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 COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, January 30, 2024 9:00 AM State Capitol, Conference Room 325 and Videoconference

In Support of HB 2616

RELATING TO ELECTRIC VEHICLES.

Chair Lowen, Vice Chair Cochran, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 2616 which establishes the Electric Vehicle Charging System and Infrastructure Funding Program and increases the amount of petroleum tax to be deposited into the electric vehicle charging system subaccount.

To decarbonize our economy and meet Hawai'i's goal of reducing carbon emission to 50% by 2030, Hawai'i will need significant reductions in emissions from ground transportation by 2030 and a net negative carbon economy by 2045. HSEO's Hawai'i Pathways To Decarbonization, Act 238, Session Laws of Hawai'i 2022 highlights transitioning toward Zero Emission Vehicles as one of the two major facets to reducing emissions in ground transportation. This includes promoting the transition to battery electric vehicles (BEVs) which can significantly reduce emissions from vehicle operation¹.

The need for significant investment in charging infrastructure to meet Hawai'i's 2030 goal is substantiated by estimates for reliable access to at home charging and availability of public charging. The California Energy Commission (CEC) concluded that

¹ Page 104, 2. Transitioning toward Zero Emission Vehicles a) Transition to Zero-Emission Vehicles (ZEVs): Promoting the transition to battery electric vehicles (BEVs) can significantly reduce emissions from vehicle operation.

a ratio of 7 EVs per public charger is needed to support the EV market and Hawaii currently has 35 registered EVs per public charger². The significant spread between current conditions and the CEC's estimate is evident that there is an unmet need in reasonably estimated public charging demand to support current adoption rates whether or not the CEC estimate is directly applicable to Hawai'i. HB 2616 also goes beyond explicitly supporting public charging by broadening the reach of the new Electric Vehicle Charing Systems and Infrastructure funding program to address charging that serves multiple tenants, employees, or customers; serves electric vehicle fleets; support the visitor industry in transitioning to clean transportation; or serve low income, moderate-income, underserved, or environmental justice communities.

All vehicle owners must participate to have a meaningful chance to achieve the State's statutory decarbonization objectives. All three mitigation scenarios in HSEO's Hawai'i Pathways to Decarbonization assume Hawai'i will have 100% zero-emission lightduty vehicle sales by 2035, which equates to 21% of registered light duty passenger vehicles operating zero emission vehicles by 2030. Hawai'i needs to expand access to at home EV charging beyond the early adopters in single family unit dwellings.

HSEO wishes to remind the Committee and public that cost share for federal grants that meet the criteria of the program is an eligible use of the funds under the new Electric Vehicle Charging Systems and Infrastructure funding program. The U.S. Joint Office of Energy and Transportation Charging and Fueling Infrastructure (CFI) discretionary program is a significant opportunity to leverage state dollars to bring federal funding to Hawai'i to support EV charging infrastructure buildout. There are 3 more rounds to the CFI program with a total of \$1.8 billion available. However, the program requires a 20% cost share and a state or local agency to serve as the lead applicant. The state has been successful in pursuing federal funding. HSEO proposals have been selected under FEMA's Building Resilient Infrastructure and Communities program for \$8 million to deploy 3 microgrids to support emergency response in partnership with HECO, two applications under the U.S. Department of Energy Grid Resilience and Innovation Partnerships program for \$18 million in partnership with KIUC for grid forming inverters

² From Alliance for Automotive Innovation "Get Connected Electric Vehicle Quarterly Report, Second Quarter, 2023"

and synchronous condensers, and recently \$1 million for planning and development of projects to support resilient EV charging for state and local fleet vehicles used for emergency response in partnership with HDOT, DAGS, OHS, and HIEMA. Ballpark estimates from NREL's study suggest that roughly \$200 million or more will be needed to meet public charging infrastructure needs for 2030. The ability to multiply state funds with federal dollars would materially support achieving state energy and decarbonization goals.

Promoting the transition to battery electric vehicles is an identified strategy in HSEO's report, *Hawai'i Pathways to Decarbonization*. There is a significant need for expanded access to public, fleet, LMI, and workplace charging in Hawai'i, and the participation of everyone, including low- and moderate-income communities and the private sector, is both necessary and equitable in achieving Hawaii's energy and decarbonization goals.

HSEO Supports HB 2616 as long as its passage does not replace or adversely impact priorities indicated in the Executive Budget.

Thank you for the opportunity to testify.