



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

JOSH GREEN, M.D.  
GOVERNOR

MARK B. GLICK  
CHIEF ENERGY OFFICER

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Testimony of  
**MARK B. GLICK, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE**

Thursday, February 9, 2023  
2:00 PM  
State Capitol, Conference Room 329 and Videoconference

In SUPPORT of  
**HB 654, HD1**

## **RELATING TO BUILDINGS.**

Chair Nakashima, Vice Chair Sayama, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports the intent of HB 654, HD1, which requires state and county agencies to process the aggregated energy and water data of certain properties through the federal ENERGY STAR Portfolio Manager and submit the benchmarking data to the Hawaii State Energy Office provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget.

HSEO's testimony is guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

HSEO supports the intent and respectfully recommends the following simplified approach, through revising the existing section 196-30(a) in the Hawaii Revised Statutes that relates to public buildings and benchmarking, to read as follows:

**§196-30 Public buildings; benchmarks; retro-commissioning guidelines; energy savings performance contracts.** (a) By December 31, ~~[2010]~~ **2024**, each state department with responsibilities for the design and construction of public

buildings and facilities shall benchmark every existing public building that is ~~[either]~~ larger than ~~[five]~~ ten thousand square feet ~~[or uses more than eight thousand kilowatt-hours of electricity or energy per year]~~ and shall use the benchmark as a basis for determining the State's investment in improving the efficiency of its own building stock. Benchmarking shall be conducted using the ENERGY STAR portfolio management or equivalent tool. The chief energy officer of the Hawaii state energy office shall provide technical assistance and training to affected departments on the ENERGY STAR portfolio management or equivalent tool, as funding is made available to support this effort.

Also, to enable State agencies and other entities to access tax credits or the benefit of tax credits and other incentives offered through the Inflation Reduction Act and other programs, HSEO recommends revising subsection 196-31(a) to read as follows:

§196-31 **Energy efficiency implementation for state facilities.** (a) State facilities shall implement cost-effective energy efficiency measures as follows:

- (1) Beginning on January 1, 2024, for all state facilities that have not implemented section 36-41 since 2010; and
- (2) Beginning on January 1, 2026, for all other state facilities;

~~{provided that no entity shall claim tax credits or deductions, or depreciate assets under title 14 for implementing energy efficiency measures pursuant to this section;}~~ provided further that nothing in this subsection shall prohibit facilities from implementing energy efficiency measures sooner than indicated under paragraph (1) or (2).

To accomplish this effort with state facilities statewide, would require funding, resources, and staff time to gather, process and provide access to the data on state facilities, as well as to accompany the benchmarking consultants on site verification visits to facilities. Since the City and County of Honolulu and Maui have adopted benchmarking ordinances in their respective counties, having HSEO focus on state facilities would reduce redundancy, allow the counties to implement benchmarking on their own terms, and enable the process to be more effective. Deleting references to “counties” in this bill is highly recommended.

Thank you for the opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



KEITH A. REGAN  
COMPTROLLER  
KA LUNA HO'OMALU HANA LAULĀ

MEOH-LENG SILLIMAN  
DEPUTY COMPTROLLER  
KA HOPE LUNA HO'OMALU HANA LAULĀ

**STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I**  
**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ**  
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY  
OF  
KEITH A. REGAN, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

H.B.654 H.D. 1

FEBRUARY 9, 2023, 2:00 PM  
CONFERENCE ROOM 329 AND VIA VIDEOCONFERENCE, STATE CAPITOL

RELATING TO BUILDINGS.

Chair Nakashima, Vice Chair Sayama and Members of the Committee, thank you for the opportunity to testify on H.B. 654 H.D.1.

The Department of Accounting and General Services (DAGS) offers comments for H.B. 654 H.D. 1, which requires state and county agencies to process the aggregated energy and water data of certain properties through the federal Energy Star Portfolio manager and submit benchmarking data to the office of planning and sustainable development.

DAGS supports intent of becoming more environmentally sustainable with respect to greenhouse gas emissions, energy and water consumption. However, given our limited resources, this measure would require additional funding and personnel to implement. We would recommend that, should the legislature wish to move forward with this measure, language be inserted to include the additional funds to identify a resource that may be able to assist DAGS in implementing such a requirement for its managed facilities.

Thank you for this opportunity to testify on this matter.

