



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented to the
Senate Committee on Agriculture and Environment and
Senate Committee on Energy, Economic Development, and Tourism
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SB 3150 – RELATING TO TAXATION

Chairs Gabbard and Wakai, Vice Chairs Ruderman and Taniguchi, and members of the committees:

The Hawai'i Natural Energy Institute (HNEI) supports the intent of this bill and provides the following comments.

SB 3150 would amend the environmental response, energy, and food security tax to address carbon emissions by establishing a carbon tax; effectively priced at \$40 per metric ton of carbon dioxide, increasing to \$80 by 2030.

HNEI notes that the amount of the tax proposed would be a significant increase over the current level, and could result in some unintended consequences and inequities.

HNEI also notes that few if any available energy sources are “carbon free” when full life-cycle emissions are considered. Although they have lower GHG emissions than fossil fueled generation; technologies like wind and solar especially when combined with battery storage, can have a significant GHG footprint. The entire life-cycle carbon impacts of the fully integrated energy system used to power our islands should be assessed, considered, and balanced to make informed decisions that impact our economy and climate.

Thank you for the opportunity to comment on SB 3150.