HAWAII STATE ENERGY OFFICE
STATE OF HAWAII

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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEES ON
GOVERNMENT OPERATIONS
AND
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Tuesday, February 13, 2024
3:10 PM
State Capitol, Conference Room 225 & Videoconference

Providing Comments on
SB 3357

RELATING TO RENEWABLE ENERGY.

Chairs McKelvey and DeCoite, Vice Chairs Gabbard and Wakai, and members of the Committees, the Hawai‘i State Energy Office (HSEO) offers comments on SB 3357, which would require “state facilities”, presumably the agency overseeing operations and management of such facilities, to prepare a report assessing the feasibility of installing distributed energy resource systems at each facility in addition to requiring state facilities to implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports.

HSEO appreciates the intent of this proposal to improve the efficiency and energy resilience of state facilities, particularly those of first responders. HSEO’s testimony does not address the requirement (page 5 lines 17-20, page 6 lines 1-2, and page 7 lines 7-12) calling for “applicable state agencies” to assess the feasibility of developing resilience hubs, at public or private facilities, to be “open to the general public during times of emergency,” and defers to affected agencies on those provisions.

HSEO’s testimony provides comments on the bill’s energy-related requirements for state agencies to: research previous actions taken for each facility since 2010; develop a report on measures taken to assess the potential and feasibility of installing

distributed energy resource systems at each facility, with due dates based on whether or not actions had been taken for the facility since 2010; and implement and install systems within five years of the reports.

HSEO notes the recent passage of Act 239 (SLH 2022), codified as HRS section 196-31, requires state facilities to implement cost-effective energy efficiency measures in addition to maximizing energy and water efficiency and energy generation potential, and is similar in several respects to the requirements of HB 2738. The relevant statutory language from HRS sections 36-41 and 196 Part 2 is attached, FYI.

Pursuant to current law, HSEO supports State agencies with benchmarking their facilities, an essential first step in determining which cost-effective energy efficiency measures should be implemented. HSEO has requested federal funding to benchmark energy-consuming, high-impact projects for inspections, analysis, and specialized equipment and support. Under this effort, HSEO would also develop a state facility energy strategy to assist departments in scoping, funding and executing facility-specific combined energy efficiency and renewable energy projects. Such a holistic approach was informed by a briefing and subsequent discussions with members of the House Majority Policy Committee during the Autumn of 2023. Because the proposed state facility energy strategy project employs the Elective Pay option under the Inflation Reduction Act of 2022 government entities to monetize federal tax credits, HSEO suggests removing the language on Pg. 5, lines 11-12 for clarity:

> …**provided that no entity shall [~~claim tax credits or deductions, or~~] depreciate assets under title 14 for implementing energy efficiency**…

HSEO would also like to work with the Committee to merge the requirements and clarify the priorities of this bill and the existing statutes. At the moment there are two priorities: facilities larger than 10,000 square feet, and facilities that have not taken steps to improve energy efficiency since 2010. This bill would add a new priority: facilities used by first responders. Although the majority of first responders (fire, police, ambulance, ocean safety) personnel are at the county level, there are several state agencies that do provide those types of services. HSEO suggests removing “since 2010” on page 5, line 4, so all facilities could be reviewed initially. Next steps would

then be first responder facilities regardless of size followed by facilities of more than 10,000 square feet. Additional facilities could be pursued as time and resources permit.

Thank you for the opportunity to testify.

CHAPTER 36 - MANAGEMENT OF STATE FUNDS

PART II. INVESTMENTS; TRANSFERS

§36-41 Energy retrofit and performance contracting for public facilities.

(a) All agencies shall evaluate and identify for implementation energy efficiency retrofitting through performance contracting. Agencies that perform energy efficiency retrofitting may continue to receive budget appropriations for energy expenditures at an amount that shall not fall below the pre-retrofitting energy budget but shall rise in proportion to any increase in the agency's overall budget for the duration of the performance contract or project payment term.

(b) Any agency may enter into a multi-year energy performance contract for the purpose of undertaking or implementing energy conservation or alternate energy measures in a facility or facilities. An energy performance contract may include but shall not be limited to financing options such as leasing, lease-purchase, financing agreements, third-party joint ventures, guaranteed-savings plans, or energy service contracts, or any combination thereof; provided that in due course the agency may receive title to the energy system being financed. Except as otherwise provided by law, the agency that is responsible for a particular facility shall review and approve energy performance contract arrangements for the facility.

