3-2: 2017 Energy Emissions by Source



Electricity almost half *Transportation over half*

Figure 3-6: 2017 Transportation Emissions by End-Use Sector



The first concern is regarding the change proposed to HRS 226-18(a)(4) and has to do with greenhouse gas emissions. The most recent inventory of Hawai'i¹ indicated that stationary combustion (electricity production) accounts for almost half, and the transportation sector accounts for more than half, of the greenhouse gas emissions from Hawai'i's energy sector.

For this reason, it's important that policies addressing greenhouse gases are not inadvertently reduced in scope to focus only on the electricity sector.

To avoid this situation, HSEO recommends that the proposed change to section 226-18 of the Hawai'i Revised Statutes (HRS), which starts on page 3, line 8, be re-phrased or re-considered so as not to narrow the scope of item (a)(4).

Subparagraph (a)(4) currently applies to all energy sectors:

"(a) Planning for the State's facility systems with regard to energy shall be directed toward the achievement of the following objectives, giving due consideration to all:

...

(4) Reduction, avoidance or sequestration of greenhouse gas emissions from energy supply and use;"

If subparagraph (a)(4) is modified as proposed by SB 2483, by adding,

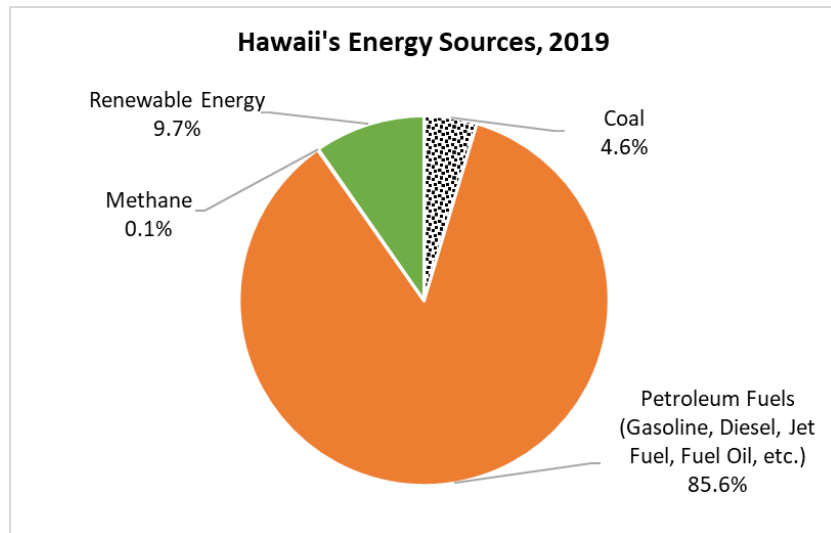
"..by ensuring that all new utility scale electricity generation projects shall be renewable;"

¹ State of Hawai'i. "[Hawai'i Greenhouse Gas Emissions Report for 2017](#)." April 2021.

the scope of the objective would be narrowed significantly. The new language would narrow the focus from all energy to only the electricity sector.

The second concern has to do with the change proposed to HRS 226-18(b), having to do with the importance of continued availability and affordability of Hawai'i's current energy supplies.

Hawai'i's current energy mix includes not only renewable energy but also a significant and important assortment of non-renewable resources. As shown in the graph, fossil fuels (coal, petroleum, and methane) currently provide over 90% of



Hawai'i's energy needs, and are used for electricity production, heating, and cooking, as well as to propel vehicles, airplanes, and ships.

The availability, security, and affordability of all of Hawai'i's energy supplies are important to Hawai'i's residents and economy. Energy is a basic lifeline for all of the other lifeline services (food, water, transportation, communications, healthcare, etc.) in the state.

While transitioning from these fossil fuels (including gasoline, diesel, fuel oil, jet fuel, propane, natural gas, and others) to renewable alternatives, it is important that current energy supplies remain adequate, reasonably priced, and dependable.

Therefore, HSEO recommends that the proposed change to section 226-18(b) on page 4, line 4, be re-phrased or re-considered so as not to narrow the scope.

Subparagraph (b) applies to all energy:

"(b) To achieve the energy objectives, it shall be the policy of this State to ensure the short- and long-term provision of adequate, reasonably priced, and dependable energy services to accommodate demand."

However, if subparagraph (b) is modified as proposed by SB 2483, by adding "renewable," the new language would narrow the focus; and, by doing so, imply a significant reduction in concern about the price, availability, and dependability of a large majority of Hawai'i's current energy supplies:

"(b) To achieve the energy objectives, it shall be the policy of this State to ensure the short- and long-term provision of adequate, reasonably priced, and dependable renewable energy services to accommodate demand,"

HSEO does not have concerns at this time with the other changes proposed by the bill.

Thank you for the opportunity to testify.