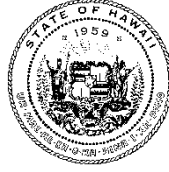


DAVID Y. IGE
GOVERNOR



RODERICK K. BECKER
Comptroller

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY OF
RODERICK K. BECKER, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
FINANCE
ON
FRIDAY, MARCH 31, 2017
3:00 P.M.
CONFERENCE ROOM 308

S.B. 909, S.D. 2, H.D. 1

RELATING TO ENERGY ASSURANCE.

Chair Luke, Vice Chair Cullen, and members of the Committee, thank you for the opportunity to testify on S.B. 909, S.D. 2, H.D. 1. The Department of Accounting and General Services supports the measure.

We support this measure as it addresses deficiencies in Hawaii's fuel shortage response and energy emergency (energy assurance) statutes. This updated policy guidance addresses preparing for, responding to, recovering from, and mitigating against any actual or potential energy supply disruption or shortage to preserve the State's energy security, and to ensure that fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner.

Thank you for the opportunity to testify on this measure.



Testimony by:
FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

March 31, 2017
3:00 p.m.
State Capitol, Room 308

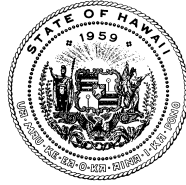
S.B. 909, S.D. 2, H.D. 1
RELATING TO ENERGY ASSURANCE

House Committee on Finance

The Department of Transportation (DOT) **supports** this Administration measure to address deficiencies in Hawaii's fuel shortage response and energy emergency (energy assurance) statutes. We appreciate the objectives of providing policy guidance to the Department of Business, Economic Development and Tourism on preparing for, responding to, recovering from, and mitigating against any actual or potential energy supply disruption or shortage to preserve the State's energy security and to ensure that fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner.

Transportation and energy are tightly linked. We believe it is prudent that we analyze and review our energy supply to strengthen our resiliency during emergencies.

Thank you for the opportunity to provide testimony.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of SB909 SD2 HD1
RELATING TO ENERGY ASSURANCE.**

REPRESENTATIVE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: March 31, 2017

Room Number: 308

1 **Fiscal Implications:** None for the Department of Health.

2 **Department Testimony:** The Department of Health supports SB909 SD2 HD1, which is part of
3 the Governor's Administration Package.

4 This measure addresses deficiencies in Hawaii's fuel shortage response and energy emergency
5 (energy assurance) statutes. It is critical that the the Department of Business, Economic
6 Development, and Tourism has clear policy guidance on preparing for, responding to, recovering
7 from, and mitigating against any actual or potential energy supply disruption or shortage to
8 preserve the State's energy security and to ensure that fuel products and energy resources are
9 made available to emergency services and the public in an orderly, efficient, and safe manner.

10 **Offered Amendments:** N/A.

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16



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
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DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON FINANCE
Friday, March 31, 2017
3:00 p.m.
State Capitol, Conference Room 308

in consideration of
SB 909 SD2 HD1
RELATING TO ENERGY ASSURANCE.

Chair Luke, Vice Chair Cullen and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **strongly supports** SB 909 SD2 HD1, an Administration bill which updates Hawaii's petroleum shortage and energy emergency management (Energy Assurance) statutes, in order to strengthen the State's ability under a Governor-declared state of emergency to reduce or prevent shortages of energy that can cause significant adverse impacts on the economy, environment, public health, and the safety and welfare of the people of Hawaii.

Under current emergency plans, DBEDT is responsible for administering the State's Energy Assurance program and plans. This includes planning, training, and exercising to prepare for, and respond to, energy shortage and disaster events to ensure delivery of the energy needed for critical public services.

The primary authoritative guidance for these functions are the decades-old petroleum shortage statutes. However, these provisions no longer align with government and industry energy emergency best practices. Nor do they adequately enable the State to successfully develop the technical and analytic perspective necessary for situational awareness of the State's energy resources under a state of emergency – a requirement for an effective response.