(c) Notwithstanding any law to the contrary relating to the award of public contracts, any agency desiring to enter into an energy performance contract shall do so in accordance with the following provisions:

(1) The agency shall issue a public request for proposals, advertised in the same manner as provided in chapter 103D, concerning the provision of energy efficiency services or the design, installation, operation, and maintenance of energy equipment or both. The request for proposals shall contain terms and conditions relating to submission of proposals, evaluation and selection of proposals, financial terms, legal responsibilities, and other matters as may be required by law and as the agency determines appropriate;

(2) Upon receiving responses to the request for proposals, the agency may select the most qualified proposal or proposals on the basis of the experience and qualifications of the proposers, the technical approach, the financial arrangements, the overall benefits to the agency, and other factors determined by the agency to be relevant and appropriate;

(3) The agency thereafter may negotiate and enter into an energy performance contract with the person or company whose proposal is selected as the most qualified based on the criteria established by the agency;

(4) The term of any energy performance contract entered into pursuant to this section shall not exceed twenty years;

(5) Any contract entered into shall contain the following annual allocation dependency clause:

"The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the applicable funding authority. If that authority fails to appropriate sufficient funds to provide for the continuation of the contract, the contract shall terminate on the last day of the fiscal year for which allocations were made";

(6) Any energy performance contract may provide that the agency shall ultimately receive title to the energy system, vehicles, fleet vehicles, and fueling and charging infrastructure being financed under the contract;

(7) Any energy performance contract shall provide that total payments shall not exceed total savings; and

(8) For any guaranteed-savings plan:

(A) The payment obligation for each year of the contract, including the year of installation, shall be guaranteed by the private sector person or company to be less than the annual energy cost savings attributable under the contract to the energy equipment and services. Such guarantee, at the option of the agency, shall be a bond or insurance policy, or some other guarantee determined sufficient by the agency to provide a level of assurance similar to the level provided by a bond or insurance policy; and

(B) In the event that the actual annual verified savings are less than the annual amount guaranteed by the energy service company, the energy service company, within thirty days of being invoiced, shall pay the agency, or cause the agency to be paid, the difference between the guaranteed amount and the actual verified amount.

(d) For purposes of this section:

"Agency" means any executive department, independent commission, board, bureau, office, or other establishment of the State or any county government, the judiciary, the University of Hawaii, or any quasi-public institution that is supported in whole or in part by state or county funds.

"Energy performance contract" means an agreement for the provision of energy services and equipment, including but not limited to building or facility energy conservation enhancing retrofits, water saving technology retrofits, electric vehicle charging infrastructure, and alternate energy technologies, in which a private sector person or company agrees to finance, design, construct, install, maintain, operate, or manage energy systems or equipment to improve the energy efficiency of, or produce energy in connection with, a facility or electric vehicle charging system in exchange for a portion of the cost savings, lease payments, or specified revenues, and the level of payments is made contingent upon the verified energy savings, energy production, avoided maintenance, avoided energy equipment replacement, avoided vehicle

maintenance or fuel costs associated with the implementation of a vehicle fleet energy efficiency program pursuant to section 36-42, or any combination of the foregoing bases. Energy conservation retrofits also include energy saved off-site by water or other utility conservation enhancing retrofits.

"Facility" means a building, buildings, infrastructure, or similar structure, including any site owned or leased by, or otherwise under the jurisdiction or control of, the agency.

"Financing agreement" shall have the same meaning as in section 37D-2.

"Guaranteed-savings plan" means an agreement under which a private sector person or company undertakes to design, install, operate, and maintain improvements to an agency's facility or facilities and the agency agrees to pay a contractually specified amount of verified energy cost savings.

"Verified" means the technique used in the determination of baseline energy use, post-installation energy use, and energy and cost savings by the following measurement and verification techniques: engineering calculations, metering and monitoring, utility meter billing analysis, computer simulations, mathematical models, and agreed-upon stipulations by the customer and the energy service company.

[L 1986, c 72, §1; am L 1989, c 275, §1; am L Sp 1993, c 8, §54; am L 1997, c 192, §1; am L 2000, c 158, §1; am L 2004, c 98, §1; am L 2019, c 144, §3]

CHAPTER 196 - ENERGY RESOURCES

PART II. ENERGY EFFICIENCY IN STATE FACILITIES

§196-11 Definitions.

As used in this part:

"Acquisition" means acquiring by contract supplies or services, including construction, by and for the use of the State through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, or evaluated. Acquisition begins at the point when agency needs are established and includes the description of requirements to satisfy agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management functions directly related to the process of fulfilling agency needs by contract.

"Agency" means any executive department, independent commission, board, bureau, office, or other establishment of the State, or any quasi-public institution that is supported in whole or in part by state funds.

"Commissioning" means a quality-oriented process, which takes place during design and construction, for achieving, verifying, and documenting that the performance of facilities, systems, and assemblies meets defined objectives and criteria with regards to energy conservation design strategies and the energy performance of buildings.

"Energy performance contract" shall have the same meaning as in section 36-41(d), and shall additionally include commissioning and retro-commissioning.

"ENERGY STAR" means a labeling program introduced by the United States Environmental Protection Agency in 1992 as a voluntary labeling program designed to identify and promote energy-efficient products, in order to reduce carbon dioxide emissions.

"Exempt facility" or "exempt mobile equipment" means a facility or mobile equipment for which an agency utilizes criteria established by the chief energy officer of the Hawaii state energy office to determine that compliance with this part is not practical.

