



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

JOSH GREEN, M.D.  
GOVERNOR

MARK B. GLICK  
CHIEF ENERGY OFFICER

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-3807  
Web: energy.hawaii.gov

Testimony of  
**MARK B. GLICK, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON FINANCE**

Wednesday, March 8, 2023  
10:00 AM  
State Capitol, Conference Room 308 and Videoconference

In SUPPORT of  
**HB 300**

**RELATING TO THE STATE BUDGET.**

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 300, which provides operating and capital improvement appropriations and authorizations for Executive Branch agencies and programs in Fiscal Biennium (FB) 2023-25. The Hawai'i State Energy Office – BED120's FB 2023-25 budget requests address HSEO's top priorities as the critical path to a resilient clean energy economy. To enable HSEO to fulfill its mission on behalf of Hawai'i's residents, HSEO is requesting:

- Trade-off and Transfer Adjustment to Fully Fund Underfunded Position. Request to reduce Other Current Expenses - MOF A (\$18,240)/(\$18,240) recurring. This request is to transfer funds from Other Current Expenses (Library books, publications, and reports) to Personal Services to fully fund an underfunded position– Public Affairs Officer #119365.
- Trade-off and Transfer Adjustment to Fully Fund Underfunded Position. Request to increase Personal Services - MOF A \$18,240/\$18,240 recurring. This request is to fully fund the underfunded Public Affairs Officer position through a trade-off and transfer funds from Other Current Expenses (Library

books, publications, and reports). The position is currently filled at a salary of \$100,980. The budgeted salary is \$91,200. \$18,240 is requested to not only cover the existing payroll shortage but to also provide additional funds for the position to be redescribed with an adjusted salary commensurate with the duties and responsibilities of a branch manager.

- Federal Fund Adjustment - State Energy Program. Request to adjust MOF N \$0/\$832,876. This request pertains to a three-year major, recurring federal award from US Department of Energy for State Energy Program, CFDA No. 81.041. This request is to adjust (increase) the federal fund ceiling to reflect the anticipated federal award amount more accurately for fiscal year 25. The three-year amount is anticipated to be \$1.5 million. This adjustment would correct the way federal awards should be recorded in the budget for appropriation and allotment purposes.

- Full-Year Funding for Half-Year Funded Positions. Request for MOF A \$225,000/\$225,000 recurring. This request is for full-year funding for half-year funded positions which were authorized in Act 248, SLH 2022:

Energy Analyst #123896 SRNA	37,500
Energy Assurance Specialist #124025 SRNA	45,000
Transportation Energy Specialist #124091 SRNA	46,500
Energy Grants Specialist #93010B SRNA	30,000
Regulatory Assistant #93011B SRNA	30,000
Energy Economics Specialist #93012B SRNA	<u>36,000</u>
	<b>225,000</b>

- Funds for Payroll. Request for MOF A \$66,915/\$66,915 recurring. This request is for additional funds for Personal Services. Act 122, SLH 2019 established that HSEO be led by the Chief Energy Officer; however, the legislation did not authorize such a position or appropriate any funds for a position. To meet the intent of Act 122, the Governor determined a salary amount for the position and DBEDT/HSEO needed to redescribe one of its

existing positions and vary the salary to carry out the Governor's intent.

These necessary actions created a payroll deficit which HSEO has been using OCE funds to cover each year. With the elimination of the Energy Program Administrator position and funding, and drastic reductions to OCE in FY22, HSEO is no longer able to cover the payroll deficit and must request additional payroll funds. The budgeted salary for the CEO position #101240 is \$80,625. The requested \$66,915 will bring the budgeted salary to \$147,540.

- Data Lake. Request for MOF B \$30,000/\$30,000 recurring. This request is for funding to maintain the annual licenses for the Data Lake. The HSEO Data Lake (“Energy Data Portal”) was launched in November 2022. It serves as a shared repository for data sources and elements that are pertinent to informing, guiding, and monitoring progress towards the State of Hawai'i's clean energy initiatives and goals.
- Data Lake – Adjustment. Request for MOF A \$30,000/\$30,000 recurring. This request is to reconcile the recurring amount in BED120's base budget for funding to maintain the annual licenses for the Data Lake. If this adjustment request is approved, a special fund ceiling increase of \$30,000 will not be needed.

In addition, Governor's Message No. 1 requests:

- Cost Match and Working Capital for Federal Grants and Programs. Request for MOF B \$1,150,000/\$1,150,000 recurring. This request is for an annual appropriation from the Energy Security Special Fund (ESSF) for state cost match/share or working capital on grant applications or for securing federal/other resources. As Hawai'i will compete against other states for its fair share of federal funds under Bipartisan Infrastructure Law and the Inflation Reduction Act, it is in the state's best interest to have an ESSF appropriation available, up to \$1.15 million each fiscal year, to use as cost

match/share or working capital for federal funding opportunities and to leverage federal and other resources.

To position HSEO to effectively carry out its mission, HSEO respectfully requests your favorable consideration of these requests.

Thank you for the opportunity to testify.