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

**CITY AND COUNTY OF HONOLULU**

650 SOUTH KING STREET, 11<sup>th</sup> FLOOR • HONOLULU, HAWAII 96813  
PHONE: (808) 768-2277 • EMAIL: [resilientoahu@honolulu.gov](mailto:resilientoahu@honolulu.gov) • INTERNET: [www.resilientoahu.org](http://www.resilientoahu.org)



RICK BLANGIARDI  
MAYOR

MATTHEW GONSER, AICP, CFM  
EXECUTIVE DIRECTOR &  
CHIEF RESILIENCE OFFICER

NICOLA HEDGE  
DEPUTY DIRECTOR &  
DEPUTY CHIEF RESILIENCE OFFICER

THURSDAY, FEBRUARY 9, 2023, 2:00 P.M.

STATE OF HAWAII  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

**TESTIMONY ON HOUSE BILL 654, HD1  
RELATING TO BUILDINGS**

BY,

MATTHEW GONSER  
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER  
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The City and County of Honolulu (“City”) Office of Climate Change, Sustainability and Resiliency (CCSR) **supports** and offers an amendment to HB654 HD1, which requires state and county agencies to benchmark certain properties through the federal ENERGY STAR Portfolio Manager and submit the benchmarking data to the Hawaii State Energy Office.

The building sector on O’ahu is a substantial consumer of water, natural gas, and electricity, and accounts for roughly a quarter of O’ahu’s greenhouse gas emissions. Benchmarking a building’s actual energy and water consumption over time is the first step towards identifying opportunities to cut waste and costs and save on energy. Supporting low-cost energy conservation measures in our buildings is critical to meeting our shared clean economy target by no later than 2045, and is more accessible than ever given recent passage of the federal Inflation Reduction Act.

The City is pleased to have established benchmarking policies for O’ahu to advance energy conservation and efficiency goals locally and within the state. As required by Ordinance 20-47, the City has begun annual electricity, gas, and water benchmarking of all City facilities over 10,000 square feet<sup>1</sup>. After leading by example with our own facilities, the City further established a Better Buildings Benchmarking

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1 Ordinance 20-47: <https://hnlldoc.ehawaii.gov/hnlldoc/document-download?id=9213>.

Chair Nakashima and Vice Chair Sayama  
HB654 HD1  
February 9, 2023  
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Program in partnership with the Honolulu City Council and community stakeholders via Ordinance 22-17, which establishes a similar annual benchmarking requirement for commercial and multifamily buildings over 25,000 square feet<sup>2,3</sup>. Recently launched, the program's first reporting deadline is June 30, 2023 for covered buildings over 100,000 square feet.

We respectfully request a minor amendment for consistency with the City's established benchmarking ordinance. Currently, HB654 HD1 establishes the submission deadline for benchmarking reporting as June 1 of each year for data from the prior calendar year. CCSR requests that this date be changed to June 30.

The City greatly appreciates the state's efforts to adopt similar policies that reduce energy use, lower costs, and support our shared climate action and resilience goals. Having state buildings also annually benchmark is important to shared state and City goals. Thank you for the opportunity to testify in support of HB654 HD1.

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2 Ordinance 22-17: <https://hnlidoc.ehawaii.gov/hnlidoc/document-download?id=14729>.

3 City and County of Honolulu Better Buildings Benchmarking Program:  
<https://www.resilientoahu.org/benchmarking>.

**HB-654-HD-1**

Submitted on: 2/8/2023 1:02:52 PM

Testimony for CPC on 2/9/2023 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michael Chang	Hawaiian Electric	Comments	Remotely Via Zoom

Comments:

I'm available to answer questions on behalf of Hawaiian Electric on HB 654, HD 1.



**Hawaiian  
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION & COMMERCE**

**HB 654, HD 1**

**Relating to Buildings**

Thursday, February 9, 2023  
2:00 pm, Agenda Item #10  
VIA VIDEOCONFERENCE  
Conference Room 329  
State Capitol  
415 South Beretania Street

Kaiulani Shinsato  
Director, Customer Energy Resources Programs  
Hawaiian Electric

Aloha Chair Nakashima, Vice Chair Sayama, and Committee Members,

My name is Kaiulani Shinsato, and I am testifying on behalf of Hawaiian Electric **with comments and suggested amendments on HB654, HD 1** as it pertains to the modification of a sustainable buildings program using the Environmental Protection Agency's ENERGY STAR Portfolio Managers and benchmarking data.

