

**Greenhouse Gas Emission Reduction Task Force Meeting
(Act 234, Session Laws of Hawaii (SLH) 2007)
January 3, 2008
State Office Tower (SOT), Room 405
Approved Meeting Minutes**

Task Force Members Present:

1. Co-Chair Theodore E. Liu, Director, Department of Business, Economic Development and Tourism (DBEDT)
2. Co-chair Laurence K. Lau, Deputy Director for Environmental Health, Department of Health (DOH)
3. Mr. Robbie Alm, Senior Vice President for Public Affairs, Hawaiian Electric Company, Inc.
4. Dr. Lorenz Magaard, Chairman, UH Manoa Climate Change Commission
5. Mr. Frank Clouse, Manager, Refining, Tesoro Hawaii Refinery
6. Dr. Makena Coffman, Member, University of Hawaii Manoa Climate Change Commission (UHM-CCC)
7. Mr. Mark Fox, Director, External Affairs, The Nature Conservancy of Hawaii (TNC)
8. Mr. Jeffrey Mikulina, Chapter Director, Sierra Club Hawaii Chapter
9. Mr. Gary North, Senior Vice President, Matson Navigation Company.

Task Force Members Excused:

1. Mr. Gareth Sakakida, Managing Director, Hawaii Transportation Association

Staff Members Present from DBEDT:

Mr. Maurice Kaya, Chief Technology Officer, DBEDT and Administrator, DBEDT Strategic Industries Division (SID)

Mr. Theodore Peck, Manager, Energy Policy and Planning Branch

Ms. Estrella Seese, Energy Economist

Ms. Karen Shishido, Energy Analyst

Staff Members Present from DOH:

Mr. Wilfred Nagamine, Branch Manager

Mr. Barry Ching, Planner

Ms. Marianne Fuji Rossio, Engineer

Ms. Priscilla Ligh, Engineer

Mr. Scott Takamoto, Engineer

Representative from Attorney General's Office:

Mr. Gregg Kinkley, Deputy Attorney General

1. The meeting was called to order by Co-Chair Liu at 3:08 pm
2. Review of the Minutes of the November 30, 2007 Task Force Meeting and Consideration for Approval
 - a. Mr. Robbie Alm moved the motion to approve the minutes. Mr. Jeff Mikulina seconded the motion.

- b. The minutes were approved and adopted unanimously by members present without changes.
3. Deputy Attorney General Gregg Kinkley provided the following response to a question posed by member of the public at November 30, 2007 Task Force meeting, relating to whether or not future Task Force meetings could be videoconferenced to allow for increased participation by neighbor island residents, based on his consultation with the Office of Information Practices (OIP):
 - a. The law does allow for videoconferencing, but it must be audio and picture (i.e., video or web streaming) as opposed to audio only. The law was created for situations where boards and commissions would have difficulty making quorum without videoconferencing (due to residence in locations far from a central meeting place). Videoconferencing Task Force meeting is allowed by law, but presents some logistic problems which will need to be addressed if pursued.
 - b. Facilities which accommodate videoconferencing are available on all the major islands, in DAGS-operated facilities. If there is a need to videoconference a Task Force meeting in the future, the TF will have to contact Gregg Kinkley and he will see if something is feasible.
 - c. Subsidiary Act 92, Part I, HRS (Sunshine law) problems with public access may occur and should be investigated if the task force is interested in offering videoconferencing for meetings.
 - d. Announcements for videoconferencing would need to be made well in advance so that location and call-in capability could be arranged.
 - e. Co-Chair Lau commented that he is favorable to further investigating how videoconferencing can be used to widen the public's access to Task Force meetings. He also stated that the DOH facilities at 919 Ala Moana Blvd. in Honolulu are large and have videoconferencing capabilities.
 - f. Co-Chair Liu requested that Mr. Gregg Kinkley develop a logistics guidelines and issues for videoconferencing Task Force meetings.
 - g. Mr. Kinkley said he will write up a set of logistical guidelines and legal considerations for us and present it at the next meeting. Co-Chair Liu opened the discussion for public comment.
 - h. Ms. Pat Tummons thanked the Task Force and Mr. Kinkley for looking into the matter.
 - i. Mr. Henry Curtis commented that the room (SOT 405) is rather noisy due to air conditioning.
 - j. Ms. Shannon Wood offered a list of public access and ADA compliant facilities across the state with videoconferencing capabilities.
4. Presentation on the Impact of Climate Change by Dr. Fred Mackenzie, University of Hawaii Department of Oceanography, School of Ocean and Earth Science and Technology. The presentation covered:
 - Historical CO₂ levels for the last 650,000 years
 - Ranged between 180-380 parts per million (ppm)
 - Was at 340 ppm in 1958
 - Is now at 380 ppm
 - Measured at Mauna Kea Observatory for 50 years

