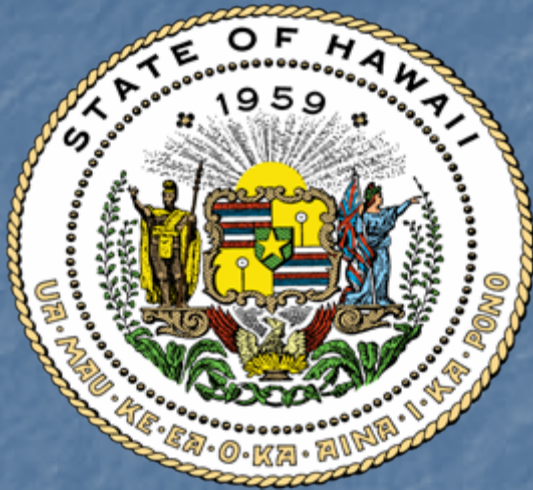


Hawaii Energy Strategy 2007



Second Stakeholders Meeting

October 24, 2006
9 AM – Noon
State Capitol Auditorium

Theodore E. Liu

Director

State of Hawaii

Department of Business, Economic Development & Tourism

Overview

- Welcome
- Introductions
- Today's Agenda
- The First HES Stakeholder Meeting
- Hawaii Energy Strategy on the Web

The DBEDT HES Team

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Today's Agenda

<u>Time</u>	<u>Agenda Item</u>	<u>Speaker</u>
9:00 – 9:15 am	Welcome and Introductions Today's Agenda The First HES Stakeholder Meeting Hawaii Energy Strategy on the Web	Theodore E. Liu Director, DBEDT
9:15 – 9:20 am	Status of HES Project -- Schedule and Milestones	Kitty Wang Principal Rocky Mountain Institute
9:20 – 9:40 am	E2020 Model Use in HES 2007 Review of Model Structure Model Assumptions	Kitty Wang Principal Rocky Mountain Institute
9:40 – 10:45 am	Initial Model Results Reference Case Constrained Oil Supply Case Preliminary Technical & Policy Implications	Kyle Datta Senior Director Rocky Mountain Institute
10:45 – 11:00 am	Break	
11:00 – 10:15 am	Summary of Hawaii Biofuels Summit	Kyle Datta
11:15 – 11:55 am	Facilitated Discussion Q&A Comments and Recommendations Request for Written Input on Policy Recommendations	Kyle Datta and Maurice Kaya, Chief Technology Officer, DBEDT
11:55 am - Noon	Future Meetings and Aloha	Maurice Kaya

The First HES Stakeholder Meeting

- Overview of HES Program
- How HES will be developed
 - Overall approach
 - Schedule and Milestones
- Discussion of ENERGY 2020 model
- Stakeholder involvement and data needs
- Facilitated Discussion

See the HES web site:

<http://www.hawaii.gov/dbedt/info/energy/planning/hes>

First Meeting Discussion: HES Goals and Objectives

STATE ENERGY OBJECTIVES = HES OBJECTIVES

Planning for the State's facility systems with regard to energy shall be directed toward the achievement of the following objectives, giving due consideration to all:

- (1) Dependable, efficient, and economical statewide energy systems capable of supporting the needs of the people;
- (2) Increased energy self-sufficiency where the ratio of indigenous to imported energy use is increased (added 1994);
- (3) Greater energy security in the face of threats to Hawaii's energy supplies and systems; and\
- (4) Reduction, avoidance, or sequestration of greenhouse gas emissions from energy supply and use (added 2000).

(§226-18 a., HRS)

First Meeting Discussion: Modeling Inputs and Data

- Concern that Renewable Energy was not emphasized enough
- Need to include all potential technologies
- Will renewable energy sites be identified?
- Are Hawaii-unique factors in model?

First Meeting Discussion: Oil Price Forecasts

- Adequate Supplies: Moderate Long Run Prices
 - EIA base primary fuel price forecast (AEO 2006)
 - No disruptive technological change until 2020
- Constrained World: High Fuel Prices and Climate Change Regulation
 - EIA high case primary fuel price forecast
 - US adopts CO2 regulation
 - High prices accelerate disruptive technological change
- Commodity Cycle Fuel Price Forecast
 - Cyclical primary fuel price forecast (high, then low)
 - High prices create demand-side response that lowers demand for oil

DBEDT HES 2007 Web Address

<http://www.hawaii.gov/dbedt/info/energy/planning/hes>

You will find a copy of the slides from today's presentations on the site soon, along with a summary of stakeholder inputs within two weeks.