

**HB-1830**

Submitted on: 1/23/2018 10:35:03 PM

Testimony for EEP on 1/25/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	OCC Legislative Priorities	Support	Yes

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES  
TO THE [COMMITTEE ON ENERGY](#) & ENVIRONMENTAL PROTECTION  
HOUSE OF REPRESENTATIVES  
THE TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018**

Thursday, January 25, 2018

8:30 a.m.

Hawaii State Capitol, Conference Room 325

**RE: TESTIMONY IN SUPPORT OF HB 1830, RELATING TO ENERGY AT THE UNIVERSITY OF HAWAII**

To the Honorable Chris Lee, Chair; the Honorable Nicole E. Lowen, Vice Chair; and Members of the Energy & Environmental Protection Committee:

Good morning. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee (“OCC”) on Legislative Priorities. Thank you for the opportunity to provide written testimony on House Bill No. 1830, relating to energy at the University of Hawaii. The OCC Legislative Priorities Committee is in favor of House Bill No. 1830.

The Environmental Caucus favors measures that support renewable sustainable energy projects; therefore, appropriations made by the Legislature to the University of Hawaii green special fund to support energy efficiency, renewable energy, and sustainability projects and services including personnel, equipment costs, project costs, and other expenses, as well as planning, design, and implementation of energy efficiency, energy conservation, renewable energy, and sustainability projects for the benefit of the University of Hawaii are highly favored as such projects reduce

dependency on fossil fuels which pose to increase the carbon footprint and an increased risk of greenhouse emissions contributing to climate change.

The Oahu County Legislative Priorities Committee encourages energy efficiency, renewable energy, and sustainability projects benefitting the University of Hawaii, and thus, favors appropriations made by the Legislature to the University of Hawaii Green Special Fund for these purposes.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ **Melodie Aduja**

Melodie Aduja

Chair, OCC Legislative Priorities Committee

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# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Energy & Environmental Protection  
January 25, 2018 at 8:30 a.m.

By  
Jan Gouveia  
Vice President for Administration  
and  
Kalbert K. Young  
Vice President for Budget and Finance/CFO  
University of Hawai'i System

### HB 1830 – RELATING TO ENERGY AT THE UNIVERSITY OF HAWAII

Chair Lee, Vice Chair Lowen, and members of the committee:

Thank you for the opportunity to submit testimony on HB 1830. The University of Hawai'i ("University") supports this measure which allows funds appropriated by the Legislature to be deposited into the University of Hawai'i Green Special Fund ("GSF") and clarifies the authority to expend funds and the scope of the projects that can be funded. This bill will facilitate a sustainable means of financing energy efficient and other sustainability projects at the University that will ultimately improve energy performance, reduce operating costs, and modernize our facilities.

Green Revolving Funds (GRFs) are a best practice used by many leading colleges and universities dedicated to addressing sustainable facilities, operations, and behaviors. These funds are typically managed by the university to fund energy efficiency, renewable energy, sustainability, and energy conservation projects which reduce energy use, and repay the GRFs within a specified time period through operational cost savings realized by the energy efficiency, renewable energy, sustainability, and energy conservation projects.

In 2017, the Legislature passed Act 186, Session Laws of Hawai'i 2017, which added to chapter 304A, HRS, a new section later codified as section 304A-2181, that created the University of Hawai'i Green Special Fund to collect and expend moneys generated by energy savings from energy efficiency, renewable energy, and sustainability projects on additional energy efficiency, renewable energy, and sustainability projects. This mechanism helps move the University closer to achieving its net-zero energy mandate (Act 99, Session Laws of Hawai'i 2015).

For reasons set forth below, the University respectfully requests, however, to remove the requirement in this measure to have all expenditures out of the fund approved by the legislative.

In 2017, the University executed a project that would typically run through the GSF to replace 4 minus-80° ultra-low temperature research freezers that were at the end of its useful life with new high-efficiency energy-star compliant freezers, for a total cost of \$54,919. The expected return on investment is 9.44 in simple payback years, and an overall estimated savings of \$96,398 over 15

years. Under the GSF program, all savings will be deposited into the fund for reinvestment in other energy-savings projects. This type of project does not require legislative approval and a mandate will only add a barrier to timely completing the project. For larger projects funded through a CIP appropriation from the Legislature, such projects would already have received the required legislative approval through the budget process. As such, the University believes this requirement is unnecessary.