- Different global temperature rise scenarios for the year 2100
 - Big anomalies- Greenland, permafrost, arctic
 - Hawaii/Pacific Ocean 2-3 deg warmer by end of 21st century
- The phenomenon of ocean acidification and potential impacts on Hawaii
 - Will happen even without temperature change
- Potential impacts of glacial melt on sea level rise globally and in Hawaii
- Sea level rise
 - Hawaii: 1 meter rise by end of 21st century possible
- IPCC (Intergovernmental Panel on Climate Change, United Nations) 2007 Report only used data through 2005
 - Did not include recent Greenland or Arctic data
- We must adapt to climate change, as well as seek to reduce GHGs
- The longer we wait to control GHGs, the higher the CO2 stabilization level

a. TF members' comments:

- i. Mr. Mark Fox asked Dr. Mackenzie for some practical examples of what climate change impacts will be expected for Hawaii for fishery populations and reefs. Dr. Mackenzie replied that ocean acidification leads to a lessening of saturation of seawater with compounds which are the building blocks of reefs. Reduced coral density may lead to more breakage and alteration of ecosystems and the type of organisms that inhabit them.
- ii. Mr. Mikulina asked about climate change impacts on increased severe weather and hurricanes. Dr. Mackenzie said hurricanes were not his area of expertise, but commented that if the theory of thermodynamic impacts on hurricane formation is correct then ocean temperature rise and stratospheric cooling will likely cause increased events.
- iii. Mr. North asked the question of whether Hawaii's climate change mitigation efforts, alone, would benefit or slow climate change here if other states and countries did nothing. Dr. Mackenzie said Hawaii is not going to solve the problem alone, but must nevertheless continue its efforts and also stress adaptation measures.

5. Task Force Discussion

- a. Co-Chair Liu reviewed the statutory responsibilities of the Task Force with a focus on activities for 2008, and discussed the expectations, requirements, timeframe mandated by Act 234.
 - i. DBEDT is funded by the legislature to do an updated greenhouse gas emissions inventory; at least one public meeting per county is required prior to the finalization of that inventory. The updated baseline is due on December 31, 2008.
 - ii. A work plan is required to be submitted to the Legislature by December 31, 2009.
 - iii. Co-Chair Liu stated that a 'snapshot' of the state's current emissions levels is needed. Although Act 234 does not require a current snapshot of the state's emissions, it seems logical that one would be very helpful in completing the other tasks; as such, staff should discuss (budgetary) feasibility of including the task of getting this current data as part of the scope of work for the

upcoming Request for Proposals (RFP). By statute, DBEDT is responsible for issuing the RFP and later executing any contracts with consultant(s) for this project.

