

## HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE GOVERNOR

SCOTT J. GLENN CHIEF ENERGY OFFICER

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Telephone: Web: (808) 587-3807 energy.hawaii.gov

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

before the SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, April 5, 2022 10:15 AM State Capitol, Conference Room 211 & Videoconference

## COMMENT HB 1800, HD2, SD1 RELATING TO CLIMATE MITIGATION.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments supporting the intent and requests amendments to HB 1800, HD2, SD1, which requires the Hawai'i Natural Energy Institute (HNEI) to conduct a study to determine Hawai'i's pathway to decarbonization and identify challenges, opportunities, and actions that will be needed to achieve those goals; and appropriates funds out of the Energy Security Special Fund (ESSF) for the study.

HSEO has three requests for the Senate Committee on Ways and Means (WAM) consideration to amend HB 1800, HD2, SD1: 1) require HSEO to undertake the analysis, 2) restore the greenhouse gas (GHG) reduction target removed in SD1, and 3) amend the means of funding should WAM prefer HNEI to conduct the analysis.

First, HB 1800, HD2, SD1 proposes for HNEI to undertake the decarbonization pathways analysis. HSEO requests that the responsibility for this analysis be reassigned to HSEO, as it is more consistent with HSEO's duties to achieve a resilient clean energy economy, including planning and analysis, as set forth in Sections <u>196-10.5</u>, <u>196-71</u>, and <u>196-72</u>, Hawai'i Revised Statutes (HRS), among other statutes, rather than HNEI's statutory function to develop renewable sources of energy for power generation and transportation fuels, conduct research and development of renewable

sources of energy, and demonstrate and deploy efficient energy end-use technologies (<u>HRS §304A-1891</u>). Given the relative statutory responsibilities and coordination needed to ensure government, stakeholder, and community buy-in to implement, this is best achieved by the executive branch agency responsible for achieving a clean energy economy and led by an appointee reporting to the Governor and the Legislature.

Second, HSEO requests WAM's consideration to restore the target of 50 percent GHG reduction by 2030 compared to 2005 levels. This target is consistent with President Biden's commitment for the United States to the Paris Agreement<sup>1</sup> and the Legislature's commitment pursuant to Act 32, SLH 2017<sup>2</sup>, which is for Hawai'i to address its share of national emissions in the United States' commitment to the Paris Agreement. Removing the target language as proposed in SD1 does not mean the state would no longer have a target for 50 percent GHG reduction by 2030 compared to 2005 levels; it would make it less clear to policymakers and the public that this is the target the State has already committed to because of Act 32, SLH 2017, and President Biden's Nationally Determined Contribution under the Paris Agreement.

Third, should WAM believe HNEI is better suited to undertake the analysis, then HSEO requests an amendment to the bill to change the appropriation from the ESSF to the Energy Systems Development Special Fund, which is the special fund administered by HNEI.

Thank you for the opportunity to testify.

<sup>&</sup>lt;sup>1</sup> National commitments to the Paris Agreement are called "Nationally Determined Contributions" or "NDCs". From the <u>United States NDC</u>, in relevant part:

<sup>&</sup>quot;After a careful process involving analysis and consultation across the United States federal government and with leaders in state, local, and tribal governments, **the United States is setting an economy-wide target of reducing its net greenhouse gas emissions by 50-52 percent below 2005 levels in 2030**. The National Climate Advisor developed this NDC in consultation with the Special Presidential Envoy for Climate, and it was approved by President Joseph R. Biden Jr.." [Emphasis in the original.]

<sup>&</sup>lt;sup>2</sup> <u>Act 32, Session Laws of Hawai'i 2017</u>: "SECTION 2. (a) The State shall expand strategies and mechanisms to reduce the greenhouse gas emissions statewide through the reduction of energy use, adoption of renewable energy, and control of air pollution among all agencies, departments, industries, and sectors, including transportation. Such strategies and mechanisms shall utilize the best available science, technologies, and policies to reduce greenhouse gas emissions and **shall be closely aligned** with the climate change principles and goals adopted in the Paris Agreement and Hawaii's share of obligations within the expectations apportioned to the United States in the Paris Agreement, regardless of federal action." [Emphasis added.]