"Facility" means a building or buildings or similar structure owned or leased by, or otherwise under the jurisdiction of, an agency.

"Life-cycle cost-effective" means the life-cycle costs of a product, project, or measure that are estimated to be equal to or less than the base case, i.e., current or standard practice or product.

"Life-cycle costs" means the sum of the present values of investment costs, capital costs, installation costs, energy costs, operating costs, maintenance costs, and disposal costs, over the lifetime of the project, product, or measure.

"Mobile equipment" means any state-owned vessel, aircraft, or off-road vehicle.

"Renewable energy" means energy produced by solar, energy conserved by passive solar design/daylighting, ocean thermal, wind, wave, geothermal, waste-to-energy, or biomass power.

"Renewable energy technology" means technology that uses renewable energy to provide light, heat, cooling, or mechanical or electrical energy for use in facilities or other activities. The term includes the use of integrated whole-building designs that rely upon renewable energy resources, including passive solar design/daylighting.

"Retro-commissioning" means a quality-oriented process, which takes place after systems have been placed in operation, for achieving, verifying, and documenting that the performance of facilities, systems, and assemblies perform as closely as possible to defined performance criteria, with regards to energy conservation design strategies and the energy performance of buildings.

"Source energy" means the energy that is used at a site and consumed in producing and delivering energy to a site, including power generation, transmission, and distribution losses, and that is used to perform a specific function, such as space conditioning, lighting, or water heating.

"Utility" means a public utility as defined in section 269-1. Utility includes federally owned nonprofit producers, county organizations, and investor or privately owned producers regulated by the state or federal government, cooperatives owned by members and providing services mostly to their members, and other nonprofit state and county agencies serving in this capacity.

"Utility energy-efficiency service" means demand-side management services provided by a utility to improve the efficiency of use of the commodity, such as electricity and gas being distributed. Services may include energy efficiency and renewable energy project auditing, financing, design, installation, operation, maintenance, and monitoring.

[L 2002, c 77, pt of §9; am L 2007, c 157, §§1, 2; am L 2019, c 122, §3]

§196-12 to 17 REPEALED.

[L 2006, c 96, §§15 to 20.]

§196-18 REPEALED.

[L 2008, c 25, §1.]

§196-19 Life-cycle cost analysis.

Agencies shall use life-cycle cost analysis in making decisions about their investments in products, services, construction, and other projects to lower the State's costs and to reduce energy and water consumption. Where appropriate, agencies shall consider the life-cycle costs of combinations of projects, particularly to encourage bundling of energy efficiency projects with renewable energy projects.

Agencies shall retire inefficient equipment on an accelerated basis where replacement results in lower life-cycle costs. Agencies that minimize life-cycle costs with efficiency measures shall be recognized in their scorecard evaluations established under section 196-17(a).

[L 2002, c 77, pt of §9]

Note

Section 196-17(a) referred to in text is repealed.

§196-20 REPEALED.

[L 2006, c 96, §21.]

§196-21 Financing mechanisms.

(a) Agencies shall maximize their use of available alternative financing contracting mechanisms, including energy-savings contracts, when life-cycle cost-effective, to reduce energy use and cost in their facilities and operations. Energy-savings contracts shall include:

(1) Energy performance contracts;

(2) Municipal lease and purchase financing; and

(3) Utility energy-efficiency service contracts.

Energy-savings contracts shall provide significant opportunities for making state facilities more energy efficient at no net cost to taxpayers.

(b) Agencies that perform energy efficiency and renewable energy system retrofitting may continue to receive budget appropriations for energy expenditures at an amount that will not fall below the pre-retrofitting energy budget but will rise in proportion to any increase in the agency's overall budget for the duration of the performance contract or project payment term. A portion of the moneys saved through efficiency and renewable energy system retrofitting shall be set aside to pay for any costs directly associated with administering energy efficiency and renewable energy system retrofitting programs incurred by the agency.

(c) Notwithstanding any law to the contrary relating to the award of public contracts, any agency desiring to enter into an energy performance contract shall do so in accordance with the following provisions:

(1) The agency shall issue a public request for proposals, advertised in the same manner as provided in chapter 103D, concerning the provision of energy-efficiency services or the design, installation, operation, and maintenance of energy equipment. The request for proposals shall contain terms and conditions relating to submission of proposals, evaluation, and selection of proposals, financial terms, legal responsibilities, and other matters as may be required by law and as the agency determines appropriate;

(2) Upon receiving responses to the request for proposals, the agency shall select the most qualified proposal or proposals and may base its determination on the

basis of the experience and qualifications of the proposers, the technical approach, the financial arrangements, the overall benefits to the agency, or other factors determined by the agency to be relevant and appropriate;

(3) The agency thereafter may negotiate and enter into an energy performance contract with the person or company whose proposal is selected as the most qualified based on the criteria established by the agency;

(4) The term of any energy performance contract entered into pursuant to this section shall not exceed twenty years;

(5) Any energy performance contract may provide that the agency ultimately shall receive title to the energy system being financed under the contract; and

(6) Any energy performance contract shall provide that total payments shall not exceed total savings.