DBEDT believes that clarity of functional roles and clearly delineated authority for implementation is essential. SB 909 SD2 HD1's amendments provide policy guidance to better address exposure to energy supply disruption risk over the next decade.

These changes support better informed decision making and implementation of any government or industry resource requests and response actions for a faster and more resilient recovery.

DBEDT takes these roles and responsibilities seriously. As such, we believe that these amendments are a critical component to effectively plan for and respond to the variety and complexity of the threats, hazards, and risks that face Hawaii's energy systems and resources today, to better ensure that fuel products and energy resources are made available to emergency services and critical public needs in a safe, orderly, and efficient manner.

Thank you for the opportunity to offer support on SB 909 SD2 HD1.

STATE OF HAWAII
DEPARTMENT OF DEFENSE
HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SENATE BILL 909, SD2, HD1
A BILL RELATING TO ENERGY ASSURANCE

PRESENTATION TO
THE HOUSE COMMITTEE ON FINANCE (FIN)

BY

VERN T. MIYAGI
Administrator, Hawaii Emergency Management Agency

Chair Luke, Vice-Chair Cullen and Members of the Committee.

Aloha, I am Vern T. Miyagi, Administrator of Hawaii Emergency Management Agency and am testifying in **SUPPORT** of Senate Bill 909, SD2, HD1.

Energy resilience continues to be a critical factor in the preparation for, response to, and recovery from any major disaster striking the state of Hawaii. Responding to energy shortfalls after a major disaster in Hawaii is greatly handicapped by our remote location in the Pacific. Restoring and sustaining energy requirements post disaster is a key to response and recovery. This was definitely the case in our response to Hurricane Iniki in 1992. Once sustained power was finally restored and distributed on Kauai, the emergency conditions were significantly mitigated.

This measure will address deficiencies in Hawaii's fuel shortage response and energy emergency (energy assurance) statutes. It shares our objectives of providing policy guidance to DBEDT on preparing for, responding to, recovering from, and mitigating against any actual or potential energy supply disruption or shortage to preserve the State's energy security and to ensure that fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner."

Thank you for the opportunity to provide this testimony in **SUPPORT** of Senate Bill 909, SD2, HD1.

Vern T. Miyagi; vern.t.miyagi@hawaii.gov; 808-733-4300

DEPARTMENT OF EMERGENCY MANAGEMENT
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET • HONOLULU, HAWAII 96813
PHONE: (808) 723-8960 • FAX: (808) 524-3439

KIRK CALDWELL
MAYOR



MELVIN N. KAKU
DIRECTOR

PETER J. S. HIRAI
DEPUTY DIRECTOR

March 29, 2017

The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
Committee on Finance
State House of Representatives
State Capitol
415 South Beretania Street, Room 308
Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Cullen, and Members:

SUBJECT: SUPPORT OF S.B. 909 SD2, HD1 RELATING TO ENERGY ASSURANCE

I am Melvin Kaku, Director of the Department of Emergency Management (DEM), City and County of Honolulu (City).

DEM strongly supports S.B. 909 SD2, HD1 which addresses deficiencies in Hawaii's fuel shortage response and energy emergency (energy assurance) statutes. We appreciate the objectives of providing policy guidance to DBEDT on preparing for, responding to, recovering from, and mitigating against any actual or potential energy supply disruption or shortage to preserve the State's energy security and to ensure that fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner.

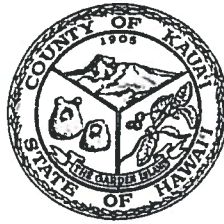
I urge your committee to pass S.B. 909 SD2, HD1. Thank you for the opportunity to testify.

Sincerely,

A handwritten signature in blue ink that reads "Melvin N. Kaku". The signature is stylized and cursive.

