

## Hawaii Energy Policy Forum

### Hawai'i Energy Policy Forum - Act 254 Working Group Meeting

- October 26, 2007 - 10:00 am to 1:30 pm - Outrigger Canoe Club

#### **Summary Notes**

##### **In Attendance:**

Bob Arrigoni, Tom Brown, Mitch Ewan, Mike Hamnett, Lewison Lem, Gordon Lum, Kal Kobayashi, Sharon Miyashiro, David Rolf, Gareth Sakakida, Gary Slovin, Glenn Soma, Lance Tanaka, Maria Tome. Staff: Hannah Miyamoto, Chelsea Phlegar, Kim Suman

##### **Outcomes for this Meeting**

Time is limited for submitting legislative proposals and a report to the 2008 Legislature so this meeting is critical in coming to agreement on:

- Goals
- Legislative proposals (include what it will take to continue our work on developing energy strategies for the transportation sector)
- Continuing working group beyond December 2007, including testifying on legislative proposal(s)

##### **Recap: Vision, Objective, Goals, and Metrics**

Reaffirmed that we agree on:

- Vision: "Our vision is an energy efficient transportation system that integrates effective community input and planning (demand), and offers people of all ages and walks of life flexible options (supply) including mass transit, private and public vehicles and self-powered conveyance in alternative combinations that provide mobility at acceptable cost."
- Goals:

## Hawaii Energy Policy Forum

- Goal #1: More choices in modes of travel will allow consumers to decide what mode of travel makes the most sense for any given trip
- Goal #2: More choices in alternative fuels will give consumers more options for vehicle and fuel purchase and use.
- Goal 3#: Increasing the fuel efficiency of Hawaii's vehicle population by incentivizing consumers' choices as they make vehicle purchase decisions and decide which vehicle to use for any given trip.
- Benchmarks and Metrics still to be determined

### **Presentation & Discussion: Lewison Lem, PB Strategic Consulting**

#### I. Energy Efficiency-Related Goals in the Current Hawaii Regional, State and County Plans and Mayor's Sustainability Plan

- PB reviewed the Hawaii plans to determine whether they had considered energy-related goals/policies and to identify ongoing transportation projects, and, to provide direction in building upon these efforts to achieve our visions and goals for an energy efficient transportation system
- Report of plans should add Hawaii Dealers information previously provided in the magazine handout related to "High Occupancy Toll Lanes for Efficiency" as a strategy
- Members were asked to review the document and submit any omissions or other developments in their jurisdictions to Lewison at: [LemL@pbworld.com](mailto:LemL@pbworld.com) and to Kim at: [suman@hawaii.edu](mailto:suman@hawaii.edu) to be included in the Report to the Legislature ("Report")

#### II. Energy Efficient Goals & Policies/Strategies in Other Jurisdictions

- Lewison reported that there are a number of strategies/activities in other jurisdictions that could be included in the report; particularly those in line with the efforts of this working group.

## Hawaii Energy Policy Forum

- Based on work elsewhere there are five categories of strategies we might want to examine in the months ahead:
  1. Vehicle design –most prominent strategy is adopting clean car standards, eg in New Mexico and Colorado
  2. Fuels
  3. Vehicle operations
  4. Transportation systems
  5. Location
- Discussion on fleet modeling:
  1. Can we quantify what kind of data needed to know what the impact of adopting California or national standard relative to Hawaii's fleet
  2. What analyses needed; transportation planners do not normally model with specific fleet information
  3. Who does fleet modeling in other states? It varies eg. non-profit organization in New Mexico, government works with universities in California.
  4. There are different levels of sophistication the models can have. Even to have a model sketch (spreadsheet) idea of the fleet can help, working group could look at this model.
  5. Are we in sync with where the feds are? What are the national standards?
- Seven Goals from Western Governors Association relating to its Resolution on Transportation Energy (2006) – can provide us with direction:
  1. Reverse our over-dependence on volatile foreign oil supplies
  2. Expand economic opportunities through the production and distribution of domestic renewable fuels to all regions of the West;
  3. Diversify our reliance on petroleum and natural gas as feedstocks for petrochemicals by developing biofuels and coal-derived compounds;

