

HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of MARK B. GLICK, Chief Energy Officer

before the HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Wednesday, March 1, 2023 2:00 PM State Capitol, Conference Room 329 and Videoconference

Providing COMMENTS on **HB 187, HD1**

RELATING TO RENEWABLE ENERGY.

Chair Nakashima, Vice Chair Sayama, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on HB 187, HD1. HB 187, HD1, adds reference to H.R.S. 104 (Wages and Hours of Employees on Public Works) in Section 1 (a) (7), adds reference to H.R.S. 92F (Uniform Information Practices Act Modified) in Section 1 (f), blanks out the megawatt (MW) threshold in Section 1 (i), and makes other changes including the effective date.

HSEO strongly supports the use of local labor for renewable energy projects in Hawai'i and the intent of this measure towards that end. HSEO, however, recommends additional analysis and discussion be conducted prior to establishing labor requirements for the construction of utility-scale renewable energy projects to prevent unintended consequences.

The intent of this measure may also benefit from an existing partnership between HSEO, the University of Hawai'i Community Colleges, the Hawai'i Chamber of Commerce, and other stakeholders to launch a multi-year Good Jobs Hawai'i workforce development initiative funded by a grant from the U.S. Economic Development Administration. With clean energy as one of four sector focus areas, the Good Jobs

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Hawai'i initiative seeks to identify and meet current and future needs for and of Hawai'i's clean energy workforce.

HSEO also notes that the renewable energy tax credits provided under the Inflation Reduction Act contain prevailing wage and apprenticeship requirements and incentives, while the most recent request for proposals (RFP) issued by Hawaiian Electric for new renewable energy projects on Maui and Oʻahu require a detailed Community Outreach Plan addressing local labor and prevailing wage commitments (if any).¹

Should this measure move forward, HSEO would also encourage further discussion on the appropriate MW threshold for local labor requirements under Section 1 (i) and has no recommendation at this time.

Thank you for the opportunity to provide these comments.

¹ https://dms.puc.hawaii.gov/dms/DocumentViewer?pid=A1001001A22L23B15755B00375 Docket 2017-0352, Page B-22 (pdf page 128) and I-21 (pdf page 319). "Hawaiian Electric has also included the following modifications to the procurement process in response to community feedback: ... Prioritization of local labor and prevailing wage for proposed projects[.]"