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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Thursday, March 28, 2024
2:00 PM
State Capitol, Conference Room 329 & Videoconference

In Support of
SB 3103, SD2, HD1

RELATING TO ENERGY.

Chair Nakashima, Vice Chair Sayama, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 3103, SD2, HD1, an Administration bill which would establish labor standards for renewable energy projects one megawatt or larger.

This measure will help ensure workers can earn a living wage and pursue a good career in Hawai'i's utility renewable energy construction sector. To replace Hawai'i's aging fossil fuel infrastructure and achieve Hawai'i's 100% renewable energy mandate by 2045, a succession of large renewable energy projects will be needed over the next twenty (20) years. In addition, maintaining modernized and reliable renewable energy electric grids in Hawai'i will require the maintenance and replacement of utility energy projects for the foreseeable future.

Apprenticeships are entry level positions that provide the foundation for workforce growth and longevity. Developing a workforce through a registered apprenticeship program as required by this measure can build Hawai'i's long-term labor capacity by providing workers supervised on-the-job training (at lower rates than journey workers) and diverse skills for all types of projects. Requiring use of registered

apprentices with minimum labor standards that can increase the standard of work on critical energy infrastructure.

This measure can also support lower project costs through consistency with the maximum federal tax credits available for renewable energy projects under the Inflation Reduction Act which require prevailing wages and apprenticeships; savings that can be passed down to Hawai'i ratepayers. Hawaiian Electric's most recent Stage 3 Request for Proposals gives preference to developers committing that eighty percent (80%) of the workforce during all periods of construction is paid at prevailing wage equivalent to that indicated in HRS 104 (Wages and Hours of Employees on Public Works).

HSEO has experience filing records for energy efficiency and renewable energy programs and has the capacity to keep the records (e.g., attestations, declarations) required by SB 3103, SD2, HD1, and would work with the Department of Labor and Industrial Relations (DLIR) on enforcement as needed under DLIR's statutory authorities.

HSEO appreciates the concerns voiced over possible shortages of apprentices enrolled in, or graduated from, a registered apprenticeship program and welcomes further discussion to ensure adequate local labor capacity. Through Good Jobs Hawai'i, the Hawai'i Clean Energy Sector Partnership, and other efforts, HSEO, DLIR, and others are supporting the growth of Hawai'i's registered apprenticeships program.

Thank you for the opportunity to testify.