The proposed program would encourage state and county buildings to become more environmentally sustainable by using the ENERGY STAR Portfolio Manager, which requires building energy usage data from the utility. Maintaining customer data privacy is paramount to the utility and the driver of the **following suggested amendments to the current version of HB 654, HD 1:**

**(A) Page 3, lines 3 – 5.**

**“Aggregated whole-building data” means energy or water data that has been summed for an entire property, which may include a single occupant or a**



**group of separately metered tenants and complies with a 4/50 aggregation threshold standard.**

**(B) Page 11, lines 2-4.**

**Each utility that provides energy or water service to a property shall, upon request, provide aggregated whole-building data to the owner of the property upon the owner providing all tenant authorizations required by the utility.**

The suggested language in (A) recommends the addition of standard data aggregation threshold limits to ensure the data provided is sufficiently anonymized to ensure tenant data privacy. For instances where the aggregated data does not meet the threshold, the owner can provide the utility with tenant authorization to obtain the needed data. The suggested language in (B) clarifies that the utility requires such authorization from the owner to provide the tenant data to the owner.

Thank you for the opportunity to testify and submit these recommended amendments to HB 654, HD 1.



Before the House Committee on Consumer Protection & Commerce  
Thursday, February 9, 2023 at 2:00 p.m.

Testimony in Support of HB654 HD1: Relating to Buildings

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Thank you for the opportunity to testify in support and provide comments on House Bill 654 HD1.

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. Energy efficiency – the energy we do not use – is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient.

Hawai'i Energy applauds the legislature's efforts to support the continued impact of energy efficiency on Hawai'i's residents and businesses as an integral component of the State's Clean Energy Initiative, which calls for Hawai'i to achieve 100% clean energy by 2045.

Benchmarking is key for building owners and tenants to better understand how much energy and water they are using. The City and County of Honolulu last year passed the Better Buildings Benchmarking Ordinance ([Ordinance 22-17](#)) which established benchmarking and reporting requirements for energy and water usage within the City and County of Honolulu – its first reporting deadline is this coming June 30. We were proud to support that effort last year, and we are proud to support this bill's effort to establish a complementary building benchmarking program for state and county agencies to process the aggregated energy and water data of certain properties through the federal ENERGY STAR Portfolio Manager and submit the data to the Hawaii State Energy Office (HSEO).

Hawai'i Energy currently engages nonresidential building owners on a variety of levels to realize energy efficiency projects and has historically supported benchmarking for individual customers, as well as making Hawai'i-specific benchmarking available to the public.

Hawai'i Energy is willing provide technical assistance, if and as needed, to HSEO on the proposed benchmarking activities as it is aligned with our mission. We were engaged last year with the City's Office of Climate Change, Sustainability and Resiliency on the rollout of the City and County of Honolulu's benchmarking program and are more than willing to continue similar work with the legislature, HSEO, and stakeholders on the development and eventual implementation of this bill.

Thank you for the opportunity to testify in support of House Bill 654 HD1.

Sincerely,  
Caroline Carl  
Executive Director  
Hawai'i Energy

# BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU  
630 SOUTH BERETANIA STREET  
HONOLULU, HI 96843  
www.boardofwatersupply.com



February 9, 2023

RICK BLANGIARDI, MAYOR

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ERNEST Y. W. LAU, P.E.  
Manager and Chief Engineer

ERWIN M. KAWATA  
Deputy Manager

The Honorable Mark M. Nakashima, Chair  
and Members  
House Committee on Consumer Protection and Commerce  
Hawaii State Capitol  
Honolulu, Hawaii 96813

Dear Chair Nakashima and Members:

Subject: House Bill 654, HD1: Relating to Buildings

The Honolulu Board of Water Supply (BWS) supports House Bill (HB) 654, House Draft (HD) 1, relating to buildings, which requires state and county agencies to process the aggregated energy and water data of certain properties through the federal ENERGY STAR Portfolio Manager and submit the benchmarking data to the Hawaii state energy office.