Melvin N. Kaku
Director

Bernard P. Carvalho, Jr.
Mayor



Elton S. Ushio
Emergency Management
Administrator

Wallace G. Rezentes, Jr.
Managing Director

KAUA'I EMERGENCY MANAGEMENT AGENCY

3990 Kaana St., Suite 100, Līhu'e, Hawai'i 96766
TEL (808) 241-1800 FAX (808) 241-1860

March 30, 2017

The Honorable Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen, Vice Chair and Members, Committee on Finance

State House of Representatives
415 South Beretania Street
Honolulu, Hawai'i 96813

SUBJECT: SUPPORT OF S.B. 909, SD2, HD1 RELATING TO ENERGY ASSURANCE

Chair Luke, Vice Chair Cullen and Committee Members:

I am Elton Ushio, Administrator of the Kaua'i Emergency Management Agency, testifying in support of S.B. 909.

The Kaua'i Emergency Management Agency supports S.B. 909, SD2, HD1, which proposes to amend and update H.R.S. §125C.

The proposed updates are necessary to address energy assurance for all forms of energy shortages, disruptions or emergencies, to adapt to current threats, hazards and risks, as well as to bring §125C into better alignment with H.R.S. §127A and §196.

This would be in the best interest of State and County government, DBEDT, emergency management, our various energy sector partners, and the people we serve.

Sincerely,

Elton S. Ushio
Emergency Management Administrator



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Submitted to the
House Committee on Finance
Friday, March 31, 2017 at 3:00 p.m.

By

Richard Rocheleau, Director
Hawai'i Natural Energy Institute
School of Ocean and Earth Science and Technology
University of Hawai'i at Mānoa

SB 909 SD2 HD1 – RELATING TO ENERGY ASSURANCE

Chair Luke, Vice Chair Cullen, and Members of the committee:

My name is Richard Rocheleau, Director of the Hawai'i Natural Energy Institute (HNEI) at the University of Hawai'i at Mānoa. While we spend much time in the design of innovative solutions for energy policy and technology necessary to drive Hawaii's clean energy transformation agenda, an often understated objective is to ensure the resiliency, safety and security of Hawaii's critical energy infrastructure. Energy assurance planning for natural and man-made disasters and disturbances remains one of the most important tasks of key energy stakeholders. HNEI supports SB 909 SD2 HD1 because it appropriately addresses a number of housekeeping and substantive improvements to Hawaii's statutes regarding fuel storage and response and energy emergency management.

SB 909 SD2 HD1 effectively establishes chapter 125C to clarify the State's roles in energy assurance for overseeing all forms of energy shortage, disruption and emergencies. While the existing plan is heavily focused on petroleum, SB 909 provides a broader view that affords residents and critical energy consumers with greater coverage and protection potential.

Also addressed in SB 909 SD2 HD1 is a greater alignment of state policies on energy assurance with applicable federal, state, county and private sector energy resources, emergency management and energy assurance plans and programs. It brings stark attention to access and confidentiality of crucial energy data essential for energy assurance and response teams to effectively perform, particularly those with Emergency Support Function #12 (energy) responsibilities. The bill also incorporates recommendations found in the most recent federal Quadrennial Energy Review and other federal and state strategic and operational guidance documents.

Thank you for the opportunity to testify in support of SB 909 SD2 HD1.



