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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Wednesday, February 28, 2024
2:00 PM
State Capitol, Conference Room 329 and Videoconference

In Support of
HB 2390, HD1

RELATING TO RENEWABLE ENERGY.

Chair Nakashima, Vice Chair Sayama, and members of the Committee, the Hawai‘i State Energy Office (HSEO) supports HB 2390, HD1, which amends Hawai‘i Revised Statutes §269-6 to clarify that the Public Utilities Commission (PUC) shall explicitly consider the effect of the State's reliance on fossil fuels on lifecycle greenhouse gas emissions and gives the PUC the discretion to require a lifecycle greenhouse gas emissions assessment for energy projects that do not involve the combustion of fuel.

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 pursuant to HRS §196-71 and HRS §196-72 and by findings and recommendations of the HSEO report, *Hawai‘i Pathways to Decarbonization,* (Act 238 Sessions Laws of Hawai‘i - 2022).

HSEO supports the revised language of HB 2390, HD1; the clarifications and new language in HB 2390, HD1, amending HRS §269-6 removes the ambiguity currently in statute and ensures lifecycle analysis is appropriately considered for energy projects that involve the combustion of fuel. The bill’s current revised language is

consistent with findings and recommendations from Chapter 5 of the *Hawai‘i Pathways to Decarbonization* report.[1]

HSEO notes that lifecycle greenhouse gas analysis, also known as lifecycle assessment, quantifies or evaluates the environmental and climate warming impact of specific products or activities throughout their entire lifecycle – including extraction, distribution, use, and disposal.[2] Lifecycle assessment provides an appropriate methodological framework for the PUC to consider the greenhouse gas implications of projects seeking PUC approval, facilitating informed decision-making and the PUC's requirement to protect the public interest,[3]

Evaluation of the lifecycle emissions of biofuel-powered projects and biofuel contracts before the Commission is critical because the lifecycle carbon intensity for different biofuels is wide-ranging and is highly dependent on feedstock characteristics, fertilizer application, growth characteristics, and processing methods. In certain circumstance, it is possible that the lifecycle GHG emissions from bioenergy may not always exhibit emissions lower than that of fossil fuel.[4] Providing the PUC flexibility to require GHG analysis for non-combustion projects offers the potential for lowering the administrative burden for certain technologies which do not have such wide-ranging lifecycle emissions.

Furthermore, the PUC is required to "consider the need to reduce the State's reliance on fossil fuels through energy efficiency and increased renewable energy generation in exercising its duties" and is required to "explicitly consider" greenhouse gas emissions when making determinations on the reasonableness of the costs pertaining to the electric or gas utility system (HRS §269-96).

The proposed language in HB 2390, HD1, ensures that lifecycle emissions are appropriately considered.

Thank you for the opportunity to testify.

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[1] Act 238 Report (Pages 214-233)
[2] Hawai‘i State Energy Office (2023). Hawai‘i Pathways to Decarbonization, Act 238 Report to the 2024 Hawai‘i State Legislature (Act 238 Report). (Page 218)
[3] Supreme Court of the State of Hawai‘i. (March 13, 2023) Appeal from the Public Utilities Commission (Docket 2017-0122). Opinion of the Court by Eddin's.
[4] Id (Pages 219-224)