[L 2002, c 77, pt of §9; am L 2006, c 96, §7; am L 2007, c 157, §3]

§196-22 State energy projects.

State energy projects may be implemented under this chapter with the approval of the comptroller and the director of finance or their designees. In addition, this section shall be construed to provide the greatest possible flexibility to agencies in structuring agreements so that economic benefits and existing energy incentives may be used and maximized, and financing and other costs to agencies may be minimized. The specific terms of energy performance contracting under section 36-41 may be altered if deemed advantageous to the agency and approved by the director of finance and the comptroller.

[L 2002, c 77, pt of §9; am L 2004, c 216, §21; am L 2006, c 96, §8; am L 2007, c 157, §4]

§196-23 Energy efficient products.

(a) Agencies shall select, when life-cycle cost-effective, ENERGY STAR and other energy efficient products when acquiring energy-using products. For product groups where ENERGY STAR labels are not yet available, agencies may select products that are in the upper twenty-five per cent of energy efficiency as designated by the United States Department of Energy, Office of Energy Efficiency and Renewable Energy, federal energy management program.

(b) Agencies shall incorporate energy-efficient criteria consistent with designated energy-efficiency levels into product specification language developed for all purchasing procedures.

(c) The State shall consider the creation of financing agreements with private sector suppliers to provide private funding to offset higher up-front costs of efficient products.

(d) Agencies entering into leases, including the renegotiation or extension of existing leases, shall:

(1) Incorporate lease provisions that encourage energy and water efficiency wherever life-cycle cost-effective. Build-to-suit lease solicitations shall contain

criteria encouraging sustainable design and development, energy efficiency, and verification of facility performance;

(2) Include a preference for facilities having an ENERGY STAR building label in their selection criteria for acquiring leased facilities; and

(3) Encourage lessors to apply for an ENERGY STAR building label and to explore and implement projects that will reduce costs to the State, including projects carried out through the lessors' energy-savings contracts.

[L 2002, c 77, pt of §9; am L 2006, c 96, §9]

§196-24 to 29 REPEALED.

[L 2006, c 96, §§22 to 27.]

§196-30 Public buildings; benchmarks; retro-commissioning guidelines; energy savings performance contracts.

(a) By December 31, 2010, 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 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 training to affected departments on the ENERGY STAR portfolio management or equivalent tool.

(b) Public buildings shall be retro-commissioned no less often than every five years. The chief energy officer of the Hawaii state energy office shall establish retro-commissioning guidelines by January 1, 2010.

(c) Departments may enter into energy savings performance contracts with a third party to cover the capital costs of energy-efficiency measures and distributed generation provided the terms of the energy savings performance contracts conform to the benchmark standard. The comptroller may review and exempt specific projects as appropriate to take into account cost-effectiveness.

Energy savings performance contracts shall be executed according to state guidelines issued by the comptroller, and the contracts shall be reviewed by the comptroller. To expedite energy savings performance contracting for public buildings, the department of accounting and general services shall develop a master energy savings performance contracts agreement that any department may use to contract with an energy savings performance contracts provider for energy-efficiency and renewable energy services.

(d) For existing public buildings that undergo a major retrofit or renovation, the department or departments responsible for design and construction shall make investments in efficiency; provided that the cost of the measures shall be recouped within twenty years.

[L 2009, c 155, pt of §11; am L 2019, c 122, §3]

§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).

(b) State facilities with an area under ten thousand square feet shall be exempt from the requirements of subsection (a).

(c) For purposes of this section:

"Cost-effective energy efficiency measure" means any energy efficiency measure where the cost of the energy efficiency measure is equal to or less than the estimated savings over a period of twenty years or the life of the installed components, whichever is less.

"Energy efficiency measure" means any energy services, projects, and equipment, including but not limited to building or facility energy conservation enhancing, demand management, or demand response retrofits, which may include energy saved offsite by water or other utility enhancing retrofits, to improve the energy efficiency or reduce energy costs of the facility.

[L 2022, c 239, pt of §2]

§196-32 Utility bills and energy usage data; state-owned facilities.

The Hawaii state energy office shall collect all utility bill and energy usage data for state-owned facilities monthly and shall make this information available in a publicly accessible format.

[L 2022, c 239, pt of §2]

JOSH GREEN, M.D.
GOVERNOR
KE KIAʻĀINA

KEITH A. REGAN
COMPTROLLER
KA LUNA HOʻOMALU HANA LAULĀ

MEOH-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HOʻOMALU HANA LAULĀ

STATE OF HAWAIʻI | KA MOKUʻĀINA O HAWAIʻI
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA ʻOIHANA 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 COMMITTEES ON

GOVERNMENT OPERATIONS
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

FEBRUARY 13, 2024, 3:10 P.M.
CONFERENCE ROOM 235 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 3357

RELATING TO RENEWABLE ENERGY

Chairs McKelvey and DeCoite, Vice Chairs Gabbard and Wakai, and Members of the Committees, thank you for the opportunity to submit testimony on S.B. 3357.