With these amendments, this measure enables the University to more efficiently administer and manage the University of Hawai'i Green Special Fund:

- (1) Expressly permit the deposit of legislatively appropriated funds into the University of Hawai'i Green Special Fund.
- (2) Expressly authorize the University's chief financial officer to collect moneys for and expend and transfer moneys from the University of Hawai'i Green Special Fund.
- (3) Clarify that the scope of the projects eligible for funding from the University of Hawai'i Green Special Fund includes energy efficiency, energy conservation, renewable energy, and sustainability projects.

Thank you for the opportunity to testify in support of HB 1830.



SIERRA CLUB OF HAWAII  
MĀLAMA I KA HONUA. *Cherish the Earth.*

**HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION**

Thursday, January 25, 2018 8:30AM Conference Room 325

**In SUPPORT of HB 1830** Energy at the University of Hawai'i

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Aloha Chair Lee, Vice Chair Lowen and members of the Committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **supports HB 1830**, which seeks to broaden the University of Hawai'i's (UH) options for the deposit and movement of funds from the Green Specials Funds to initiatives that support the use of renewable energy and increases in energy efficiency and conservation across campus. It also allows the University to transfer other funds into the Green Special Fund for the purpose of renewable energy and energy efficiency and conservation across campus.

We support this measure to increase the capacity of UH to engage in renewable energy projects and initiatives that increase energy efficiency and conservation across campus. Hawai'i Revised Statutes section 269-92 mandates a 100% renewable energy portfolio standard by year's end 2045. This means that the State must transition away from imported fuels and intend toward renewable sources, preferably local, to provide a source of secure, local energy. As UH is the second largest energy user in Hawai'i behind the military, any efforts to move their energy use toward a more clean a renewable profile, moves the State in general toward our goal of 100% renewable by 2045.

Thank you very much for this opportunity to provide testimony on this important issue.

Mahalo,

Marti Townsend  
Director



# Hawai'i Energy

YOUR CONSERVATION & EFFICIENCY PROGRAM

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Before the House Committee on Energy & Environmental Protection  
Thursday, January 24, 2018, 8:30 A.M., Conference Room 325  
HB 1830: Relating to Energy at the University of Hawai'i

Chair Lee, Vice-Chair Lowen, and members of the committee-

Thank you for the opportunity to submit testimony on HB 1830. The Hawai'i Energy program would like to testify in strong **support** for HB 1830. Hawai'i Energy commends the efforts of the legislature and the University of Hawai'i to establish the green special fund to drive energy efficiency and achieve the Energy Efficiency Portfolio Standard adopted into statute. Energy efficiency is the most cost-effective energy resource available in the State, costing a fraction of electricity that is generated, either through renewables or fossil fuels.

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future. Hawai'i Energy has worked closely with the University of Hawai'i to develop and further its Strategic Energy Management initiative over the years and the green special fund plays an important role in this overall strategy.

The University of Hawai'i system is a significant energy consumer of the State institutions. Allowing for appropriations made by the legislature increases options to the University to fund projects that will drive savings and be re-invested into the green special fund. It is in the best interest to allow more flexibility of the green special fund to enable further gains in efficiency and reduce costs burdened by University students and the State. Hawai'i Energy perceives the Strategic Energy Management initiative at the University of Hawai'i as a potential model for other governmental agencies as well.

Once again, we would like to stress the importance of the green special fund and the role it will continue to play in achieving energy efficiency for the University and the State of Hawai'i.

Thank you for the opportunity to testify on HB1830.

Brian Kealoha  
Executive Director  
Hawai'i Energy

**HB-1830**

Submitted on: 1/23/2018 8:08:41 PM

Testimony for EEP on 1/25/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Shannon Rudolph		Support	No

Comments:

SUPPORT

**HB-1830**

Submitted on: 1/24/2018 4:16:05 AM

Testimony for EEP on 1/25/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mary Lacques		Support	No

Comments:



**HB-1830**

Submitted on: 1/24/2018 3:21:20 PM

Testimony for EEP on 1/25/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez		Support	No

Comments: