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Testimony of MARK B. GLICK, Chief Energy Officer

before the SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Tuesday, April 1, 2025 10:07 AM State Capitol, Conference Room 229 and Videoconference

In Support of HB 1051, HD1

RELATING TO ENERGY EFFICIENCY PORTFOLIO STANDARDS.

Chair Keohokalole, Vice Chair Fukunaga and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 1051, HD1, that extends the State's energy-efficiency portfolio standards (EEPS) from 2030 to 2045 while updating the standards. It authorizes the public utilities commission (PUC) to adjust the 2045 and interim standards.

HSEO serves on the PUC's EEPS Technical Working Group of energy stakeholders which review and address the State's progress in meeting the State's energy efficiency goals. The EEPS goal of 4,300 GWh of electricity use reduction statewide by 2030 is focused on reducing electricity consumption. The PUC establishes the EEPS, which maximizes cost-effective energy efficiency programs and technologies. Primary contributors among those providing demand-side energy efficiency reductions impacting the EEPS, are Hawai'i Energy (the energy efficiency implementer contracted by the PUC serving Hawaiian Electric's service territory), the Hawaii Green Infrastructure Authority's (HGIA) GEMS loans programs, and Kaua'i Island Utility Cooperative's energy efficiency programs. Innovative approaches and collective actions, such as those noted in <u>Governor Green's Executive-Order-No.-25-01</u>, including building performance standards for large existing commercial buildings and zero energy codes for new single-family homes are among the effective strategies to increase energy efficiency in buildings and homes and decrease energy burdens for low- and moderate-income residents.

There is consensus amongst the EEPS Technical Working Group that energy efficiency provides a solid foundation for cost-effective decarbonization. Last year, HSEO prepared and submitted the <u>Hawai'i Pathways to Decarbonization Report</u> to the 2024 Hawai'i State Legislature. The report evaluated the various pathways needed to achieve Hawai'i's decarbonization goals; it found energy efficiency to be the most cost effective measure to reduce Hawai'i's greenhouse gas emissions. Accordingly, the report includes a specific recommendation to update and extend the EEPS.

The EEPS sets a long-term goal as a target for accelerating the deployment of energy efficiency resources and programs throughout the state. Extending the EEPS date to 2045 is reasonable and advisable as a consistent and complementary ultimate policy target year along with the State's 100% renewable portfolio standard (RPS) and beyond net zero decarbonization policy.

Thank you for the opportunity to testify.