The Department of Accounting and General Services (DAGS) offers **comments** for S.B. 3357, which requires state facilities to prepare a report assessing the feasibility of installing distributed energy resource systems at each facility and implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports; establishes deadlines for such reports; and assign priority for the required energy efficiency measures to first responder facilities.

DAGS supports the intent of becoming more environmentally sustainable with

respect to reducing greenhouse gas emissions and other pollutants. 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 for feasibility assessments and implementation.

DAGS also recommends that the reporting deadlines be revised to allow for the intensive assessment and design work necessary to complete the report as follows:

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

(2) Beginning on January 1, 2027, for all other state facilities.

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

SB-3357
Submitted on: 2/10/2024 9:32:55 PM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Dave Mulinix	Testifying for Greenpeace Hawaii	Support	Remotely Via Zoom

Comments:

Aloha Chair, Vice Chair & Committee Members,

On behalf of Greenpeace Hawaii we stand in STRONG SUPPORT of SB3357 that requires state facilities to prepare a report assessing the feasibility of installing distributed energy resource systems at each facility. SB3357 further requires state facilities to implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports. Finally SB3357 assigns priority for the required energy efficiency measures to first responder facilities.

Passage of SB3357 is common sense because should the power grid go down due to a major disaster, like a hurrican, it will help ensure that essential services like fire stations, hospitals, police stations, water treatment plants, and emergency shelters will continue have power to function and communicate.

Please pass SB3357.

Mahalo,

Dave Mulinix, CoFounder & Statewide Organizer

Greenpeace Hawaii

To: The Senate Committee on Government Operations (GVO)
and
The Senate Committee on Energy and Economic Development, and Tourism (EET)
From: Sherry Pollack, 350Hawaii.org
Date: Tuesday, February 13, 2024, 3:10pm

In strong support of SB3357

Aloha Chairs McKelvey and DeCoite, Vice Chairs Gabbard and Wakai, and members of the GVO and EET committees,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org is in **strong support of SB3357** that requires state facilities to implement and install distributed energy resource systems, and giving priority for the required energy efficiency measures to first responder facilities. This measure also assesses the feasibility of developing resilience hubs.

SB3357 is an opportunity for the State to lead by example in decarbonization while building our resilience to future disasters and emergencies. Solar and battery storage is one of the most cost-effective ways to reduce greenhouse gas emissions and other pollutants associated with electricity generation and consumption. SB3357 would leverage all rooftops and parking lots of state buildings/facilities to maximize on-site renewable energy generation plus storage. The cost to install solar plus storage will be made up by savings on energy/utility bills. This will save taxpayers money. Solar pays for itself in a few years, and then saves a great deal of money in the long term. Currently, energy used to power buildings accounts for more than fifty per cent of the electricity consumed in the State, yet the State has not undertaken efforts to maximize on-site renewable energy production at many of its own facilities, forgoing millions of dollars in potential savings.

With the priority in the deployment of these solar systems going to first responder facilities, SB3357 is an important step that will help expedite building our State's resiliency. Should/when our grid is knocked out from an extreme weather event or other disaster, first responder facilities, and all other state agency facilities equipped with these solar systems, will continue to have electricity, and thus continue to be able to function. Moreover, extreme weather events can result in severe damages to port infrastructure at the State's harbors, resulting in disruption of port activity and the delay or loss of cargo shipments, including those containing emergency supplies and supplies needed to run generators. With solar plus storage, fossil fuel run generators would not be needed.

The heartbreaking tragedy caused by the Maui wildfires clearly demonstrate the need for the State to reduce wildfire ignition risk and build grid resiliency, which can be significantly aided by distributed

rooftop solar and energy storage. As we saw in Lahaina, stronger storms as a result of global warming are more likely to cause power outages and down power lines, which then increase risk for sparking wildfires. But by integrating solar and energy storage into the grid, Hawaii can enhance its resilience against wildfires. In addition to providing homeowner resiliency, solar and energy storage can support critical infrastructure. During wildfire events, when power lines may need to be de-energized for safety reasons, localized solar and storage systems can provide power to hospitals, fire stations, water treatment plants, and emergency shelters. Importantly, this reduces dependence on long-distance power transmission lines that are vulnerable to wildfires.

We have to look no further than another island community, Puerto Rico, to see what also can happen as a result of the stronger storms and hurricanes occurring as a result of global warming. Solar plus storage has been a life-line to the people of Puerto Rico who were fortunate to have it after their grid was knocked out from Hurricane Fiona. For example, during the last hurricane, in the coastal city of Guánica, the local fire station managed to keep its lights and critical communications systems running during the storm thanks to their solar plus storage system. It is noted that during previous events such as Hurricane Maria and a 2020 earthquake — before the fire station had its solar-plus-battery system — firefighters were unable to receive calls over the radio during outages and instead had to rely on people yelling for help.

