HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of Scott J. Glenn, Chief Energy Officer

before the

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM AND COMMITTEE ON GOVERNMENT OPERATIONS

Wednesday, February 9, 2022 3:00 PM State Capitol, Conference Room 224 & Videoconference

SUPPORT SB 2963 RELATING TO ENERGY EFFICIENCY.

Chairs Wakai and Moriwaki, Vice Chairs Misalucha and Dela Cruz, and members of the Committees, the Hawai'i State Energy Office (HSEO) supports and proposes modifications to SB 2963 which establishes deadlines for all state facilities 10,000 square feet and larger to implement cost-effective energy efficiency measures; allows the Department of Accounting and General Services to opt out of the cost-effective energy efficiency measures if a facility will be demolished within five years; establishes a goal of achieving at least a twenty-five percent reduction by 2025 in electricity consumption of state facilities; provides that agencies that perform energy efficiency retrofitting may receive appropriations for such measures; and requires, where feasible and cost-effective, the design of all new state building construction to maximize energy and water efficiency, maximize energy generation potential, and use building materials that reduce the carbon footprint of the project. The bill also directs the Hawaii Natural Energy Institute to collect utility bill and energy usage data for state-owned buildings and to make the data publicly available.

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HSEO's support and comments are guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

The objectives of energy efficiency, cost control, lower energy bills, and leading by example outlined in SB 2963 are consistent with HSEO's mission in accordance with Section 196-71(a), Hawai'i Revised Statutes. It is also consistent with the Chief Energy Officer's duties to "provide technical assistance to state and county agencies to assess and implement projects and programs related to energy conservation and efficiency, renewable energy, clean transportation, energy resiliency, and related measures."

HSEO agrees that energy efficiency is the most cost-effective way to reduce energy usage. HSEO has worked over the years and continues to work with a number of state agencies in Hawai'i that have participated, or are currently participating in, facility benchmarking, energy audits, and energy savings performance contracts. HSEO has observed that there are always more, and sometimes new, energy savings and bill reduction opportunities.

HSEO is working closely with Hawai'i Energy and state agencies to assess these opportunities to reach a target goal of 25% reduction by 2025 from a 2005 baseline year. HSEO has consistently been measuring facility electricity reduction using 2005 as the baseline year, which is consistent with the United States' baseline year in its Nationally Determined Contribution for the Paris Agreement, that Hawai'i committed to support and to "be aligned with" in Part I of Act 32 of 2017.

HSEO's analysis shows since 2005, state agencies' total electricity consumption has declined by 20 percent. HSEO believes with Legislative and Administrative support, that amount can increase to 25 percent by 2025.

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Considering the above, HSEO recommends the following modification to SB 2963 on page 6, starting on line 15, to read:

"§196-___ Utility bills and energy usage data; state-owned facilities. The Hawaii [natural energy institute] state energy office shall collect all utility bill and energy usage data for state-owned facilities monthly and shall make this information available in a publicly accessible format."

This task is consistent with the HSEO's current activities as well as within the scope of its statutory responsibilities.

HSEO also recommends the language in this bill be made fully consistent with the language in SB2166 or HB1801.

We appreciate your consideration of these modifications.

Thank you for the opportunity to testify.