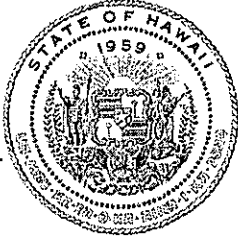


# SB 2804

Measure Title: RELATING TO ENERGY PERFORMANCE CONTRACTING FOR PUBLIC BUILDINGS.

Report Title: Energy Efficiency Retrofitting; State Agencies

Description: Provides that agencies entering into energy performance contracts receive budget appropriations and have access to financing options; that an energy performance contract has a maximum term of 25 years, including the construction period; and that agencies implementing performance contracts provide annual reports to the Department of Business, Economic Development, and Tourism. Includes housekeeping measures.



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**REVISED**

**NEIL ABERCROMBIE**  
GOVERNOR

**RICHARD C. LIM**  
DIRECTOR

**MARY ALICE EVANS**  
DEPUTY DIRECTOR

Statement of  
**RICHARD C. LIM**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT**  
And  
**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT  
OPERATIONS AND HOUSING**

Wednesday, February 5, 2014  
2:50 p.m.  
State Capitol, Conference Room 016  
in consideration of

**SB 2804**  
**RELATING TO ENERGY PERFORMANCE CONTRACTING FOR PUBLIC  
BUILDINGS.**

Chairs Gabbard and Dela Cruz, Vice Chairs Ruderman and Slom, and Members of the  
Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) supports this Administration measure to amend various sections of the Hawaii Revised Statutes relating to performance contracting. The bill provides that agencies entering into energy performance contracts receive budget appropriations and have access to financing options; and that an energy performance contract has a maximum term of 25 years. The amendments allow for longer contract periods for deeper energy improvements and incorporating the construction period into a maximum contract period. The bill also provides that agencies implementing performance contracts provide annual reports to the Department of Business, Economic Development, and Tourism. This will allow better data collection and reporting on performance contracting projects and building benchmarking efforts. The bill also includes housekeeping measures.

Thank you for the opportunity to provide this testimony.

NEIL ABERCROMBE  
GOVERNOR



Dean H. Seki  
Comptroller

Maria E. Zielinski  
Deputy Comptroller

STATE OF HAWAII  
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WRITTEN TESTIMONY  
OF  
DEAN H. SEKI, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
SENATE COMMITTEES  
ON  
ENERGY AND ENVIRONMENT  
AND  
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS AND HOUSING  
ON  
February 5, 2014

S.B. 2804

RELATING TO ENERGY PERFORMANCE CONTRACTING FOR PUBLIC BUILDINGS

Chairs Gabbard, Dela Cruz, and members of the Committees, thank you for the opportunity to submit written testimony on S.B. 2804.

The Department of Accounting and General Services (DAGS) strongly supports S.B. 2804, an administration-sponsored measure, as it will ensure adequate operating budget funding that will be annually appropriated for State agencies that implement "energy savings performance contracting (ESPC)" projects. DAGS defers to the Department of Business, Economic Development and Tourism on matters relating to the substantive provisions of this bill.

Thank you for the opportunity to submit written testimony on this matter.