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**TO THE HOUSE COMMITTEE ON  
ENERGY AND ENVIRONMENTAL PROTECTION**

**TWENTY-NINTH LEGISLATURE  
Regular Session of 2018**

Tuesday, February 13, 2018  
8:30 a.m.

**TESTIMONY OF DEAN NISHINA, EXECUTIVE DIRECTOR, DIVISION OF  
CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER  
AFFAIRS, TO THE HONORABLE CHRIS LEE, CHAIR,  
AND MEMBERS OF THE COMMITTEE**

**HOUSE BILL NO. 1841, H.D. 1 – RELATING TO ENERGY.**

**DESCRIPTION:**

This measure requires qualifying utilities to maintain records that will allow benchmarking of energy consumption data for all nonresidential buildings. This measure would also require the utility to input the resulting benchmarking data to a portfolio management tool to be disclosed to a prospective buyer, lessee, or lender.

**POSITION:**

The Division of Consumer Advocacy (“Consumer Advocate”) supports the intent of the bill.

**COMMENTS:**

The Consumer Advocate believes that greater efforts should be directed towards collecting and making available data in order to facilitate informed decisions by legislators, regulators, and customers as Hawaii moves forward with its clean energy transition. Thus, the Consumer Advocate supports access to anonymized energy usage data

because it should give energy users more tools to control their usage and may lead to increased energy efficiency. It appears that the intent of this bill is to make facility energy usage data available to prospective buyers, lessees, and lenders so that they can make better informed decisions regarding buying, leasing, or lending to that facility. It is the Consumer Advocate's understanding that utilities already record, keep, and track facility energy usage data via metering and customer information systems for billing purposes and provide that data to customers as part of the monthly bill. Therefore, building owners and operators already have access to that data, and should already be able to provide it to prospective buyers, lessees, and lenders if so required. The Consumer Advocate appreciates that the Legislature has included language in the proposed measure that seeks to minimize the cost that the qualifying utility may incur to provide the data but questions remain whether the effect of this proposed measure might result in an unnecessary increase in utility costs, which would ultimately translate into increased utility bills. For example, instead of requiring the utility to incur costs to input customer data, it would seem more efficient if the building owners or managers input their own data to the portfolio management tool. Furthermore, requiring the utility to input the data will require the property manager or owner to provide the utility with its login and password to the portfolio management tool. The Consumer Advocate notes that other jurisdictions, such as Boston and Seattle, who have adopted benchmarking requirements require the property owners to obtain the data from the utility, upload the energy consumption and other required data, and provide the required annual report.

Thank you for this opportunity to testify.

**HB-1841-HD-1**

Submitted on: 2/11/2018 11:31:30 PM

Testimony for EEP on 2/13/2018 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	No

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES  
DEMOCRATIC PARTY OF HAWAII  
TO THE COMMITTEE ON ENERGY AND ENVIRONMENTAL  
PROTECTION**

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Tuesday, February 13, 2018

8:30 a.m.

Hawaii State Capitol, Conference Room 325

**RE: Testimony in Support** of HB 1841 HD1, RELATING TO ENERGY

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

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No.1841 HD1 relating to energy efficiency through building energy benchmarking.

The OCC Legislative Priorities Committee is in favor of House Bill No. 1841 HD1 and supports its passage as energy benchmarking allows building owners to

understand how much gas and electricity their properties use and can take steps to reduce wasted energy, helping them lower energy costs and stay competitive.

House Bill No.1841 HD1 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it requires benchmarking for all nonresidential buildings and the resulting benchmarking data will be disclosed to a prospective buyer, lessee, or lender.

The DPH Platform states that the "Democratic Party of Hawai'i believes that the preservation and restoration of our natural environment are essential. We support a sustainable society that utilizes the Earth in such a way that future generations will benefit from the practices of our generation. We support the restoration, preservation, and protection of our native ecosystems on each island. We believe in integrated approaches, practices, and support public policies that create and maintain a sustainable way of life in Hawai'i.

We believe in supporting best management practices in sustaining our environment and in increased citizen involvement. We support programs that encourage sustainable clean, efficient, creative and environmentally-friendly modes of transportation recycling and waste reduction.

The conservation, preservation, and restoration of Hawai'i's natural resources are connected to the health and welfare of our people; therefore, we support the conservation and protection of our natural environment, which includes reducing our carbon footprint for the benefit of current and future generations. (Platform of the DPH, P. 8, Lines 407- 420 (2016)).

We support energy independence, self-sufficiency, affordability and reliability for Hawai'i through the development of renewable alternative energy sources. Specifically, we need to support policies that foster the development of energy production methods that de-emphasizes carbon-based fuels and promote renewable sources such as wind, solar, wave, geothermal and Ocean Thermal Energy Conversion (OTEC). (Platform of the DPH, P. 9, Lines 452-456 (2016)).

Electricity rates in Hawaii are among the highest in the Nation despite the fact that we enjoy an abundance of sunshine year round. Electric utility companies and cooperatives must open the grid to alternative power sources including solar panels and geothermal energy. We support the effort of our government officials to require utilities to provide for the maximum, comprehensive, integrated use of renewable energy and associated technologies such as storage and smart grid technologies. (Platform of the DPH, P. 9, Lines 458-462 (2016)).

