



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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

before the  
**HOUSE COMMITTEE ON FINANCE**

Wednesday, April 6, 2022  
1:30 PM

State Capitol, Conference Room 308 & Videoconference

COMMENTS  
**SB 3229, SD2, HD1**  
**RELATING TO GEOTHERMAL ROYALTIES.**

Chair Luke, Vice Chair Yamashita, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SB 3229, SD2, HD1, which caps the amount of royalties from geothermal resources that are to be paid to the State and to the county in which the geothermal resources are located, deposits royalties into the University Innovation and Commercialization Initiative Special Fund to be expended by the Hawai'i Institute of Geophysics and Planetology to further the discovery and development of geothermal resources, and requires the entities that received geothermal royalties to submit an annual report to the Legislature.

HSEO believes geothermal energy can play a significant role in achieving 100% renewable energy generation statewide and supports incentives for its development. The modifications from SD2 to HD1 are substantial and require in depth analysis and discussion with all stakeholders involved to fully understand the impacts and long-term ramifications. Royalties from geothermal development play an important role in its regulation and the administration of state and county programs related to geothermal. HSEO defers to the appropriate agencies for comment on the fiscal, administrative, and regulatory aspects of this measure.

Thank you for the opportunity to testify.