

# Hydrocarbon Working Group Action Plan

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## ➤ Primary Focus:

- HEPF Energy Plan Point #7: Improve Energy Efficiency and Options in Transportation – *Support policies and regulations that increase efficiency and cut fossil fuel dependence for ground, sea and air transportation.*
- HEPF Energy Plan Point #10: Ensure a secure system for fuels and electric utility grids – *Harden our transportation and electricity networks to resist future natural disasters, terrorism and fuel supply disruptions.*

## ➤ Secondary Focus:

- HEPF Energy Plan Point #1: Expand renewable energy opportunities – *Use Hawaii's indigenous energy resources.*
- HEPF Energy Plan Point #4: Maintain Policies to Encourage Energy Efficiency and Renewable Resources – *Ensure state & county policies and regulations promote energy efficiency and renewable resources.*
- HEPF Energy Plan Point #5: Preserve regulatory Protection – *Support the Public Utilities Commission and Consumer Advocate to protect the public interest while advancing Hawaii's energy plan.*
- HEPF Energy Plan Point #8: Support Research and Development of Alternative Fuels – *Make Hawaii a premier demonstration site for development of the hydrogen economy.*
- HEPF Energy Plan Point #9: Encourage Development, Production and Use of Biofuels – *Promote agricultural energy to increase self-reliance, keep the landscape green and the environment clean, and to create economic opportunity.*

## ➤ Background:

Nearly 90% of Hawaii's energy is derived from fossil fuels. In recent years, the state has adopted several policies to enable the advancement of various alternative and renewable initiatives to encourage development of energy alternatives to lessen the dependency on fossil fuels while supporting Hawaii's economy and future growth. Several studies covering a broad range of energy related subjects have been

completed. Many have highlighted Hawaii's uniqueness when compared to other parts of the country, the geographic isolation and the relatively small energy market to name a few. Additional analysis will need to be completed to better understand a feasible viable path, and the associated challenges.

In August 2006, DBEDT held a Biofuels Summit that brought together a broad range of biofuels stakeholders to identify existing barriers and related solutions. The summit was facilitated by Rocky Mountain Institute (RMI).

Currently, DBEDT, assisted by RMI, is undertaking the 2006 Hawaii Energy Study (HES) which is slated to be completed early in the second quarter of 2007. This comprehensive effort is expected to explore various near and long term energy scenarios and provide policymakers with a "roadmap" to illuminate the choices and related consequences.

The Hawaii Natural Energy Institute (HNEI) has begun an analysis required by the 2005 National Energy Policy Act section 355 to study the impacts to the local refining industry that may result from various shifts in the local energy supply and demand balance. The report is planned to be completed in December 2006.

➤ **Actions:**

1. Support development of the 2006 Hawaii Energy Strategy being conducted by DBEDT and RMI. This task includes encouraging HEPF members to engage in the process, respond to requests for information, attend meetings, and provide feedback and comments to study findings.
2. Support study by HNEI to satisfy requirements of Section 355 of the 2005 National Energy Policy Act relating to analyzing the impacts on local refinery industry of displacing petroleum with renewable energy.
3. Community outreach and education to be determined.
4. Legislative proposals where appropriate to be determined.