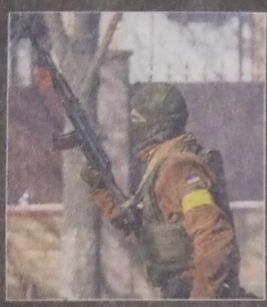


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UKRAINE UNDER SIEGE



Clashes continue in Kyiv as Russia targets airfields, fuel facilities. A4

More than 150,000 Ukrainians have fled to neighboring countries. A5

Oil supply disruptions not expected in Hawaii

But Russia is among the state's largest crude oil suppliers, and its attack on Ukraine will likely bring higher gas prices

By Timothy Hurley
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With hostilities now raging in Ukraine and a shroud of uncertainty cast over the world energy market, it's worth noting that a significant portion of Hawaii is powered by Russian crude oil.

But even though roughly a quarter of Hawaii's crude came from the Russian Far East in 2021, the company that runs the state's lone refinery says it doesn't anticipate any disruptions in supply because it can pivot to other sources with little problem.

However, oil prices, which already have been climbing for weeks in anticipation of the Ukraine conflict, are expected to continue to creep up by 20 cents to 60 cents in Hawaii, with most of the increase occurring in the summer.

"Five dollars a gallon for regular unleaded gasoline in Hawaii is within the realm of possibility," said Shahriar "Shasha" Fesharaki, executive vice chairman and managing director of Facts Global Energy in Honolulu.

For now, instability threatens the global energy market as one of the world's biggest oil producers, Russia, pounds away at its neighbor, Ukraine, while the United States and its allies search for new ways to punish the aggressor.

Fesharaki said there will cer-

tainly be a run-up in crude prices with a geopolitical premium baked in.

But the question is: Will sanctions land on Russia's lucrative oil business? The Biden Administration has said it plans to steer clear of the energy sector to avoid passing on the pain to the rest of the world, including a very vulnerable Europe.

Russian oil exports reached 7 million barrels per day in 2021 — equal to nearly 10% of global oil demand. A full

Please see GAS, A8

ELECTION 2022

Money piling up behind candidates in gubernatorial race

By Andrew Gomes
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Who becomes Hawaii's next governor will be up to 300,000 to 400,000 or so voters later this year, but several hundred people and organizations really want to influence the decision.

A look at public campaign finance reports shows that the three current front-runners seeking the top elected office in the state have so far received about 2,200 monetary contributions, including individual maximum \$6,000 deposits, from about 220 people or organizations.

For Kirk Caldwell, five of his most ardent financial backers work for condominium tower development firm Prospac Holdings Group, each of whom gave the maximum, or \$30,000 in all.

Vicky Cayetano's candidacy has attracted a concentration of \$6,000 donations from four members of the local Kosasa family most recognized for establishing the ABC Stores convenience retail chain.

And Josh Green received maximum contributions from three Hawaii medical marijuana businesses

plus the CEO of a fourth, whose wife also gave the legal limit.

All three Democrat candidates combined have taken in \$3.4 million mainly from individuals but also from companies, political action committees and other organizations.

The highest-profile Republican candidate for governor so far is Honolulu City Councilmember Heidi Tsuneyoshi, who announced her entry into the race Tuesday.

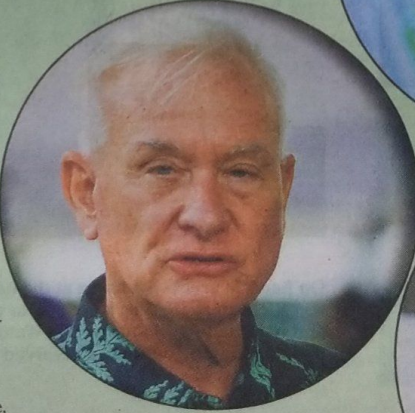
Another Republican candidate, Hawaii island business consultant Paul Morgan, has reported raising \$8,500, of which \$6,000 came from a relative.

Hawaii's primary election is scheduled for Aug. 13, followed by the general election Nov. 8.

