



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Thursday, March 23, 2023
9:30 AM
State Capitol, Conference Room 325 and Videoconference

In SUPPORT of
HCR 193 / HR 198

URGING THE GOVERNOR AND STATE DEPARTMENTS TO INVESTIGATE OPPORTUNITIES PROVIDED BY THE DIRECT PAY PROVISION IN THE INFLATION REDUCTION ACT THAT ALLOWS FOR DIRECT PAYMENT OF CLEAN ENERGY INCENTIVES TO STATE GOVERNMENT ENTITIES FOR THE COST OF INSTALLING SOLAR ENERGY SYSTEMS IN STATE FACILITIES.

Chair Lowen, Vice Chair Cochran, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports HCR 193 / HR 198, both of which request state departments to investigate opportunities provided by the direct pay provision in the Inflation Reduction Act (IRA). The IRA greatly enhances the existing tax credits for both the Production Tax Credit (PTC) and the Investment Tax Credits (ITC) under IRS Code Sections 45 and 48, respectively.

Government agencies spent approximately \$173M on electricity in FY22. The ability to monetize the tax credit and receive direct payment from the Treasury for up to 30% of the cost of energy systems will greatly assist and incentivize energy efficiency and renewable energy projects as government agencies formulate plans to reduce utility bills and the impact to taxpayers.

Thank you for the opportunity to testify.