



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Consumer Protection & Commerce
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By

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And

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SB 2570 SD2 HD1 – RELATING TO ZERO EMISSION VEHICLE FUELING REBATES

Chair Johanson, Vice Chair Kitagawa, and members of the committee:

SB 2570 SD2 HD1 establishes the zero-emission vehicle fueling system rebate program. Establishes the rebate amount for the installation or upgrade of a hydrogen fueling system at \$200,000. Establishes a hydrogen fueling system subaccount within the public utilities commission special fund. Reduces the allocation that the energy systems development special fund receives from the environmental response, energy, and food security tax from 8 cents to 5 cents and allocates the difference to the hydrogen fueling system subaccount.

HNEI respectfully offers the following comments on this bill.

- 1) HNEI **supports the intent** of this bill and recognizes that locally produced green hydrogen has the potential to support our 100% renewable goals including the transportation sector. High costs have hampered the development of hydrogen infrastructure. This bill supports such infrastructure and will provide an opportunity to assess its value.
- 2) SB2570 SD2, HD1 provides the following definition. "Renewable hydrogen" means hydrogen produced entirely from renewable sources that have a life-cycle emissions of no more than fifty grams of carbon dioxide per kilowatt hour. If full life cycle emissions are considered, (i.e. Scope 2), the requirement of less than fifty grams of carbon dioxide per kilowatt hour could, arguably, prevent the use of even solar energy. For clarity, we respectfully suggest that this minimum be raised and that renewable energy systems deemed undesirable be named to preclude their use.
- 3) The development of hydrogen infrastructure has been hampered by both costs and hydrogen purity requirements. To ensure that the funding allocated to this rebate is utilized, we respectfully suggest a 5-year sunset date to this reallocation at which time the efficacy of the program can be assessed, and the program can be extended if it is found to be meeting its objectives.

Thank you for the opportunity to provide this testimony on SB 2570 SD2 HD1.