Looking at who gave how much to whom in legal reported contributions provides a picture of the visible surface of influence on politicians seeking elected office, and the Hawaii Campaign Spending Commission provides public access to that data in an effort to ensure that campaign donations and

Please see CAMPAIGN, A8

JOSH GREEN
\$1,678,895
 CONTRIBUTORS - 1,071
 AVERAGE - \$1,568



KIRK CALDWELL
\$1,269,399
 CONTRIBUTORS - 881
 AVERAGE - \$1,441



VICKY CAYETANO
\$473,199
 CONTRIBUTORS - 222
 AVERAGE - \$2,132
 (excludes \$350,000 loan from self)

FUNDING BREAKDOWN

Three current front-runners in the Hawaii governor's race have raised \$3.4 million through roughly 2,200 campaign contributions to date.

HAWAII CAMPAIGN SPENDING REPORT DATA
 >> csc.hawaii.gov/CFSPublic
 >> hicscdata.hawaii.gov

Source: Hawaii Campaign Spending Commission

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CRAIG T. KOJIMA / JULY 13

richest gasoline in the nation
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n attendant pumps gas at the
aco station.

"High inflation is a concern, but you don't fight temporary supply shocks by cutting demand," he said.

As of Friday, Hawaii had the second priciest gasoline in the nation (behind California) at an average price of \$4.50 at the pump, according to GasBuddy, a tech company that tracks gas prices. On Oahu, the average reached \$4.44, up 1.3 cents from the day before.

Most states should expect to see a five- to 10-cent jump in gasoline prices over the next week or two, GasBuddy analyst Patrick De Haan said Thursday after the Russian attack.

"The impact is on Americans' wallets," he said. They will be paying more at the pump, evenly distributed across much of the country."

Claudia Rapkoch, public affairs officer with the state Office of Energy, said Hawaii is more reliant on foreign crude oil than most states, which is why it should step up its focus on developing locally produced energy, including not only renewables such as solar and wind but bio-fuels and other technologies showing promise.

"The answer to the crisis is to separate completely from that reliance," she said.

Putnam said Hawaiian Electric is working to add more renewable resources and battery storage to island grids in an effort to stabilize rates for customers and reduce dependence on oil for power generation. Since 2008, the utility has reduced its oil consumption by 113 million gallons, or about 25%.

Rapkoch said Hawaii is on track toward reaching its goal of 100% renewable energy by 2045. The state is closing in on 40%, she said.

"Events like this remind us we should not take the proverbial foot off the gas pedal (trying to reach that goal)," she said. "And, yes, the last 20% is always hardest to achieve, but we will be looking to new technologies and innovations to get across the finish line."

CAMPAIGN

Continued from A1

expenditures are lawful and transparent.

"The Campaign Spending Commission is committed to maintaining integrity and transparency in political campaigns by making sure everyone has the opportunity to 'follow the money' that finances the campaigns of local candidates," the commission states on its website.

Public confidence in local elected officials was shaken earlier this month by a bribery case brought by federal agents involving Milton J. Choy, a wastewater treatment and industrial machinery executive who delivered unreported cash and other gifts to a pair of state lawmakers — J. Kalani English, who stepped down last year, and Ty J.K. Cullen, who resigned earlier this month. Both have pleaded guilty to charges.

Choy also made numerous disclosed campaign contributions to dozens of Hawaii politicians over the years. In the ongoing governor's race, Caldwell received the maximum \$6,000 from Choy.

In another pending criminal case, officials with Hawaii-based defense contractor Martin Defense Group LLC, formerly known as Navatek LLC, are charged with making illegal campaign contributions to a member of Congress from Maine. Two Martin Defense executives charged in that case, Martin Kao and Clifford Chen, each contributed \$6,000 to Green's campaign.

Neal Milner, retired University of Hawaii political science professor, said it's not possible to know how clean politics are from looking just at who contributes legally to campaigns, but there is a largely held public belief that many contributors expect at least a general benefit if a certain candidate wins.

"People want to know who are the big shots giving money, and what do they want," he said.

