

Honolulu, Hawaii

Feb 1, 2008

RE: H.B. No. 2004
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2004 entitled:

"A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A STUDY ON ENERGY-EFFICIENT TRANSPORTATION STRATEGIES,"

begs leave to report as follows:

The purpose of this bill is to appropriate funds for the Hawaii Energy Policy Forum (Policy Forum) at the University of Hawaii at Manoa to continue its study with the Energy-efficiency Transportation Strategies Working Group (Working Group) resulting from Act 254, Session Laws of Hawaii 2007 (Act 254), to develop energy-efficient transportation strategies.

A member of the Hawaii County Council and the Hawaii Transportation Association supported this bill. The Department of Business, Economic Development, and Tourism (DBEDT) supported the intent of this measure. The Policy Forum, High Technology Development Corporation, Hawaiian Electric Company, Inc., Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc., supported this bill with amendments.

The 2007 Legislature passed House Bill No. 869, enacted as Act 254, to address a major factor in Hawaii's quest for energy self-sufficiency by reducing its dependence on imported oil. Various modes of transportation, including motor vehicles, ocean vessels, and airplanes, are responsible for an inordinate amount of fuel consumption. Act 254 appropriated funds to the Policy



Forum to support its proposed study on energy-efficient transportation strategies in conjunction with DBEDT.

After scoping the work and identifying major stakeholders, the Policy Forum established the Working Group, comprised of dedicated, enthusiastic, knowledgeable, and cost-conscious individuals. Considering the time frame and comprehensiveness of the task outlined in Act 254, the Working Group has focused its efforts on energy-efficiency in ground transportation. Accordingly, your Committee has amended this bill by:

- (1) Revising the goals of the Working Group to read:
 - (a) Increasing choices in modes of travel to permit the public to choose more energy-efficient and flexible modes of travel;
 - (b) Increasing the fuel efficiency of Hawaii's vehicle population by providing incentives that will influence consumers to buy and use more efficient vehicles; and
 - (c) Diversifying energy sources available to meet transportation energy needs--greater diversity of energy sources provides additional flexibility in meeting the energy needs of the transportation sector;and
- (2) Reducing the appropriation to \$175,000 in recognition of the work contributed by the Policy Forum to the strategies study, as opposed to contracting-out the total study to a consulting firm.

Technical, nonsubstantive amendments were also made for clarity, style, and consistency.



As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2004, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2004, H.D. 1, and be referred to the Committee on Transportation.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



HERMINA MORITA, Chair



