



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
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before the
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

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Time 9:00 AM
State Capitol, Conference Room 325 & Videoconference

**SUPPORT
SB 2570 SD2
RELATING TO ZERO EMISSION VEHICLE FUELING REBATES.**

Chair Lowen, Vice Chair Marten, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports SB 2570 SD2, which adds the installation and upgrade of hydrogen refueling stations to the Electric Vehicle Charging System Rebate Program, establishes the rebate amount for the installation or upgrade of a hydrogen refueling system at \$200,000, limits the rebate to hydrogen refueling systems that do not store and dispense hydrogen fuel produced using fossil fuels, renames Hawaii's Electric Vehicle Charging System Rebate Program to the Zero-Emission Vehicle (ZEV) Infrastructure Rebate Program, and increases the spending cap of the ZEV Infrastructure Rebate Program.

HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy. A significant barrier to the adoption of zero emission vehicles is access to fueling stations, including hydrogen vehicles which have significant potential with medium- and heavy-duty vehicles. Creating rebates for hydrogen refueling stations supports the State's energy policy objectives to achieve a net-negative carbon economy as soon as practicable but no later than 2045. Incentivizing a broader set of zero emission transportation technologies provides greater flexibility in the decarbonization of ground transportation.

HSEO provides the following comments concerning the amendment limiting the rebate to hydrogen refueling systems that do not store and dispense hydrogen fuel that is produced using fossil fuels. HSEO supports incentivizing the production of renewable hydrogen but notes that there could be complications in implementing a requirement that stations receiving incentives be fueled solely by renewable produced hydrogen. The requirement could require ongoing compliance reporting and enforcement mechanisms which could frustrate implementation and increase administration costs. A remedy requiring the hydrogen station be collocated with renewable energy could create constraints in siting hydrogen stations given the considerable land required to provide enough renewable energy to supply a hydrogen station at scale. HSEO is willing to work with the Legislature and stakeholders on this issue to discuss potential solutions.

Thank you for the opportunity to testify.