The growing climate crisis threatens the health and well-being of our state. If we are better prepared for that disaster that is bound to hit, we will save lives and be able to recover faster from whatever disaster has occurred. **Essentially, this bill will help state government continue to function, especially first responders, so they can help us.**

Bottomline: SB3357 saves us money while protecting the climate. It will also probably save lives. Please pass SB3357.

Thank you for the opportunity to testify in **strong support** of this very important measure.

Sherry Pollack
Co-Founder, 350Hawaii.org

Hawaii Solar Energy Association
Serving Hawaii Since 1977

Testimony of The Hawaii Solar Energy Association (HSEA) Regarding SB3357, Relating to Renewable Energy, Before the Senate Committee on Government Operations and the Senate Committee on Energy, Economic Development, and Tourism

Tuesday, February 13, 2024

Aloha Chairs McKelvey and DeCoite, Vice Chairs Gabbard and Wakai, and committee members:

The Hawaii Solar Energy Association (HSEA) **supports SB3357,** which requires the State to assess the feasibility of installing distributed, on-site solar and energy storage at all its facilities, install all feasible measures within five years prioritizing first responder facilities. The bill also calls for the State to assess the feasibility of constructing resilience hubs with distributed solar and energy storage systems at private and public facilities.

HSEA members include the majority of locally owned and operated renewable energy companies doing business in the state of Hawaii along with leading global cleantech manufacturers and service providers that invest and sell in our market. We employ thousands of residents in diverse green economy jobs that are innovating, designing, and building Hawaii's pathway to a renewable energy future. We advocate for policies that help Hawaii achieve critical climate and resilience goals by enabling residents and businesses to invest in and benefit from the transition to clean energy.

Deploying on-site solar and energy systems offers resilient, cost-effective clean energy solutions. By implementing these measures and establishing accessible resilience hubs at state and private facilities, as well as first responder sites, Hawaii can advance vital public policy goals. These initiatives are essential for safeguarding the public from the escalating impacts of climate change and increasingly unpredictable weather events. Moreover, they will stimulate job creation, reduce maintenance expenses for the state, and ultimately save taxpayer dollars.

Thank you for the opportunity to testify in **support of SB3357.**

Sincerely,

/s/ Rocky Mould

Executive Director

P.O. Box 37070 Honolulu, Hawaii 96837
SOLAR HOTLINE (808)232-8371

SB-3357
Submitted on: 2/12/2024 7:41:21 AM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
laurel brier	Testifying for Kauai Climate Action Coalition	Support	Written Testimony Only

Comments:

Let's lead by example as we need to electrify everything in our challlenge against the advancing climate crisis. We need to electrify all our government facilities with solar energy and storage, particlary our first responder facilities so they can be best prepared to do what needs to be done in times of emergencies. It's a safety issue and will save taxpayers money in the long run. Strong support for HB2738

Chamber of Sustainable Commerce
P.O. Box 22394
Honolulu, HI
96823

CHAMBER OF SUSTAINABLE COMMERCE

Senator Angus L.K. McKelvey, Chair
Senator Mike Gabbard, Vice Chair
Committee on Government Operations

Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair
Committee on Energy, Economic Development and Tourism

Tuesday, February 13, 2024
3:10 PM Room 225 or via Videoconference

RE: **SB3357** Relating to Renewable Energy - **Strong Support**

Dear Chairs McKelvey & DeCoite, Vice-Chairs Gabbard & Wakai and Members of both Committees,

The Chamber of Sustainable Commerce represents over 100 small businesses across the State that strive for a triple bottom line: people, planet and prosperity; we know Hawaii can strengthen its economy without hurting workers, consumers, communities or the environment. This is why we are in strong support of SB3357, which requires state facilities to prepare a report assessing the feasibility of installing distributed energy resource systems at each facility, requires state facilities to implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports, and assigns priority for the required energy efficiency measures to first responder facilities.

SB3357 is an opportunity for the State to build our resilience to future disasters and emergencies. The Maui wildfires demonstrate the need for the State to reduce ignition risk and build grid resiliency, which can be significantly aided by distributed rooftop solar and energy storage. Lahaina was the canary in the coal mine; we must implement changes now.

The return on the State's investment in solar energy and battery storage will be realized in just a few years; starting with ensuring first responders can have access to reliable power when they need it most is crucial for the larger community during natural disasters.

Environmental Caucus of The Democratic Party of Hawai‘i

February 13, 2024

To: Senate Committee on Government Operations
Hon. Angus L.K. McKelvey, Chair
Hon. Mike Gabbard, Vice Chair

Senate Committee on Energy, Economic Development, and Tourism
Hon. Lynn DeCoite, Chair
Hon. Glenn Wakai, Vice Chair

Re: SB 3357 relating to RENEWABLE ENERGY.