Given that House Bill No.1841 HD1 requires benchmarking for all nonresidential buildings, it is the position of the OCC Legislative Priorities Committee to support this measure.

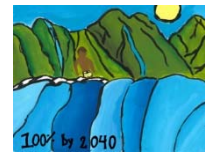
Thank you very much for your kind consideration.

Sincerely yours,

**/s/ Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

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## HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

February 13, 2018, 8:30 A.M.

Room 325

(Testimony is 2 pages long)

### TESTIMONY IN STRONG SUPPORT OF HB 1841 HD1

Aloha Chair Lee, Vice Chair Lowen, and Committee members:

Blue Planet Foundation **strongly supports** House Bill (HB) 1841 HD1, which establishes energy benchmarking requirements for commercial buildings in Hawaii to increase transparency and unlock access to energy saving data.

As a local, mission-driven nonprofit that is committed to clearing the path for 100% clean energy, Blue Planet Foundation recognizes the power and possibility of energy efficiency. Efficiency is the cheapest and easiest form of clean energy. By making the most of our power and developing sound policies that promote energy efficiency, we'll need fewer fossil fuels on the path to 100% clean energy.

#### **Energy Benchmarking Has Numerous Benefits**

Energy benchmarking is the practice of measuring how much energy a building consumes and comparing that against other buildings of a similar type or function. **You can't manage what you don't measure.** Collecting building energy use data sets a performance baseline that allows building owners and occupants to know how their buildings compare to similar buildings, the magnitude of potential energy savings, and which energy efficiency improvements will have the biggest impact on their electric bills and our state's climate goals.

Benchmarking a building's energy use has numerous benefits,<sup>1</sup> such as:

- Allowing building owners to understand how much gas and electricity their properties use so that they can take concrete steps to reduce wasted energy, helping them lower energy costs and stay competitive;
- Enabling local governments to use energy benchmarking data to more effectively allocate funds and measure the effectiveness of energy efficiency efforts;
- Unlocking new energy and demand-side management options;

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<sup>1</sup> See Institute for Market Transformation, *Benchmarking: Saving Energy and Money*, available online at: <http://www.imt.org/resources/detail/benchmarking-saving-energy-and-money> (visually summarizing the many benefits of energy benchmarking).

- Helping the building owners and occupants strategically target energy efficiency rebates and incentives for buildings that have the most potential for savings.
- Helping the state meet its energy efficiency portfolio standards and carbon emission reductions that can help us meet our climate goals under the Paris Agreement.

### **Transparency and Visibility Needed for Commercial Buildings**

House Bill 1841 HD1 builds upon Hawaii's previous benchmarking and energy disclosure efforts, which currently only reach residential and public buildings. Under Hawaii Revised Statutes (HRS) § 508D-10.5, for example, property owners must disclose the last three months of a residential buildings' energy use while occupied whenever the property is sold or leased—a law enacted in 2009.

As noted in the preamble, Hawaii has also previously adopted benchmarking policies for public facilities and buildings, as provided in HRS § 196-30. Between 2014 and 2016, a state benchmarking pilot quantified the savings potential for state buildings and demonstrated firsthand how benchmarking can play a vital role in unlocking energy savings. As part of the benchmarking project (supported by U.S. Department of Energy's State Energy Program), the state benchmarked 416 public facilities, including more than 2,600 buildings covering more than 29 million square feet. The benchmarking project found the potential for all state agencies to save more than \$25 million using current electricity rates.

By extending these transparency and data visibility policies to commercial buildings, Hawaii can join states like California and Washington that have taken a lead in recognizing the enormous energy and cost savings potential of robust benchmarking requirements. Knowing how much energy a building consumes is a critical first step toward smart, cost-effective actions to boost energy efficiency and accelerate Hawaii towards energy independence.

We respectfully request that the Committee forward HB 1841 HD1.

Thank you for the opportunity to testify.



**LATE**

“Advancing the Commercial Property Management Industry through Education, Networking and Advocacy”

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Testimony to the  
House Committee on Energy & Environmental Protection  
February 13, 2018  
8:30 a.m.  
State Capitol - Conference Room 325

RE: HB 1841 Relating to Energy

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

We are testifying on behalf of the Building Owners and Managers Association of Hawaii with comments on HB 1841. BOMA Hawaii is in support of energy efficiency and conservation. We have been strong proponents of water conservation, recycling and other forms of environmental sustainability. BOMA Hawaii has consistently opposed mandates. We wish to be a part of the conversation pertaining to this measure should it advance.

Thank you for the opportunity to testify.



**LATE**

**HB-1841-HD-1**

Submitted on: 2/12/2018 6:03:55 PM

Testimony for EEP on 2/13/2018 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Stuart Scott	Individual	Support	Yes

Comments:

My bona fides in presenting this testimony stem from my 10 years as an active Observer Party to the UN climate negotiations, and all of the attendant research and interaction with other concerned parties.

I support the passage of this bill since it will elevate the energy consumption patterns of commercial properties a relevant factors in the real estate market. This is something that we **MUST** do if we are to come to terms with the past profligate energy consumption of commercial buildings, and instead create an ethos and market for buildings that conserve energy well.