The Mayor of the City and County of Honolulu signed Ordinance 22-17, which is similar the subject bill. The City Office of Climate Change, Sustainability and Resiliency (OCCSR) oversees the City's Better Buildings Benchmarking Program and is applying the U.S. Environmental Protection Agency's ENERGY STAR Portfolio Manager to track and assess the relative energy performance of buildings.

Building benchmarking, which requires the measuring and reporting of a building's energy and water usage trends as a conservation metric to incentivize reduction. By establishing a baseline, water consumers will be better able to assess their water usage on an annual basis. Reducing energy and water usage not only meets sustainability goals and preserves natural resources, it reduces consumer utility bills.

With the reduction in 3 major water sources serving Aiea to Hawaii Kai due to the Red Hill fuel contamination, and the current drought, the BWS is asking island residents and businesses to voluntarily reduce their water use by 10 percent, to prepare for the summer season and prevent more restrictive conservation measures, if necessary.

The Honorable Mark M. Nakashima, Chair  
and Members  
February 9, 2023  
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Thank you for this opportunity to provide testimony in support of HB 654.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read 'Ernest Y.W. Lau', with a stylized flourish at the end.

ERNEST Y.W. LAU, P.E.  
Manager and Chief Engineer



Email: [communications@ulupono.com](mailto:communications@ulupono.com)

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE  
Thursday, February 9, 2023 — 2:00 p.m.

**Ulupono Initiative supports HB 654 HD1, Relating to Buildings.**

Dear Chair Nakashima and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

**Ulupono supports HB 654 HD1**, which requires state and county agencies to process the aggregated energy and water data of certain properties through the federal ENERGY STAR Portfolio Manager and submit the benchmarking data to the Hawai'i State Energy Office.

Ulupono is supportive of energy efficiency measures to lower electricity and water consumption across the state. Programs such as this may provide a way to monitor progress toward the State's renewable energy, energy efficiency, and sustainability goals.<sup>1</sup> As Hawai'i's electricity costs are expected to rise in the near-term<sup>2</sup>, Ulupono sees the value of measuring and tracking energy usage as a first step to reduce energy consumption, lower overall electricity costs, and eliminate energy "waste."

As Hawai'i's energy and water issues become increasingly complex and challenging, we appreciate the State's efforts to look at policies that reduce the overall demand, which in return will result in lower utility bills, thus mitigating the high cost of living and doing business in Hawai'i.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata  
Director of Government Affairs

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<sup>1</sup>See Act 155, Sessions Laws of Hawai'i 2009 (Act 155), codified under 269-96 Hawai'i Revised Statutes, which established the State's energy efficiency goals into an Energy Efficiency Portfolio Standard (EEPS). As specified in HRS 269-96, the statewide EEPS goal is 4,300 gigawatt-hours (GWh) of electricity savings by 2030.

<sup>2</sup>See Hawaiian Electric Newsroom, "Driven up by Russian invasion, oil prices will push electric bills higher in coming months," March 10, 2022. <https://www.hawaiianelectric.com/driven-up-by-russian-invasion-oil-prices-will-push-electric-bills-higher-in-coming-months>



"Advancing the Commercial Real Estate Industry through Education, Networking and Advocacy"

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Committee: House Committee on Consumer Protection & Commerce  
Date: Thursday, February 9, 2023  
Time: 2:00 PM  
Place: Via Conference Room 329  
RE: HB 654, HD1, Relating to Buildings

Aloha Chair Nakashima, Vice Chair Sayama, and members of the committee:

We are the Building Owners and Managers Association of Hawai'i (BOMA Hawai'i) testifying in **support of** HB 654, HD1, relating to buildings. This bill requires state and county agencies to process the aggregated energy and water data of certain properties through the federal ENERGY STAR Portfolio Manager and submit the benchmarking data to the Hawai'i state energy office. We are in support of this measure.

BOMA Hawai'i is a non-profit trade association dedicated to advancing the commercial real estate industry through education, networking and advocacy. We represent many commercial building owners and managers across the island, those who will be primarily impacted new county benchmarking requirements which go into effect soon.

While we are hesitant to direct (through legislation) the government agencies we have worked with so closely, we feel it is imperative that they submit and use submitted benchmarking information to advance the state's carbon neutrality goals by 2045.

For many years, BOMA Hawai'i has participated in meaningful discussions with a coalition of benchmarking stakeholders, as well members of the legislature and local government officials. We commend your efforts.