4. Evaluate alternative transportation fuels' impacts, seeking to reduce greenhouse gas and other emissions and improve air quality and the environment;
  5. Encourage distribution of alternative fuel refining and refueling facilities throughout the nation;
  6. Promote the inclusion of higher renewable content blends in existing transportation fuels
  7. Promote policies that result in more fuel-efficient vehicles and incentivize consumers to purchase hybrids or other fuel efficient vehicles to reduce our per vehicle consumption of transportation fuel;
- We should have benchmarks/measurable standards
  - California has measurable goals that we can explore relating to 2 types of goals:
    - Consumption type hard goal (eg reduce the road diesel and gas to 15% below the 2003 demand levels by 2020 and maintain that level), and
    - Alternative fuels type goal in terms of percentage (eg. increase use of non-petroleum fuels to 20% by 2020 and 30% by 2030)
  - When it gets down to the point when we want to have a number included in the goal, can we determine that number based on economic effect or some similar analyses rather than just plucking the number out of nowhere?
  - Singapore as an example always asks how a decision can help economic growth

### **Discussion on Data Needs**

To determine goals and benchmarks we need data relevant to measuring desired outcomes so we need to determine (1) data needed; and (2) availability, specifically (a) what is needed and available, and (b) what is needed and not available with a plan on how to obtain, i.e., source and cost to obtain.

## Hawaii Energy Policy Forum

- Data should lead to examining transportation impact on: (1) energy, (2) economic return/impact, including cost-effectiveness of any initiative, and (3) environment.
  - Important outcomes must be quantified before we select/quantify goals
  - WG could look at same proportional goals applied to both fuel consumption reduction as well as GHG reduction
  - BTU/ dollar of GSP can be one measure
  - Gas consumption data –DBEDT’s data are based on projections, not actual consumption
    - Part of that is in the biofuels assessment, which another group is addressing.
  - What is the baseline? Need consistent data across the state as baseline, which is critical, eg. by examining the physical infrastructure, Hawaii County found constraints related to shifting peak demand which affected the number of plug-in hybrids that could be supported (without crashing the system)
  - We should add the data needed to address the Kyoto Protocol standards which Hawaii has already adopted.
  - Working Group Input: WG members were asked to provide ideas on what data might be needed to address energy-efficiency in the transportation sector.
    - Handout on data needs. WG members were asked to review and add their input as to data needed, available, and if unavailable, how might it be obtained (source and cost).
    - Input Deadline: No later than November 9. Send to Lewison at LemL@pbworld.com and copy Kim at: suman@hawaii.edu and Sharon at <sharonmi@hawaii.edu>
    - Input will be used for legislative proposal and report to the Legislature

- Draft report and legislative proposal will be focus of the next meeting on 11/30.
- WG Agreement: The overall consensus is that it is essential for the state to have much better data upon which to make policy decisions. Therefore the WG recommends identifying the data required to measure the benchmarks/standards to meet goals; what of these data already exist, and for data that missing, we will formulate a plan and budget on how to obtain those data. This could be the first major outcome/recommendation of the WG and the basis for legislative proposal

### **Legislative Proposals for Discussion and Elaboration**

To begin the discussion on legislative proposals for the 2008 Legislature, Lewison discussed six “strawman” proposals of which only one was adopted by the WG. The six proposals and WG recommendations are as follows:

- Information and monitoring system – Collect and Analyze Data. There was agreement that this should be the basis for the legislative proposal. The following items were provided as basis for the proposal:
  - Most likely housed in state agency (but may be UH/HEPF similar to Act 254), with DBEDT and DOT as strong partners. Later suggestion was to include all current WG members as part of the bill. HEPF can house this process for at least the next year, because we’re still studying and the university is a neutral body, but it would make a stronger case to have DBEDT and DOT involved as partners.
    - Provide annual report to legislature
    - Statewide motor vehicles fleet fuel consumption model
    - If we went into transportation disincentives, eg limit parking, DOT could strongly participate. Like Singapore, so people can’t park in town. But then DOT cuts its own throat.