- iv. Analytical tools such as economic models to explore the socioeconomic and environmental results of different approaches to reducing emissions is needed
- b. Task Force member questions and comments:
- i. Dr. Coffman asked about the status of the 1990 Emissions Report update, and emphasized the need for estimating the current emissions level. She indicated that updating the 1990 emissions may simply need to change the emissions factors.
 - ii. Mr. Maurice Kaya indicated that the support staff is keeping track of the changes in EPA's emission factors and changes in the EPA methodology.
 - iii. Co-Chair Liu indicated that the TF members' questions on methodology will impact the RFP that is being prepared, and the need to reflect and address these questions and concerns. He also indicated the need to consider how the methodology that the selected contractor will use, fit with the UH/RCUH model, and also how it will compare with the California method.
 - iv. Dr. Magaard asked how the Task Force members can work with DBEDT in shaping the scope of the RFP. Co-Chair Liu responded that DBEDT is statutorily responsible for issuing and managing the RFP, but the TF is a major resource and staff will work closely with the TF. Additionally, one of the potential TF subcommittees may address the crafting of the RFP.
- c. Co-Chair Liu began a discussion of TF subcommittees for the purpose of doing research and analysis on some of the topical areas for which TF consideration is required in order to complete the activity plan. There are two types of subcommittees under the Sunshine law: investigative and standing. Acting SID Energy Policy and Planning Branch Manager Theodore (Ted) Peck presented PowerPoint slides which suggested a possible structure and organization for TF subcommittees, as proposed by staff. The suggested committees include:
- i. Analysis Committee:
Investigate and develop analytical tools, economic models, and other scientific methods to evaluate total potential costs and benefits
Review and recommend a schedule of fees
Make recommendations to minimize leakage (reduction in-state causing out-of-state increase)
Consider of relative contribution by source or category, and establishing minimum thresholds
RFP for current inventory
 - ii. Policy Committee:
Examine market-based compliance mechanisms & suggested rules
Suggest regulations to control mobile sources
Identify and Recommend:
 - Direct emission reduction measures
 - Alternate compliance mechanisms
 - Market-based compliance mechanisms

Potential incentives (monetary and non-monetary)

Consider relevant information from other programs and locations

iii. Outreach Committee:

Pursue opportunities for emission reduction voluntary measures

Implement a series of public workshops, at least one in each county

Consult with state agencies having jurisdiction over sources

Develop action plan for public outreach and feedback

d. TF Member comments followed:

- i. Mr. Mark Fox urged the task force to consider emphasizing adaptation measures for the effects of climate change, including possible use of any fees and revenues ensuing from the Act 234 regulatory regime for adaptation initiatives in future risk-prone areas such as Waikiki.
- ii. Co-Chair Liu commented that the TF is charged with the primary tasks of doing the inventory update and work plan; other initiatives such as adaptation measures may be better pursued through legislative channels.
- iii. Mr. Frank Clouse commented that he supports the forming of subcommittees.
- iv. Mr. Jeff Mikulina commented that the TF needs to consider all the sectors and which sectors to “lean on” for emissions reductions.
- v. Mr. Robbie Alm commented that the Act is essentially seeking to increase financial burdens on carbon users, but the legislation also requires us to look at impact on citizens. Will there be a way to put some of the funds that come from the regulatory regime back into achieving emissions reductions and reducing economic impacts on residents, including a potential incentive system to reward those who choose to scale back their carbon usage?
- vi. Co-Chair Lau expressed an interest in hearing about the differences between investigative and standing subcommittees in terms of requirements and guidelines set forth in the Sunshine Law). He commented that it is best to take issues to the public and receive feedback as early as possible because of the highly compressed timeline. This would make the rulemaking part of law easier and more efficient.
- vii. Mr. Lau noted that the agriculture and military sectors are not represented in the Task Force, and the need to keep them in mind. He also indicated that the neighbor islands must be part of the process. He commented that the cooperation and involvement of the military is important in this process, as are recognizing opportunities for emissions reductions on the neighbor islands.
- viii. Dr. Coffman commented that it is important to get a current snapshot of our emissions as a guide to how much we have to reduce to reach our required target.

e. Questions and comments from staff and members of the public:

- i. Mr. Henry Curtis indicated that he does not agree with focusing on adaptation plans, but would rather have the Task Force focus on mitigation measures. He commented that Hawaii residents will all need to adapt to climate change, but Act 234 is a unique opportunity to focus on reducing and stopping greenhouse gas emissions.