COLLEGE OF SOCIAL SCIENCES
HAWAII ENERGY POLICY FORUM
UNIVERSITY OF HAWAI'I AT MĀNOA

Hawaii Energy Policy Forum

Jeanne Schultz Afuvai, Hawaii Inst. for Public Affairs
Hajime Alabanza, Hawaii Solar Energy Association
John Antonio, US Dept of Agriculture
Karlie Asato, Hawaii Government Employees Assn
David Bissell, Kauai Island Utility Cooperative
Joseph Boivin, Hawaii Gas
Warren Bollmeier, Hawaii Renewable Energy Alliance
Michael Brittain, IBEW, Local Union 1260
Albert Chee, Island Energy Services
Elizabeth Cole, The Kohala Center
Kyle Datta, Ulupono Initiative
Mitch Ewan, UH Hawaii Natural Energy Institute
Jay Fidell, ThinkTech Hawaii
Carl Freedman, Haiku Design & Analysis
Matthias Fripp, REIS at University of Hawaii
Ford Fuchigami, Hawaii Dept of Transportation
Justin Gruenstein, City & County of Honolulu
Dale Hahn, Ofc of US Senator Brian Schatz
Michael Hamnett, SSRI at University of Hawaii
Senator Lorraine Inouye, Hawaii State Legislature
Randy Iwase, Public Utilities Commission
Brian Kealoha, Hawaii Energy
Darren Kimura, Energy Industries
Kelly King, Sustainable Biodiesel Alliance
Kal Kobayashi, Maui County Energy Office
Representative Chris Lee, Hawaii State Legislature
Gladys Marrone, Building Industry Assn of Hawaii
Stephen Meder, UH Facilities and Planning
Joshua Michaels, Ofc of US Rep. Colleen Hanabusa
Sharon Moriwaki, UH Public Policy Center
Ron Nelson, US Pacific Command Energy Office
Denise Oda, US Department of Agriculture
Jeffrey Ono, Division of Consumer Advocacy, DCCA
Stan Osseman, HCATT
Darren Pai, Hawaiian Electric Companies
Melissa Pavlicek, Hawaii Public Policy Advocates
Randy Perreira, Hawaii Government Employees Assn
Fredrick Redell, Maui County Energy Office
Rick Rocheleau, UH Hawaii Natural Energy Institute
Ross Roley, PACOM
Will Rolston, Hawaii County, Research & Development
Peter Rosegg, Hawaiian Electric Companies
Riley Saito, SunPower Systems
Scott Seu, Hawaiian Electric Companies
Joelle Simonpietri, UH Applied Research Lab
Ben Sullivan, Kauai County
Terry Surles, Hawaii State Energy Office, DBEDT
Lance Tanaka, Par Hawaii
Maria Tome, Public Utilities Commission
Kirsten Turner, Ofc of US Representative Tulsi Gabbard
Alan Yamamoto, Ofc of US Senator Mazie Hirono

Testimony of
Hawaii Energy Policy Forum
To the
House Committee on Finance
The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair

March 31, 2017 at 3:00 pm in Conference Room 308

IN SUPPORT OF SB 909, SD2, HD 1
Relating to Energy Assurance

Chair Luke, Vice Chair Cullen, and members of the Committee,

I am Lance Tanaka, Chair of the Hydrocarbon Future & Energy Security Working Group of the Hawaii Energy Policy Forum (“Forum”). The Forum, created in 2002, is comprised of more than 40 representatives from Hawaii’s electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. Our vision and mission, and comprehensive “10 Point Action Plan” serve as a guide to move Hawaii toward its preferred energy goals.

The purpose of SB 909, SD 2, HD 1 is to address deficiencies in Hawaii’s fuel shortage response and energy emergency statutes.

The Forum supports the need for data-driven policy decisions based on valid and reliable data and, in particular, for preparing and responding to energy supply disruptions or shortages, and for preparing and updating an energy assurance plan to ensure Hawaii’s energy security.

Furthermore, amendments contained in House Draft 1 (Section 1, **§125C-B, Confidential information**, and **§125C-C, Confidential information obtained by another state agency**) provide for stronger protection against unauthorized disclosure of confidential information that the energy sector will be required to submit to the State.

For these reasons, the Forum urges passage of SB 909. SD2, HD 1.

Thank you for the opportunity to testify.

This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 30, 2017 3:16 PM
To: FINTestimony
Cc: wmanonsen@consultant.com
Subject: *Submitted testimony for SB909 on Mar 31, 2017 15:00PM*

SB909

Submitted on: 3/30/2017

Testimony for FIN on Mar 31, 2017 15:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
William Anonsen	The Maritime Group, LLC	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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