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The Current Newsletter

January 2024



Mark's Message

The Hawai'i State Energy Office (HSEO) enters 2024 with new overall energy and decarbonization strategies to make energy in Hawai'i more secure, affordable, and decarbonized. To recap our priorities in 2023, HSEO focused on the nineteen statutory obligations of the chief energy officer to move forward policies, programs and services related to energy efficiency, renewable energy, clean transportation and energy resiliency and to seek and secure the resources to carry out our agenda. Our team highlighted market gaps in firm renewable resources and long duration storage, especially geothermal and pumped hydro, and developed policies and pursued funding opportunities to fill those gaps. In 2024, HSEO will conduct initial slim-hole test wells to understand where geothermal resources might exist on Maui, Hawai'i, and O'ahu and will engage energy stakeholders at the community level to gain insight on how and where development can appropriately take place in ways that meaningfully benefit the affected communities.

In the aftermath of the tragic Maui wildfires, HSEO has proposed state actions to assess rapid replacement of low-sulfur fuel oil and lower efficiency power generation to mitigate oil price volatility and reduce electricity rates and carbon dioxide emissions. By the end of the first quarter of 2024, I plan to report to the governor HSEO's assessment and its effect on the state's energy program.

In October of 2023, HSEO successfully completed its O'ahu Energy System and Critical Infrastructure Vulnerability and Resiliency Assessment funded by the Federal Energy Management Agency's Hazard Mitigation Grant Program ("Advance Assistance" Program Grant). This comprehensive inventory and baseline assessment of O'ahu's major energy supply, distribution, and demand networks serves as a critical energy security assessment and plan to safeguard the State's critical energy infrastructure through the "Community Lifeline" approach to contain cascading impacts on the state resulting from natural and man-made disasters and the associated energy-sector impacts on O'ahu communities. The Governor's Office and HSEO has encouraged FEMA to release funds designated for an Advance Assistance (AA) 2.0 project, which will conduct a similar energy system risk assessment and plan for Kaua'i, Maui, and Hawai'i Island.

As promised, HSEO made good on its quest to secure funding and support of the U.S. Department of Energy under the Bipartisan Infrastructure Law and the Inflation Reduction Act (IRA). During 2023, HSEO was selected to receive \$30 million in grant awards and was the lead applicant with more than fifty program partners in applications for a total of \$1.15 billion in grants. In November of 2023, HSEO was one of three states to be invited to make an early application for \$34 million in energy efficiency appliance rebates targeted for low- and moderate-income residents. HSEO anticipates approval of that rebate program during the first quarter of 2024, at which time it HSEO will submit applications for another \$534 million in grant opportunities featuring additional energy efficiency rebates and an innovative sensor-based system to shut off power for compromised transmission and distribution lines during wildfire events.

HSEO also prioritized its commitment to the preparedness of a local clean energy workforce. Since January 2023, HSEO has been coordinating with local workforce development entities and employers in Hawai'i's energy sectors to identify priority workforce needs that can be met through the federally funded Good Jobs Hawai'i (GJHI) that HSEO supports. GJHI is a Statewide collaboration of over 70 employers, training providers, community-based organizations, and key stakeholders focused on workforce training and placement in quality clean energy jobs. HSEO works with GJHI leads, University of Hawai'i Community Colleges (UHCC), and the Hawai'i Chamber of Commerce. From April 1, 2023 to Sept. 30, 2023, GJHI served 272 clean energy enrollees, while 152 successfully completed and 100 were placed in full-time employment. Current trainings include a Solar Certificate NABCEP program, Solar Safety Training OSHA-10, CDL, forklift, ASE, welding chainsaw safety, and carpenter pre-apprentice. Trainings under development: (IBEW – apprenticeship exam prep, EVITP, storage, EVs), Cert. Energy Manager,

Energy Efficiency Practician, Cert. Energy Auditor (AEE), GED/equivalency.

