

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

NEWS RELEASE

NEIL ABERCROMBIE

GOVERNOR

RICHARD LIM, DIRECTOR Phone: (808) 586-2355 Fax: (808) 586-2377

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Hawai'i Leads Nation in Energy Savings Performance Investment per Capita

HONOLULU – Hawai'i is ranked No. 1 in the United States for investment in energy savings performance contracting (ESPC) for public buildings per capita, according to a ranking published by the Energy Services Coalition, a national nonprofit network working at the state and local level to increase energy efficiency through building upgrades. Hawaii's overall conservation investment exceeds \$150 million.

ESPC uses guaranteed future energy and water utility bill savings to pay for the up-front capital costs of facility improvements. In Hawai'i, the State Energy Office has been providing technical assistance on performance contracting to state agencies and the counties, upon request, since 1996.

"This is exactly the type of investment what will propel the State of Hawai'i toward our goal of 70 percent clean energy by 2030," said Governor Neil Abercrombie. "Energy savings performance contracting projects combined with other ambitious clean energy programs – such as the aggressive expansion of photovoltaic use at public school facilities – will further our state's energy independence and provide a strong catalyst for job growth."

From 1996 to 2008, ESPC projects by the State of Hawai'i Executive Branch, University of Hawai'i at Hilo, state Judiciary, local hospitals, City and County of Honolulu, and the counties of Hawai'i and Kaua'i totaled \$68,218,183. In 2009, an additional investment exceeding \$33,900,000 for Phase I of a state Department of Accounting and General Services (DAGS) ESPC project brought the total for Hawai'i to over \$100 million.

This year, the state Department of Public Safety (PSD), with DAGS as overall manager, and the University of Hawai'i Community Colleges (UHCC) initiated projects of \$25,511,264 and \$32,802,833, respectively, bringing the total investment to more than \$159 million (or \$117 per capita).

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The PSD project covers more than 569,000 square feet at the high and medium security sections at the Halawa Correctional Facility (HCF) and the Laumaka Work Furlough Center at the O'ahu Community Correctional Center (OCCC). Work includes energy and water efficiency retrofits and improvements to operations and maintenance with annual savings of \$2.3 million over the 20-year term of the project.

The UHCC project covers four campuses on O'ahu with upgrades in lighting and heating, ventilation and air conditioning equipment and is expected to generate savings of \$4.5 million annually over the 20-year term of the project.

The state is moving forward on other Energy Savings Performance Contracting projects to further increase energy efficiency and reduce costs at state government buildings and facilities. DAGS issued an invitation for proposal (IFP) for a Phase II ESPC for 28 buildings; the Hawai'i Public Housing Authority is finalizing agreements for a 789-building project; and the state Department of Transportation, with the Airports Division taking the lead, issued an IFP for ESPC for 15 airports, five harbors, and highways facilities throughout the state.

"We are growing a sustainable economy and transforming government through performance contracting and by mobilizing and leveraging investment in high-impact energy efficiency projects for public and private buildings," said Mark Glick, administrator, DBEDT's State Energy Office.

The State of Hawaii's most important economic enterprise is to pursue energy independence by building a clean energy economy and reaching 70 percent clean energy by 2030. The DBEDT State Energy Office's mission is to act as a catalyst for creating efficiency measures, renewable energy resources, transportation initiatives and progressive policy that lead to green jobs and investments in Hawaii's economy. For more information, visit <u>www.hawaii.gov/dbedt/energy</u>.

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For more information, contact:

Mark Glick Energy Program Administrator DBEDT's State Energy Office Phone: (808) 587-3812 Lois Hamaguchi Energy Analyst DBEDT's State Energy Office Phone: (808) 587-9006