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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, February 18, 2025
10:01 AM
State Capitol, Conference Room 211 & Videoconference

Providing Comments on
SB 997, SD1

RELATING TO ENERGY.

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SB 997, SD1, which would grant the Public Utilities Commission (PUC) the ability to authorize preferential rates for the purchase of renewable energy from facilities that meet certain prevailing wage requirements and requires public utilities to forward certain requests for preferential rates to the PUC for approval.

HSEO supports the original SB 997 which could help ensure workers can earn a living wage and will be motivated to pursue a long-term career in Hawai'i's utility renewable energy construction sector. HSEO believes a workforce well-trained through registered apprenticeships and motivated by living wages will keep projects moving, which keeps project costs stable and low. Under the prevailing wage approach, Hawai'i has priced utility-scale solar and battery projects at a lower cost than the residual oil powered generation it is replacing, and HSEO expects competitively priced renewable energy projects in the future.

SB 997 directed the Department of Business, Economic Development and Tourism (DBEDT) to retain the required attestation or declaration in a manner consistent with the department's record retention rules. While HSEO is not specifically

referenced to perform this function, HSEO has the capability and experience in filing records for energy efficiency and renewable energy programs and currently has the capacity to maintain the records (e.g., attestations, declarations) required by SB 997 if the measure were to pass and DBEDT were to request HSEO's assistance.

HSEO believes giving the PUC the ability to authorize preferential rates for the purchase of renewable energy from projects that meet certain prevailing wage requirements could help incentivize the use of prevailing wage labor for new renewable energy projects in Hawai'i.

As this is a regulatory issue, we defer to the appropriate agency for comment.

Thank you for the opportunity to testify