HSEO expanded on GJHI by creating a new Hawai'i Clean Energy Sector Partnership (CESP) in May 2023 that, in addition to identifying workforce needs, will help Hawai'i education and workforce leaders better understand the job demand and career potential created by the shift towards decarbonization for electricity and fuel. The CESP is an industry-led group of employers, educators, and community organizations that strives to identify in-demand entry-level positions and develop career pathways for these positions, identify desired skills and training resources, provide on-the-job training, and support overall employment and career advancement. To date, the CESP has identified nearly thirty (30) priority decarbonization workforce development trainings and curricula, some of which are being offered or developed by UHCC and its partners.

With Aloha,



HSEO 2023 Annual Report

Year-in-review of renewable energy projects, energy efficiency programs, policy developments, and the state's progress toward achieving its energy goals. View HSEO's 2023 Annual Report!



State Decarbonization Strategy Released!

HSEO is pleased to announce its on-time completion of the Hawai'i Legislature Economy-Wide Decarbonization Report specified in Act 238 (2022). The report, prepared under the direction of HSEO's Decarbonization Program Manager, Monique Schafer, provides analysis and more than 30 recommendations for statewide strategies and actions to meet Hawai'i's decarbonization objectives specified in HRS 225p. Despite the characterization in the Report of extreme challenges to achieving statutory emission reduction targets, it is recommended that Hawai'i should maintain its current mandates based on the clear understanding that the longer the delay in meaningful reduction – the steeper the reduction curve will become in the future. A selection of the high-impact recommendations affecting fuels, the electricity sector, and transportation include:

 Modify the barrel tax to include carbon intensity thresholds that increase over time, as lower carbon intensity fuels become commercially available. Any tax or surcharge to encourage behavior change must include policies to support the availability of cost-effective alternative options. Surcharge funds should be used for lower-carbon infrastructure development, and dividends should directly flow to income-qualifying residents.

- Investigate state energy resources and keep options open for new technology adoption (e.g., geothermal slim hole drilling) and phased transition plans to progressively cleaner fuels and generation options.
- Establish carbon intensity standards for all fuels sold and distributed in the state based on lifecycle carbon intensity. The carbon intensity standard should include all fuels, including gasoline, diesel, jet fuel, marine fuel/bunker fuel, methane gas, propane, and others.
- Update the HRS §269-91 to include lifecycle carbon intensity requirements for "renewable energy sources," specifically (7) biomass and (8) biofuels, and (9) hydrogen produced from renewable energy.
- Incentivize hotels to use electric fleets for shuttle buses and to offer shared shuttle services to and from the airport, as well as popular tourist destinations.
- Develop a port emissions inventory, using EPA Port Inventory Guidance, to gain a better understanding of bunker fuel usage, energy consumption, and mitigation actions feasible for the ports.

View Hawai'i Pathways to Decarbonization

<u>Check out the Decarbonization</u> <u>Strategy Webpage!</u>



Home Electrification and Appliance Rebate Program

The Hawai'i State Energy Office is among the first states to apply for federal funds in support of the upcoming Home Electrification and Appliance Rebate (HEAR) program. The 2022 Inflation Reduction Act (IRA) provides more than \$390 billion to support clean energy and address climate change, including \$8.8 billion in rebates for home energy efficiency and electrification projects. The Hawai'i State Energy Office expects to receive \$34 million dollars for the HEAR program for disbursement starting in 2024 among a total of a total \$68 million allocation of rebates HSEO plans to manage over the next eight years.

The HEAR rebate program is one of two new programs intended to help low- and moderateincome households reduce their energy burden through highly energy-efficient appliances and retrofits. Eligible households must provide proof of income (earn no more than 150% of Area Median Income) or be enrolled in an approved federal assistance program to qualify for a rebate. Renters will be allowed to apply for rebates with the approval of property owners.

The HEAR program is expected to start late Spring or early Summer with rebates for an ENERGY STAR certified heat-pump water heaters and induction cooktops. The program will expand in concert with the rollout of its sister HOMES retrofit program later in the year. HSEO is working through the implementation details to launch the program and planning to conduct stakeholder sessions in late January or early February. If you are interested in joining a session, please send an email to Claudia Rapkoch at <u>claudia.l.rapkoch@hawaii.gov</u>

HAWAI'I GREEN BUSINESS FORUM



Check out previous years' awardees!

