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Testimony of MARK B. GLICK, Chief Energy Officer

before the SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 23, 2024 10:30 AM State Capitol, Conference Room 211 and Videoconference

Providing Comments on SB 2518, SD1

RELATING TO GEOTHERMAL ENERGY EXPLORATION.

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SB 2518, SD1, which appropriates moneys to the Hawai'i Technology Development Corporation for geothermal energy exploration and community outreach.

Geothermal was identified as both a near-term and mid-term decarbonization opportunity in the *Hawai'i Pathways to Decarbonization Report*, submitted to the 2024 Hawai'i Legislature,¹ and HSEO believes geothermal energy has the potential to play an extremely significant role in meeting Hawai'i's energy objectives of reliability, affordability, and diversification. Geothermal resources provide firm renewable energy; depending on the quantity and location, this could be used for electricity production, excess could be used for the production of hydrogen, and steam could be used directly.

HSEO is currently advocating for and supporting the essential first step of exploration and resource assessment through slim hole resource characterization. Geothermal exploration and identification require upfront capital; it can be costly to confirm the viability of geothermal. Support for geothermal resource exploration can

¹ Hawai'i State Energy Office. *Hawai'i Pathways to Decarbonization*. 2023. <u>https://energy.hawaii.gov/wp-content/uploads/2022/10/Act-238_HSEO_Decarbonization_FinalReport_2023.pdf</u>

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help attract private capital for potential development. HSEO supports state funding for such directed efforts by HTDC, HSEO and other state and county jurisdictions, particularly when coordinated with entities such as the University of Hawai'i's Groundwater and Geothermal Resources Center to stimulate the private sector investment for geothermal electricity power generation. Such exploratory activities can also indicate the existence of geothermal for other uses such as direct use of steam from the ground. Data and knowledge gained from exploration can also provide information about resources such as groundwater and about soil composition.

HSEO defers to the appropriate agencies for comment on fiscal, administrative, and regulatory impacts of this bill.

Thank you for the opportunity to testify.