



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
**SENATE COMMITTEES ON ENERGY AND ENVIRONMENTAL AFFAIRS
AND
AGRICULTURE AND THE ENVIRONMENT**

Friday, March 21, 2025
1:00 PM
State Capitol, Conference Room 224 and Videoconference

Providing Comments on
SR 91

REQUESTING THE HAWAII STATE ENERGY OFFICE TO CONDUCT A STUDY EVALUATING THE FEASIBILITY OF ESTABLISHING A GREEN BONDS PROGRAM IN THE STATE.

Chairs Wakai and Gabbard, Vice Chairs Chang and Richards, and members of the Committees, the Hawai'i State Energy Office (HSEO) respectfully provides comments on SR 91, which requests HSEO to conduct a study evaluating the feasibility of establishing a green bonds program in the state.

The state's transition to 100% renewable energy by 2045, alongside the accelerated timeline for neighbor islands to achieve this goal by 2035, will require significant investment and innovative financing solutions, which could include the use of green bonds. Today, green bonds are used in Hawai'i to finance a variety of projects. As an example, Hawaiian Electric, issues green bonds to fund qualifying large grid-scale projects that add to Hawaii's RPS standards, including solar farms and battery energy storage systems connected to solar farms.¹ The Hawai'i Green Infrastructure

¹ Hawaiian Electric (n.d) Green Bond Framework. <https://www.hawaiianelectric.com/clean-energy-hawaii/our-clean-energy-portfolio/green-bond-framework>

Authority utilizes a form of green bonds (“GEMS bonds”) to help make clean energy investments accessible and affordable to consumers.²

HSEO supports the intent of this measure but believes that the evaluation of green bonds may benefit from a collaborative effort that includes agencies with broader expertise in finance and/or University partners. As an example, California’s Green Bond Market Development Committee consists of 27 academics, engineers, investors, public policy experts, attorneys, and climate scientists from the public, private, non-profit, and academic sectors.³ While HSEO can play a guiding role by providing insights into the specifics of energy needs and the broader energy ecosystem, ensuring that green bonds are leveraged to finance appropriate projects at the appropriate scale; HSEO believes a holistic evaluation would require a more diverse perspective and would take more time than a year to effectively evaluate the objectives of the feasibility study.

Thank you for the opportunity to testify.

² Hawai'i Green Infrastructure Authority (n.d.) About us. <https://gems.hawaii.gov/about-us/>

³ California Green Bond Market Development Committee. (n.d.). *California Green Bond Market Development Committee*. Goldman School of Public Policy. University of California, Berkeley. Retrieved March 15, 2025, from <https://gspp.berkeley.edu/research-and-impact/centers/cepp/projects/green-bonds-market-development-committee/ca-green-bond-market-development-committee>