HGBP Checklist Deadline Extension!

The <u>Hawai'i Green Business Program (HGBP)</u> is accepting checklists for the next round of 2023-2024 green businesses to be recognized next Spring 2024. **The new deadline to complete and submit the HGBP checklist is February 29, 2024.**

<u>Get recognized for your green practices and be</u> <u>a part of the HGBP</u>



Work with HSEO: RFPs and RFIs

Are you interested in working with HSEO as a partner?

Requests for Interest (RFIs) and Requests for Proposal (RFPs) are formal documents used in the procurement process by organizations or government agencies to gather information or solicit proposals from potential vendors or partners. One of HSEO's recently closed RFIs includes RFI-24-035-HSEO Climate Pollution Reduction Grants Program. This RFI seeks interested partners to be included in a federal grant application to the U.S. Environmental Protection Agency for the Climate Pollution Reduction Grants (CPRG) Program Implementation Grant.

HSEO is inviting potential partners to express their interest and submit proposals. RFIs and RFPs issued by HSEO are published on the <u>Hawaii</u> <u>Awards and Notices Data System</u> (HANDS). Requests for Interest and Requests for Proposals issued by HSEO can also be found <u>here</u>.



Upcoming 40101(d) Grid Resiliency Funding

The HSEO will be issuing a request for purchase (RFP) in Q1 or Q2 of calendar year 2024 for Years 1 & 2 (out of 5) for O'ahu projects. Total funding for these years is roughly \$6M.

Learn more about Grid Resiliency Project Funding.



Hawai'i State Energy Office (HSEO), Hawaii Green Infrastructure Authority (HGIA), and Hawai'i Climate Change Commission staff tabling at Kuhio Park this past December.

Recap of Kuhio Park Holiday Jingle Community Event

On December 15, 2023, staff from HSEO, HGIA, and the Hawai'i State Climate Commission shared timely tips and information for saving energy over the holiday season at the Towers at Kuhio Park Holiday Jingle Community Event, hosted by Kokua Kalihi Valley. Over 470 individuals from 75 households attended the event, which included a houseware and clothing donation shop and resource tables for health, childcare, and household information and services. The HSEO team talked with attendees about ways to save money on electricity and transportation costs, utility bill assistance resources, and barriers to electric bike adoption.

We would like to express our sincere gratitude to Kokua Kalihi Valley for extending a warm invitation for us to participate in the Towers at Kuhio Park Holiday Jingle Community Event!

Mahalo nui loa!



Kiera Williams (left), Energy Affordability and Climate VISTA, and *Trinity Gilliam* (right), Clean and Affordable Transportation Choices VISTA, on their last day of service!

Mahalo and Farewell to our VISTAs!

As we bid farewell to a remarkable year, it is with great pride and gratitude that we extend our heartfelt thanks and congratulations to two outstanding individuals who have dedicated themselves to the ideals of service and community development as AmeriCorps VISTAs!

Trinity Gilliam, our Clean and Affordable Transportation Choices VISTA, has been nothing short of a driving force behind transformative initiatives in clean and affordable transportation. Similarly, Kiera Williams, our Energy Affordability and Climate VISTA, has played a pivotal role in advancing projects related to clean energy and affordability, and the development of green businesses.

As their AmeriCorps VISTA service year concludes, both Trinity and Kiera are set to embark on new journeys. They will bring their passion, expertise, and incredible work ethic to the 2024 Legislative Session.

We wish Trinity and Kiera the very best of luck in all their future endeavors!



Stay up to date with our Social Media!

Connect with us on social media for real-time news, events, and insights on sustainable energy initiatives shaping the future of Hawai'i's energy landscape!

Hawai'i State Energy Office Social Media Links



Help Hawai'i Achieve its Energy Goals!

We have open positions for talented people who are passionate about the work we do. Help protect Hawai'i's quality of life by ensuring energy security and resilience while driving nation-leading efforts toward decarbonization and energy independence. **Visit energy.hawaii.gov/careers today!**







🔀 Forward

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