

June 27, 2019

To: Climate Change Mitigation and Adaptation Commission

From: Permitted Interaction Group on Public Fleets Transition

Re: Report to the Commission on Findings and Recommendations for July 17, 2019 meeting

## **Background and Scope of the Permitted Interaction Group**

A Permitted Interaction Group (PIG) was established at the Climate Commission's meeting on April 24, 2019. Its scope was to investigate item 3 in the statement below, namely, look into how to transform State and county fleets to address VMT reduction, congestion, and emissions—especially through electrification, renewable fuels, carshare, and supporting infrastructure development and deployment.

The Commission's statement on ground transportation emissions reductions, excerpted here, emphasizes the following as priorities if the state's climate change goals are to be realized:

1. Partner with counties and local organizations to develop and undertake a multi-year educational/public service announcement (PSA) campaign to address the link between the need for a price on carbon, and highlighting the importance of clean transportation in Hawaii—which will increase quality of life, and address climate change impacts by decreasing congestion, commute time and costs, and emissions.
2. Explore and develop statewide policies and partner with counties to modernize parking policies and parking management, which will reduce overall emissions, congestion and vehicle miles travelled (VMT) from driving, and increase biking, walking, and transit use, to achieve State goals.
3. Transform State and county fleets to address VMT reduction, congestion, and emissions—especially through electrification, renewable fuels, carshare, and supporting infrastructure development and deployment.
4. Amend laws, such as the state procurement laws, to better align them with clean transportation priorities.<sup>1</sup>

## **Members of the Permitted Interaction Group:**

Lynn Araki-Regan (lead), DOT  
Suzanne Case, DLNR  
Josh Stanbro, C+C OCCSR  
Michael Yee, Hawaii County Planning  
Mike McCartney, DBEDT

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<sup>1</sup> For the Commission's full statement on ground transportation emissions reduction, see press release here: <http://climate.hawaii.gov/wp-content/uploads/2018/11/NR-Climate-Commission-Recommends-Urgent-Action-to-Combat-Emissions-Nov.-28-2018.pdf>.

The group met twice-- on May 2, 2019, and June 7, 2019--to discuss fleet transition strategies and tasks. In addition, subject matter experts were present to provide input where needed. Discussion revolved around the many activities and tasks that need to be performed to attain a transition to clean fleets, such as:

1. High level laws and policies: Do we have enough?
2. Fleet assessment: what do we have now, and what to replace with?
3. How to “right size” the fleets—vehicle share modes?
4. Evaluate procurement laws that support clean fleets
5. Plan for financing of replacement vehicles.
6. Establish and build on pilots
7. How are we doing? Metrics and reporting.

Findings related to each of these activities are outlined below, but discussion entailed much more detail and complexity which is not included here. In addition, this is not a complete list of activities that will need to be undertaken for state and county fleets to transition to clean, renewable fuel.

- 1. High level laws and policies: Do we have enough?** While high level directives and laws exist, they are largely forgotten or outdated. There is a need to alert directors of statutes that guide clean fleets (such as 102D-412), update administrative directives, and identify obstacles for implementation of these, through interviews, dialog, and briefings with staff and fleet managers, as there may also be other obstacles at the staff level to implementing these directives/laws
- 2. Fleet assessments: what do we have now, and what to replace with?**  
A fleet inventory for state and counties needs to be compiled. Data flows need to be mapped, and data aggregated for the key indicators of climate change: GHG emissions year after year. Each year, new vehicles are bought by departments. There is a need to determine whether these are to be replaced one-for-one with clean, renewable alternatives, whether they can be shared, or whether there is another option. In short, a fleet assessment and replacement plan needs to be articulated for each department.
- 3. How to “right size” the fleets—vehicle share modes?** Carshare, bike share, ride share accounts for governments can help alleviate the need for a one-one vehicle replacement. Evaluate the use of vehicle share in government fleets, outline usage, and incorporate into fleets’ replacement plans.
- 4. Evaluate procurement laws and policies that support clean fleets.** The *Hawaii Clean Energy initiative Transportation Energy Analysis* (2015) evaluated laws and policies that support clean fleets. It identified the need to revise statewide vehicle procurement guidelines to strengthen requirements (p.31) for clean vehicle purchases. While procurement laws in Hawaii have not been recently reviewed, an updated and comprehensive analysis needs to be conducted where this report left off: of existing laws in Hawaii, and other states’ laws needs to evaluate whether they are relevant and appropriate for Hawaii. Examples are: using joint procurement for state and counties to take advantage of wider availability of new vehicle models; and the possibility of amending HAR to allow “piggybacking” so state and counties can join an existing procurement (such as the Climate Mayors procurement.)

5. **Plan for financing of replacement (clean) vehicles.** Financing of clean vehicles and associated infrastructure can be stumbling blocks for transitioning public fleets, and Hawaii's fleets face a few issues in this regard. Any financial analysis done for fleet assessments should reflect the climate change priorities of the state. Existing federal funds and matches (such as the DERA program) need to be properly investigated and used to leverage any clean vehicle replacements.
6. **Establish and build on pilots.** Pilots can be helpful in demonstrating success, and mentoring sister departments. However, there seems to be a lack of coordination of pilots—around the issue of transitioning public fleets in a systematic manner. Since piloting agencies often have different statutes to help with innovation, these agencies can be very useful in bringing pilots to implementing departments. Pilots also need to come with their own funding.
7. **How are we doing? Metrics and reporting.** Departments should establish explicit fleet goals, aggregate data into a dashboard showing simple metrics (such as GHG reductions, increase in fuel efficiency, decrease in total fuel consumption), and report progress annually.

**Recommendation to the Commission:**

In order to identify and undertake a complete set of activities in the near-, medium-, and long-term, that will help State and counties transition their fleets to clean, renewable fuels, the Permitted Interaction Group recommends that the Commission call for a more permanent structure or framework that will coordinate/guide any necessary implementation and bring regular updates to the full Commission meetings.