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March 30, 2021

Mr. Derek Chow Deputy Director, Harbors Division State of Hawaii, Department of Transportation 79 South Nimitz Highway Honolulu, Hawaii 96813

Dear Mr. Chow:

Subject: Support of the State of Hawaii, Department of Transportation, Harbors Division's Need and Ability to Participate in a Feasibility Study for Honolulu Harbor Modification Project – Job H .C. 10629

Matson supports the State of Hawaii, Department of Transportation, Harbors Division's need and ability to participate in a feasibility study for Honolulu Harbor Modifications Project (Job H.C. 10629). We understand that your division has budgeted the local sponsor share of the feasibility study costs in fiscal years 2021, 2022, and 2023. We are also pleased that your division is committed to actively participating in the feasibility study and identifying a federal plan that can be implemented.

As an island state, Hawaii is very dependent upon our commercial harbors to ensure the continued and unimpeded flow of cargo in and out of our State. It is estimated that over 90 percent of Hawaii's goods pass through our commercial harbors, including consumer goods, motor vehicles, construction materials, and fuel. Given the critical role of our commercial harbors, it is imperative that the State support dependable and efficient cargo transportation and handling service to our residents and businesses.

As the largest user of Honolulu Harbor, Matson is well aware of the urgent need to continue to modernize Honolulu Harbor. Honolulu Harbor serves as the hub of all commercial maritime activity in the State's hub-and-spoke commercial maritime system. Although significant improvements are being made to Honolulu Harbor, we must continue to adapt the Harbor's plans to meet current and future needs including adapting to climate change and sea level rise; increasing operational efficiencies; continuing to support our military in the Indo-Pacific region; and further diversifying our State's economy.

We appreciate your division's leadership in modernizing Honolulu Harbor, budgeting for the local share of the feasibility study, and collaborating with our federal partners on this important issue. We strongly support your efforts to implement the New Start Feasibility Study of Modifications to Honolulu Harbor.

Sincerely,

Vicente S. Angoeo, Jr. Executive Vice President Matson Terminals, Inc.