- ii. Ms. Madeleine Austin commented that California adopted a mandatory emissions reporting system before caps went into effect. She indicated the need to scope out everything that must be done and included in the RFP. 4. She said attention should be given to whether emissions sources will be required to report emissions or whether a voluntary program will be used.
 - iii. Mr. Ted Peck referred to the 2007 McKinsey & Co. report on reducing U.S. greenhouse gas emissions and commented that a number of actions recommended in the report are projected to be positive for the economy as well as energy security. This suggests Hawaii can benefit by taking advantage of opportunities related to GHG reductions.
 - iv. Mr. Mike Hamnett commented that the analysis at the University of Hawaii to date has examined the statute and researchers there think they can quickly get a snapshot and general idea of big contributors of emissions if they can be provided DBEDT data. He suggested that they could then report back to the TF.
 - v. Mr. Curtis further commented that staff for California's AB 32 has established an environmental justice subcommittee, with a very open process and aggressive outreach to the public.
 - vi. Member of the public Ms. Pat Tummons commented that the 1990 date chosen as a baseline in Act 234 was chosen because this is the only baseline ever calculated (in the 1997 DBEDT inventory). She asked if we can't simply plug in updated numbers for factors to update the inventory more quickly and commented that it doesn't need to be perfect.
 - vii. Co-Chair Liu responded that while speed is important, the regulatory scheme must have credibility and part of that thoroughness will be in developing the right analytical tools and models.
- f. Mr. Gregg Kinkley, Deputy Attorney General, briefly discussed the two kinds of subcommittees as defined by the Sunshine Law. The statute specifies that standing committees are to be fully 'sunshined,' investigative committees are not. Given the tasks proposed in the presentation by Mr. Peck, Mr. Kinkley stated that, as the committees will be looking at a variety of areas related to the activity plan over a sustained period, they seem to fall under the definition of standing committees. Meetings of standing committees must be announced in advance (6 days prior); and prohibitions for TF members who are in subcommittees to discuss business outside meetings are in place as they are for the larger TF. The quorum requirement is scaled down accordingly, and each subcommittee is limited to five members. The standing committee does not have any decision-making power; it can make recommendations to the full TF but votes and decisions are made by the full TF. The intent to make these decisions must be put on the meeting agenda to allow an opportunity for public input.
- g. Co-Chair Liu asked that TF members communicate any recommendations or on shaping the RFP to Mr. Ted Peck. He asked Mr. Peck to email the PowerPoint presentation (see 5c. above) to the TF. At the next meeting, subcommittees and their membership will be decided.

6. Additional Public Comment

- a. Ms. Shannon Wood commented that there has been recent news that by 2013, ice will have melted by the summer season and there are doubled projections for ocean levels- emphasizing the urgency of the situation. She said that new renewable energy proposals emerging but results and recommendations from this TF will not be available for quite some time; she suggest that additional legislation may be needed to enforce the recommendations and implement reduction measures.
- b. Mr. Curtis commented that some state agencies schedule their public meetings a year in advance and fill in the agendas as they come up. Co-Chair Liu responded that we have set our TF meetings for the first Thursday of every month at 3-5 pm. Mr. Curtis further commented that the TF needs to consider leakage (biofuels from Malaysia versus soybean oil from Oregon) and this entails affecting a foreign source's greenhouse gas emissions. Attention to the issue of leakage is mentioned in the bill.
- c. Ms. Tummons commented that public comment should not be agendized to be held until the end of the TF discussion, but should be admitted as subjects are discussed, at the conclusion of a commission's discussion of an item. She reminded the TF that serial communication between members is prohibited and they should exercise caution. She also commented that if investigatory committees are formed, the TF may be excluding members of the public who can be valuable information resources.

7. Adjournment

- a. Co-Chair Lau moved to adjourn the meeting at 5:08 pm. Mr. Gary North seconded the motion. Meeting was adjourned.
- b. TF members unanimously agreed to have the next meeting on Thursday, February 7, 2008 from 3:00-5:00 pm. **The location will be changed to Hemmeter 436 (No. 1 Capitol District Building).**