



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

State Energy Office

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FOR IMMEDIATE RELEASE

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HAWAII LEADS IN ENERGY PERFORMANCE CONTRACTING FOR 5TH STRAIGHT YEAR

HONOLULU — Hawaii was recognized for the fifth consecutive year by the Energy Services Coalition as the nation's leader for per capita investment in energy performance contracting (EPC), an innovative financing tool that allows government buildings to achieve significant energy efficiency savings without having to pay capital expenses up front.

"It is an honor to be acknowledged for this achievement, which highlights the innovative work being done to transition Hawaii to a clean energy future," said Gov. David Ige. "Reducing energy use by making our buildings more efficient will help us meet the challenges of energy security and climate change that we face in Hawaii. I'd like to thank the Energy Services Coalition for this recognition, and for its work in championing energy performance contracting," Ige said.

EPC uses the savings from upgrades such as digital controls for energy systems, and lighting, plumbing and air conditioning improvements to repay the cost of the equipment. The costs are borne by the performance contractor and paid back out of the energy savings. The nonprofit Energy Services Coalition in its annual "Race to the Top" program ranks the 50 states based on the per capita amount invested in performance contracts for government buildings. Hawaii's investment of \$325.25 per capita in 2016 earned the state a fifth consecutive No. 1 ranking.

(more)

“Investing in energy efficiency not only lowers harmful carbon emissions, it reduces home and business energy costs, stimulates economic growth, and improves energy system reliability,” said Luis Salaveria, director of the State Department of Business, Economic Development and Tourism (DBEDT). “By reducing government spending on energy we are able to free up valuable taxpayer dollars for other essential programs.”

The Hawaii State Energy Office (HSEO), a division of DBEDT, provides technical assistance to state and county agencies entering into energy performance contracts. The EPC projects vary widely and include courthouses, community colleges, airports and prisons. HSEO Administrator Mark Glick noted that the \$442.4 million of energy performance contracts put in place since 1996 will save the state an estimated \$1.1 billion in electricity costs over the life of the contracts.

“It’s gratifying that among Hawaii’s largest energy consumers, state and county agencies have helped drive Hawaii’s No. 1 per capita ranking in EPC contract value for each of the five years I have been energy administrator,” Glick said. “Efficiency gains from these major projects are playing a significant role in reducing greenhouse gas emissions while providing a healthy return on investment.” Glick cited the \$158 million energy performance contract recently undertaken by the State Department of Transportation (DOT) at 12 of Hawaii’s 15 airports, which will cut energy use in half and save the state about \$500 million over 20 years. The project, being carried out under the leadership of DOT Director Ford Fuchigami, is the largest single EPC in the nation.

Hawaii’s EPC performance in 2016 was well ahead of second place Kentucky with investment of \$172.48 per capita and third place Delaware at \$154.47 per capita. The national EPC average is \$53.93 per capita. Performance contracts signed by state and local government agencies in Hawaii since 1996 include 225 buildings and facilities covering 96 million square feet. The savings are the equivalent of powering 368,426 homes for one year.

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ABOUT HAWAII STATE ENERGY OFFICE

The Hawaii State Energy Office (HSEO) is a division of the state’s Department of Business, Economic Development and Tourism. With the state’s goal to reach 100 percent renewable energy generation by 2045, HSEO is leading the state’s charge toward clean energy independence. HSEO is committed to developing and deploying high impact solutions that will maximize Hawaii’s renewable energy resources and improve efficiency and transportation standards. Through effective policies and innovative programs, HSEO has positioned Hawaii

port as a leader in clean energy innovation, which will generate quality jobs, attract investment opportunities and accelerate economic growth.

For more information, visit energy.hawaii.gov

About the Energy Services Coalition

ESC is a national nonprofit organization, composed of a network of experts from a wide range of organizations, working together at the state and local levels to increase energy efficiency and building upgrades through energy savings performance contracting.

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