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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Wednesday, April 17, 2024
2:00 PM
State Capitol, Conference Room 423 and Videoconference

In Support of
SCR 97, SD1, HD1

**REQUESTING THE HAWAII STATE ENERGY OFFICE TO CONVENE A
RENEWABLE LIQUID FUELS WORKING GROUP TO STUDY LOCAL
PRODUCTION, DEVELOPMENT, AND INCENTIVES FOR RENEWABLE LIQUID
FUELS.**

Chair Nakashima, Vice Chair Sayama, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SCR 97, SD1, HD1, requesting HSEO to convene a renewable liquid fuels working group to study local production and potential incentives for renewable liquid fuels for use in the transportation sector.

Hawai'i's energy strategy seeks to establish an affordable, clean, resilient, and diversified energy resource portfolio. HSEO agrees with the merit of convening local experts to identify potential opportunities, synergies, and barriers for these fuels. The proposed group would have the opportunity to inform the production and use of renewable liquid fuels derived from sustainable sources, that can reduce dependency on imported fossil fuels and stimulate the local economy.

Renewable liquid fuels have the potential to decrease carbon emissions from transportation, especially in aircraft and medium and heavy-duty vehicles. However, the Decarbonization Report prepared by HSEO pursuant to Act 238 (2022) and submitted to the Hawai'i Legislature in December of 2023 pointed out that renewable liquid fuels

have widely varying environmental and cost profiles, depending on a variety of factors.¹ The proposed working group could bring together the appropriate energy stakeholders to meaningfully engage in a review of resource potential, approaches, strategies, quantities, and associated incentives and recommendations for local production of renewable liquid fuels.

HSEO is committed to the near-term development of effective solutions for renewable liquid fuels, and requests that the scope and timeline in the current version of this resolution not be modified.

HSEO notes that this unfunded, multi-part evaluation involves numerous parties, and is somewhat complex. In order to provide a focused evaluation, consistent with the stated objectives of the resolution and with the highest chance of reportable results within the timeframe, HSEO recommends retaining the current focus on transportation fuels; providing for an interim report, with recommendations, by January; and providing a final report twelve months later. This way, any topics that are still under discussion in the first phase can be presented in draft form, at least, by January, including supporting information as it exists at the time.

HSEO looks forward to supporting this sector of the energy economy.

Thank you for the opportunity to testify.

¹ Hawai'i State Energy Office (2023). Hawai'i Pathways to Decarbonization Report to the 2024 Hawai'i State Legislature Act 238 (SLH 2022). Available at: https://energy.hawaii.gov/wp-content/uploads/2022/10/Act-238_HSEO_Decarbonization_FinalReport_2023.pdf pages 105 and 113