JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

MARK B. GLICK CHIEF ENERGY OFFICER



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Telephone: Web: (808) 451-6648 energy.hawaii.gov

Testimony of MARK B. GLICK, Chief Energy Officer

before the HOUSE COMMITTEES ON ENERGY & ENVIRONMENTAL PROTECTION AND TRANSPORTATION

Thursday, February 15, 2024 11:00 AM State Capitol, Conference Room 325 and Videoconference

> Providing Comments on HB 1998

RELATING TO TRANSPORTATION.

Chairs Lowen and Todd, Vice Chairs Cochran and Kila, and members of the Committees, the Hawai'i State Energy Office (HSEO) offers comments on HB 1998 which establishes a goal to transition all state-owned, non-road vehicles to be zero-emission vehicles (ZEV) by the end of 2045 and defines non-road vehicle.

Hawai'i has been a leader in making necessary changes towards reducing greenhouse gas emissions, mitigating climate change impacts, and has taken strides towards securing a more sustainable future. Notably, it was the first state to mandate that all electricity sold by utilities be 100% renewable by 2045. It has committed to the Paris agreement and was the first state to declare a climate emergency. Additionally, Hawai'i set the most ambitious goal in the country of becoming carbon net negative by 2045. Decarbonization of ground transportation by shifting towards zero-emission vehicles that utilize local, renewable, and clean (i.e. with low carbon footprint) energy sources will be a necessary and integral part of meeting these goals and commitments.¹

¹ Hawai'i State Energy Office (2023). <u>Hawai'i Pathways to Decarbonization</u>, Act 238 Report to the 2024 Hawai'i <u>State Legislature (Act 238 Report)</u>

HSEO supports the intent of transitioning all vehicles to ZEV by 2045. HSEO's focus has been on transitioning the state's light-duty fleet given the market's maturity and incentivizing the medium and heavy-duty fleet as the market continues to develop.

HSEO is working with state agencies including the Department of Accounting and General Services (DAGS) and Hawai'i Department of Transportation (HDOT) to support the transition of the state fleet. This includes support on exemption requests and identification of resilient charging solutions for light-duty vehicles which represent approximately 60% of the state's total fleet. HSEO also administers the Diesel Replacement Rebate (DRR) for medium and heavy-duty vehicles, with off-road vehicles eligible. The DRR program is in partnership with Hawai'i Department of Health Clean Air Branch which utilizes Volkswagen Settlement Funds and the Environmental Protection Agencies (EPA) Diesel Emission Reduction Act program funds. The DRR program is fully subscribed through its first two years of funding. To date DRR has dedicated funding for one off-road vehicle. This is not outside expectations as the state non-road vehicle fleet represents roughly 2% of the state's total fleet.

In the adoption of ZEVs there are challenges related to infrastructure development for non-road ZEVs that would be prudent to assess to ensure that the timing of a transition could be done efficiently and economically. This includes issues such as establishing charging or refueling stations in remote or off-road locations and availability of vehicle models, and the service of those models, in Hawai'i. The successful transition to ZEVs requires a skilled workforce for vehicles and charging equipment, a challenge that has been apparent even in the widespread adoption of light-duty ZEVs. This challenge is likely to be more pronounced for non-road ZEVs, given their less common usage.

Thank you for the opportunity to testify.