Hearing: Tuesday, February 13, 2024, 3:10 p.m., Room 225 & videoconference

Position: Strong support

Aloha, Chairs McKelvey and DeCoite, Vice Chairs Gabbard and Wakai, and Members of the Committee on Government Operations and Committee on Energy, Economic Development and Tourism:

The Environmental Caucus of the Democratic Party of Hawai‘i, which has over 7,500 active members statewide, strongly supports SB 3357.

SB 3357 requires state facilities to prepare a report assessing the feasibility of installing distributed energy resource systems at each facility. It requires state facilities to implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports and assigns priority for the required energy efficiency measures to first responder facilities.

There are several significant benefits in installing solar panels on Hawaii State Facilities, giving preference for first responders facilities such as: (1) leading by example on renewable energy generation. Solar panels harness clean, renewable energy from the abundant Hawaiian sun. By generating electricity on-site, state facilities reduce their dependence on fossil fuels and contribute to a sustainable energy future. (2) There are significant cost savings involved as solar power reduces electricity bills for state facilities and over time, the initial investment pays off through energy cost savings. (3) Solar energy has a significant environmental impact as it is carbon-neutral, emitting no greenhouse gas emissions during its operation. By using solar panels, state facilities help combat climate change and protect Hawaii’s unique ecosystems. (4) Solar energy provides resilience and grid independence during emergencies or grid interruptions. First responder facilities can greatly benefit from reliable power, ensuring their critical operations continue even during outages. (5) Solar installations support our local economy as they create jobs in design, installation, and maintenance. Supporting our local solar industry

strengthens Hawaii's economy. (6) Installing solar energy on state facilities demonstrates leadership as these facilities can serve as role models for sustainable practices and showcases a commitment to environmental stewardship.

Prioritizing solar installations on Hawaii State Facilities, especially for first responders, alights with Hawaii's clean energy goals, saves costs, and strengthens community resilience.

By requiring state facilities to prepare a report assessing the feasibility of installing distributed energy resource systems at each facility, giving priority to first responder facilities, and to require these state facilities to implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports, this would be a significant step in safeguarding Hawaii's unique environment and the well-being of its residents.

Thank you for the opportunity to testify on this very important measure.

Melodie Aduja legislativepriorities@gmail.com
Alan B. Burdick burdick808@gmail.com
Co-Chairs,
Environmental Caucus of the
Democratic Party of Hawai'i

SB-3357
Submitted on: 2/12/2024 2:42:56 PM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan B Roberts Emery	Testifying for Green Party of Hawai'i	Support	Written Testimony Only

Comments:

Aloha to all , on behalf of SB3357.

I am submitting this testimony in support of SB3357 on behalf of the Green Party of Hawai'i. We see this as an opportunity for the State to lead by example in decarbonization while building our resilience to future disasters and emergencies. Solar and battery storage is one of the most cost-effective ways to reduce greenhouse gas emissions and other pollutants associated with electricity generation and consumption.

- The cost to install solar plus storage will be made up by savings on energy/utility bills. This will save taxpayers money. Solar pays for itself in a few years, and then saves a great deal of money in the long term. Win ,win for Hawai'i.

- The horrific losses caused by the Maui wildfires clearly demonstrate the need for the State to reduce wildfire ignition risk and build grid resiliency, which can be significantly aided by distributed rooftop solar and energy storage. Stronger storms as a result of global warming are more likely to cause power outages and down power lines, and in addition to the risk of sparking wildfires, can be costly in terms of lives lost, economic impact, and public health.

- The growing climate crisis threatens the health and well-being of our state. If we are better prepared for that disaster that is bound to hit, we will save lives and be able to recover faster from whatever disaster has occurred. **Essentially, this bill will help first responders so they can help us.**

Bottomline: SB3357 saves us money while protecting the climate. Please pass SB3357.

Mahalo nui,

Susan RobertsEmery

Co chair GPH

SB-3357
Submitted on: 2/10/2024 8:21:03 AM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Micha'el Leventhal	Individual	Support	Written Testimony Only

Comments:

Aloha, Representative — I trust this message finds you well. As you know, the growing climate crisis threatens the health and well-being of our state. If we are better prepared for that disaster that is bound to hit, we will save lives and be able to recover faster from whatever disaster has occurred. **Essentially, this bill will help first responders so they can help us.**

Bottom line: SB3357 saves us money while protecting the climate. It will also probably save lives. Please pass SB3357!

SB-3357
Submitted on: 2/10/2024 10:05:27 AM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Michele Nihipali	Individual	Support	Written Testimony Only

Comments:

- SB3357 is an opportunity for the State to lead by example in decarbonization while building our resilience to future disasters and emergencies. Solar and battery storage is one of the most cost-effective ways to reduce greenhouse gas emissions and other pollutants associated with electricity generation and consumption.

- The cost to install solar plus storage will be made up by savings on energy/utility bills. This will save taxpayers money. Solar pays for itself in a few years, and then saves a great deal of money in the long term. Currently, energy used to power buildings accounts for more than fifty per cent of the electricity consumed in the State, yet the State has not undertaken efforts to maximize on-site renewable energy production at many of its own facilities, foregoing millions of dollars in potential savings.