Caldwell, whose term as Honolulu mayor ended 14 months ago, has been taking in campaign contributions for the governor's race the longest out of the three front-runners. He's received about \$1.3 million in the form of nearly 900 contributions since early 2018, or \$1,441 per contribution on average.

Sixty-one contributors gave Caldwell the maximum \$6,000 either in chunks or at one time.

Particularly generous were officials with Prospac Holdings, a company that completed the Azure Ala Moana condo tower in September but had a rough time getting approvals from the Honolulu City Council after presenting an initial plan in 2017.

According to commission data, two company assistant directors, Cheng Wei Chen and Michelle Lin, gave Caldwell's campaign \$6,000 in November, as did company manager Richard Stack.

Two other Prospac officials contributed to Caldwell's campaign twice, with project manager Daniel Simonich giving \$1,000 in 2017 followed by \$5,000 in November, and executive Limin Xu contributing \$2,000 and \$4,000 in the same timeframe.

Other concentrations of contributors aiming to help Caldwell become governor include six attorneys from the local firm Imanaka Asato LLLC, who each gave between \$500 and \$5,923; seven members of commercial and residential real estate development firm MW Group, who each gave between \$1,000 and \$4,000; and 10 members of architecture and engineering firm Bowers + Kubota, who each gave between \$1,000 and \$1,755.

Very broadly, Caldwell's campaign has drawn contributions largely from business people in fields related to construction, real estate development, law and banking. A fair number of current and former city workers also have chipped in, among many others.

Cayetano, co-founder and longtime president of Hawaii's largest commercial laundry business, started her campaign in September and has received 222 donations amounting to \$473,199, or \$2,132 on average. Cayetano, whose husband, Ben, was governor from 1994 to 2002, is also partly self-financing her campaign with \$350,000 she provided as a loan.

The biggest donors to Cayetano's campaign include members of the family that owns ABC Stores. Paul, Lisa, Thomas and Mi Kosasa all gave the maximum \$6,000.

Givers to Cayetano's campaign largely are people in the same business sectors that typically contribute heavily in political races — law, banking, construction and real estate development.

One firm that had a concentration of giving to Cayetano's campaign was Island Insurance, where seven offi-

cialists each gave between \$500 and \$4,000. An Island Insurance political action committee also gave \$3,000.

Green, Hawaii's lieutenant governor and a physician on Hawaii island, has received 1,071 contributions totaling nearly \$1.7 million, or \$1,568 on average.

Green's campaign has a heavy dose of support from health care industry representatives, including companies, physicians, physicians assistants and nurses, mixed in with the more usual industries to which many donors belong.

Hawaii's medical marijuana industry is among the health care sector contributors. Noa Botanicals, Lau Ola LLC and Green Aloha Ltd. all gave the maximum \$6,000. The CEO of a fourth such company, David Cole of Maui Grown Therapies, also gave the legal limit, as did Cole's wife, Margaret. Christopher Cole, director of product development for Maui Grown Therapies, contributed \$3,000.

Green also has attracted concentrations of donations from within companies. For instance, 10 officials with First Hawaiian Bank each gave between \$2,000 and \$6,000.

In addition to the large health care sector representation among donors, Green's campaign is unlike that of his two biggest rivals in that nearly a third of Green's contributions came from mainland donors. Caldwell and Cayetano campaign financing is considerably more dominated by local donors.

The vast majority of contributors to all three campaigns were individuals, including some who gave as little as \$100.

Some contributors even gave to all three campaigns, which can be viewed as what Milner described as bet hedging.

For instance, ocean cargo transportation firm Matson Navigation Co. gave \$1,000 to Caldwell and Cayetano and \$2,000 to Green.

Robert Nobriga, a Kamehameha Schools trustee and president of Island Holdings Inc., parent of Island Insurance, gave \$2,000 to Caldwell and Cayetano and \$3,000 to Green.

Some Kosasa family members who gave maximum contributions to Cayetano also gave equal or lesser amounts to her competitors. Paul Kosasa gave \$2,000 to Caldwell and \$2,000 to Green, while Mi Kosasa gave \$6,000 to Green and Thomas Kosasa gave \$6,000 to Caldwell and Green.

