



Bill No. HB 279

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HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

February 17, 2008, 9:00 A.M.

Room 325

(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF HB 279 HD1, SUGGESTED AMENDMENT

Chair Morita and members of the committee:

The Blue Planet Foundation supports House Bill 279 HD1, establishing a renewable energy branch in the department of business, economic development, and tourism (DBEDT) to coordinate and promote renewable energy initiatives, clarifying the mission of the energy branch, and providing funding and staffing for energy work.

While Blue Planet supports the idea of a specific "renewable energy" division within DBEDT, we believe that it may be time to consider elevating the level of energy planning and implementation in Hawai'i. If we are serious about ending our addiction to fossil fuel and seek to be powered by 100% clean, renewable, and indigenous sources, the government office charged with guiding the transition deserves greater standing and funding within state government. We would support the creation of a state Hawai'i Energy Security Authority (HESA), something akin to the existing Hawai'i Tourism Authority (HTA). HESA would be a stand-alone entity, tasked with all aspects of planning, permitting, and implementation of Hawaii's clean energy future.

While we appreciate the additional funding and staffing contemplated in HB 279, we believe the new energy branch—or a new authority such as "HESA"—**should be funded solely from a fee on each barrel of oil imported into the state.** Particularly during this tight budget year, the identification of external funding sources for expanded programs is imperative. Using an imported oil barrel surcharge is a smart tax-shifting policy to foster greater energy independence by tapping into the source of our problem to fund our preferred future. The concept is to help "internalize" the external costs of certain activities; in this case, charge a fee for products that are damaging to the environment and use that money to help develop our clean energy future. The link is quite clear between the importation of petroleum products and the need for developing clean energy alternatives. Further, by linking the funding to the oil surcharge, as dependency on oil decreases, so does the work of the renewable energy branch or authority, and the budget decreases accordingly. Given Hawaii's energy independence the status, funding, and prioritization it deserves would help ensure that we achieve our clean energy goals.

Thank you for the opportunity to testify.

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