## Hawaii Energy Policy Forum

- Some mechanism might be needed for managing and coordination
- If we have really solid data, it would be helpful for other things such as green house gas
- Q: Are we confident that we have enough infrastructure information in regards to oil sector and fuel imports? We need to figure out how to do that.
- Invite someone from California (or another state) energy commission to make presentation about how easy/hard to do. Maybe state that is closer in size to Hawaii. Invite other state to explain how they collect the data required.
- PUC has been assigned to collect data. We should check with PUC to check what kind of data they have that we could use.
- Utilities: One of the things Big Island is looking at is very robust time of day pricing models, pilot programs looking at smart meters, etc. Things that PUC is looking down the line as to what impact these vehicles are having on their systems. Their infrastructure is another thing that needs to be assessed, and that data is completely available.
- Mine data for vehicle miles traveled from safety checks
- Incentive fund --usually used by air quality and congestion management programs.
  - WG agreed this is premature at this time.
- Gold star “top runner” program – reward recognition program similar to “energy star” for appliances
  - WG agreed this is premature
- Technical assistance to local areas
  - State needs to get technical assistance FROM local areas
  - Look for models of what other places have done to provide assistance

## Hawaii Energy Policy Forum

- WG members should submit any ideas relating to data/funding/other resources to assist in assessing environmental and economic impact relating to energy-efficient transportation
- Improved coordination of transportation planning and energy planning
  - HEPF process may be a way to do this
- Energy consumption impact analysis as part of environmental documentation
  - Premature at this time

### **Report to the 2008 Legislature – Discussion on Substance and Format:**

- We need to identify “low hanging fruit” ie something easy to do with an impact, because if we have a big project and big failure, it will have impacts on other future programs, e.g.. van cam program hurt future programs to address speeding through red lights
- Bringing all the data to the Legislature had immediate consequences for the Big Island three years ago when data were collected regarding how the island uses energy. Simply bringing the data together has power; concise executive summary format can have tremendous impact, sometimes unintended.
- Final report will be general in nature due to short timeline – more detail will be sent to WG members by email in the coming weeks
- Report should identify the costs and benefits of the program as the Legislature will be expecting this kind of information. We can present our best guess of the forecast in the report, with business as usual.
- Provide past data on trends, because when you do projections, it is always alternative based.
  - What kind of data are we going to compile?
  - How might we gather these data on an ongoing basis?
  - Need funding for counties and state to collect and analyze data
- How can we curb transportation demand?



## Hawaii Energy Policy Forum

- Curb urban sprawl – only build where there are transit centers and other infrastructure, water supply may be the constraint
- Bob Arrigoni can provide what data may be helpful in shaping this (in bullets in understandable language in next week or so)
- If Hawaii continues on a growth curve, are providers able to continue to supply? Tesoro indicates that supply constraints are not a problem; problem is more of a regulatory issue.

### **Other points to add to the report as appropriate:**

- What are we willing to pay for energy efficiency? Considering economic and environmental impact while looking at consumer choices (cost/benefit)
- OMPO will include energy component to planning in next regional plan
- HNEI needs to be acknowledged; they modeled the Big Island Transportation system
- We need to know what it would take for people to identify a goal, and what would it take to feel comfortable getting to a goal

### **Next steps**

- WG members will provide the following information to the consultants and project team by November 9:
  - Data relating to energy initiatives in their jurisdiction plans
  - Data needed & available (draft chart provided as handout)
  - Input for proposed legislation by November 9
- Because of time crunch, all input should be emailed directly to Lewison (LemL@pbworld.com), Kathy Leotta (leotta@pbworld.com), Sharon Miyashiro (sharonmi@hawaii.edu) and Kim Suman (suman@hawaii.edu).

### Next Meeting:

November 30, 10am -2pm at Outrigger Canoe Club. Focus will be on legislative proposal(s) and report to the Legislature.