Tax credit will boost green energy push

By Eric Wright, Alanna James and Chris Bennett

ISLAND VOICES



Eric Wright, left, is president of Par Hawaii, which operates the state's only oil refinery; Alanna James is managing director of sustainability initiatives for Hawaiian Airlines; and Chris Bennett is vice president of sustainable energy for Pono Pacific Land Management, Hawaii's largest private natural resource conservation company. This was co-signed by Nahelani Parsons, executive director of the Hawai'i Renewable Fuels Coalition.

For more than 15 years, Hawaii has been working toward 100% renewable energy for the electricity and transportation sectors. For even longer, we've talked about diversifying our state's economy to add to our strong visitor industry.

Local production of renewable fuels provides a pivotal opportunity to make Hawaii more energy independent and drive economic growth.

Par Hawaii, the state's largest supplier of energy products, is investing more than $90 million in new technology to produce 60 million gallons of renewable fuels annually, starting later this year. Over the past 18 months, Pono Pacific, the state's largest natural resources conservation company, has been growing oil crops on Hawaii island, Kauai, Maui and Oahu, with promising results. Hawaiian Airlines, the state's largest airline now part of the Alaska Air Group, is also investing in local renewable fuels production solutions.

We are on the right path to decarbonize our state, most notably for electricity generation. With support from Hawaii's Legislature, we can accelerate our progress further.

In 2008, Hawaii set a bold, ambitious goal to use 100% renewable energy by 2045. The Hawaii Clean Energy Initiative, an agreement between the U.S. Department of Energy and the state of Hawaii, demonstrated our state's visionary thinking. Many other states have since made similar commitments to adopt 100% clean energy.

Currently, about 30% of Hawaii's electricity comes from renewable sources, 20% of which is from solar power. The majority of this comes from rooftop photovoltaic (PV) systems of Hawaii residents and businesses that invested in PV and battery storage with the support of government incentives.

In 2015, our Legislature raised the bar higher, proclaiming Hawaii will be the first state to obtain 100% of its electricity from renewable sources by 2045. To do this, we will need "firm energy" sources to feed the electric grid and provide a consistent, reliable source of electricity to augment "intermittent energy" sources such as solar and wind power.

We can expand our state's agriculture industry through locally grown crops such as camelina sativa. Camelina is an oilseed with a short growing cycle, which can be rotated with food crops, providing an additional cash crop for farmers to grow. Camelina requires low amounts of water, enhances microbial communities, provides food for pollinators and prevents erosion. The byproducts of camelina oil production can be used as feed for cattle, dairy cows and chickens, enhancing our local, self-sustaining economy.

The benefits of clean fuels extend beyond electricity.

Par Hawaii will also be producing sustainable aviation fuel, which will be critical to decarbonizing the aviation sector in our state, and renewable diesel fuel, which can be used to power trucks and oceangoing vessels. These are proven "drop-in" fuels that function in the same way as fossil fuels, but offer a 40% to 80% reduction in lifecycle carbon emissions.

As with any emerging industry, the initial costs are higher, and history has shown state incentives can be a catalyst for positive change. For example, state tax credits to encourage rooftop solar systems have proven the transformative value of government incentives to disrupt the status quo and stimulate the market to create sustainable energy solutions.

As we enter the final 20-year stretch to meet our state's 100% renewable energy goal, we look forward to partnering with the Legislature to increase Hawaii's renewable fuels tax credit to accelerate our transition to cleaner fuels, reduce greenhouse gas emissions, support highly-skilled manufacturing jobs and reap all of the other benefits of a sustainable, diversified economy for our state.