BOMA Hawai'i is a non-profit trade association dedicated to advancing the commercial real estate industry through education, networking and advocacy. Please consider BOMA a resource to policy makers. Thank you for the opportunity to testify on this measure.

Sincerely,

Gail M. Abrena-Agas  
BOMA Hawai'i Government Affairs Committee Chair, and  
Past President

**HB-654-HD-1**

Submitted on: 2/8/2023 8:52:00 AM

Testimony for CPC on 2/9/2023 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Matthew Geyer	Individual	Support	In Person

Comments:

Please pass HB654, as it will help make buildings more efficient resulting in a long term financial benefit and reduced pollution.

**HB-654-HD-1**

Submitted on: 2/7/2023 11:08:08 AM

Testimony for CPC on 2/9/2023 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

I support HB654. Public buildings are significant users of energy & water resources. The State should lead the way in conservation of these precious resources.



House Committee on Consumer Protection and Commerce  
Hearing on Feb. 9, 2023 at 2:00 pm

SUPPORTING HB 654 HD 1

Aloha, my name is John Kawamoto, and I support HB 654 HD 1.

Commercial and residential buildings are responsible for 29% of total U.S. greenhouse gas emissions. If we are to reduce greenhouse gas emissions enough to keep the Earth livable for ourselves and future generations, emissions from buildings must be reduced, and government should lead the way.

This bill requires the State and its counties to use the U.S. Environmental Protection Agency's Portfolio Manager to assess the efficiency of their buildings. Portfolio Manager is an online tool that organizations can use to measure and track energy and water consumption, as well as greenhouse gas emissions.

Portfolio Manager can be used to benchmark the performance of one building or a portfolio of buildings, all in a secure online environment. Jurisdictions across the country have adopted Portfolio Manager, including the City and County of Honolulu. Forty percent of commercial building space in the U.S., including 35% of the Fortune 500 are already benchmarking in Portfolio Manager.

Benchmarking a building using Portfolio Manager generates the information needed to:

- Identify underperforming buildings to target for efficiency improvements.
- Identify best practices from efficient buildings.
- Set investment priorities.
- Determine savings.
- Share and report performance.

Hawaii has set a goal of net-negative emissions by 2045. This bill will lead to more efficient State and county buildings, and it will facilitate the decarbonization of Hawaii's economy.

**HB-654-HD-1**

Submitted on: 2/7/2023 6:10:12 PM

Testimony for CPC on 2/9/2023 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

Support.

**HB-654-HD-1**

Submitted on: 2/8/2023 8:16:45 AM

Testimony for CPC on 2/9/2023 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Virginia Tincher	Individual	Support	Written Testimony Only

Comments:

Mahalo for hearing HB654 - HD1

I am in strong support of the goals of the bill and the help it will provide.

Hawai‘i has a goal of being carbon negative no later than 2045. Commercial and residential buildings are responsible for about one-third of US carbon dioxide emissions, both in their operations and in carbon embedded in their materials. Addressing buildings is therefore important in reaching our carbon negative goal.

Portfolio Manager can be used to benchmark the performance of one building or a whole portfolio of buildings, all in a secure online environment. Jurisdictions across the country have adopted Portfolio Manager, including the City and County of Honolulu. Forty percent of commercial building space in the U.S., including 35% of the Fortune 500 are already benchmarking in Portfolio Manager.

Benchmarking a building using Portfolio Manager generates the information needed to:

- Identify underperforming buildings to target for efficiency improvements.
- Identify best practices from efficient buildings.
- Set investment priorities.
- Determine savings.
- Share and report performance.

This bill would help the State and counties to reduce their substantial carbon emissions from buildings’ operations, energy and water consumption. The data collected will provide a benchmark so the State can determine which buildings should be addressed first and track progress toward mor sustainable building operation

This bill supports energy efficiency measures to lower electricity and water consumption across the state. Programs such as this may provide a way to monitor progress toward the State’s renewable energy, energy efficiency, and sustainability goals. As Hawai‘i’s electricity costs are

expected to rise in the near-term, measuring and tracking energy usage is a first step to reduce energy consumption, lower overall electricity costs, and eliminate energy “waste.”

Policies that reduce the overall demand, which in return will result in lower utility bills, thus mitigating the high cost of living and doing business in Hawai'i.

Virginia Tincher

Member of Hawaii Environmental Change Agent