- The horrific losses caused by the Maui wildfires clearly demonstrate the need for the State to reduce wildfire ignition risk and build grid resiliency, which can be significantly aided by distributed rooftop solar and energy storage. Stronger storms as a result of global warming are more likely to cause power outages and down power lines, and in addition to the risk of sparking wildfires, can be costly in terms of lives lost, economic impact, and public health.

- The growing climate crisis threatens the health and well-being of our state. If we are better prepared for that disaster that is bound to hit, we will save lives and be able to recover faster from whatever disaster has occurred. **Essentially, this bill will help first responders so they can help us.** Bottomline: SB3357 saves us money while protecting the climate. It will also probably save lives. Please pass SB3357.

Thank you for your consideration,

Michele Nihipali

54-074 A Kam Hwy.

Hauula, HI 96717

SB-3357
Submitted on: 2/10/2024 2:38:52 PM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Tadia Rice	Individual	Support	Written Testimony Only

Comments:

I **strongly support *SB3357* because:**

- SB3357 is an opportunity for the State to lead by example in decarbonization while building our resilience to future disasters and emergencies. Solar and battery storage is one of the most cost-effective ways to reduce greenhouse gas emissions and other pollutants associated with electricity generation and consumption.

- The cost to install solar plus storage will be made up by savings on energy/utility bills. This will save taxpayers money. Solar pays for itself in a few years, and then saves a great deal of money in the long term. Currently, energy used to power buildings accounts for more than fifty per cent of the electricity consumed in the State, yet the State has not undertaken efforts to maximize on-site renewable energy production at many of its own facilities, foregoing millions of dollars in potential savings.

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- The growing climate crisis threatens the health and well-being of our state. If we are better prepared for that disaster that is bound to hit, we will save lives and be able to recover faster from whatever disaster has occurred. Essentially, this bill will help first responders so they can help us. Bottomline: SB3357 saves us money while protecting the climate. It will also probably save lives. **Please pass SB3357.**

SB-3357
Submitted on: 2/11/2024 9:54:33 AM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello,

My name is Nanea Lo. I'm born and raised in the Hawaiian Kingdom. I live in Mōʻiliʻili. I'm writing in STRONG SUPPORT SB3357.

- SB3357 is an opportunity for the State to lead by example in decarbonization while building our resilience to future disasters and emergencies. Solar and battery storage is one of the most cost-effective ways to reduce greenhouse gas emissions and other pollutants associated with electricity generation and consumption.

- The cost to install solar plus storage will be made up by savings on energy/utility bills. This will save taxpayers money. Solar pays for itself in a few years, and then saves a great deal of money in the long term. Currently, energy used to power buildings accounts for more than fifty per cent of the electricity consumed in the State, yet the State has not undertaken efforts to maximize on-site renewable energy production at many of its own facilities, foregoing millions of dollars in potential savings.

- The horrific losses caused by the Maui wildfires clearly demonstrate the need for the State to reduce wildfire ignition risk and build grid resiliency, which can be significantly aided by distributed rooftop solar and energy storage. Stronger storms as a result of global warming are more likely to cause power outages and down power lines, and in addition to the risk of sparking wildfires, can be costly in terms of lives lost, economic impact, and public health.

- The growing climate crisis threatens the health and well-being of our state. If we are better prepared for that disaster that is bound to hit, we will save lives and be able to recover faster from whatever disaster has occurred. Essentially, this bill will help first responders so they can help us. Bottomline: SB3357 saves us money while protecting the climate. It will also probably save lives. Please pass SB3357.

me ke aloha ʻāina,
Nanea Lo

SB-3357
Submitted on: 2/11/2024 11:21:26 AM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

support

SB-3357
Submitted on: 2/11/2024 4:32:16 PM
Testimony for GVO on 2/13/2024 3:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Jotis Russell-Christian	Individual	Support	Written Testimony Only

Comments:

Dear Committee Members,

I am writing to express my strong support for SB3357. This critical measure allows the state to lead by example in decarbonization and build resilience to future disasters and emergencies. SB3357 emphasizes deploying solar and battery storage, one of the most cost-effective methods to reduce greenhouse gas emissions and associated pollutants linked with electricity generation and consumption.

Why is SB3357 Important?

1. Decarbonization and Resilience Building: SB3357 is an instrumental step towards decarbonization, showcasing the state's commitment to sustainable energy practices. By incorporating solar and battery storage, we can reduce our reliance on fossil fuels and contribute to a cleaner, more resilient energy infrastructure.

2. Economic Benefits: The cost to install solar plus storage is an investment that pays for itself in a few short years, ultimately leading to substantial energy/utility bill savings. Since more than fifty percent of the electricity consumed is in the state's power buildings, maximizing on-site renewable energy production represents a significant financial opportunity that the state has yet to capitalize on fully.

3. Lessons from Maui Wildfires: The devastating losses incurred during the recent Maui wildfires underscore the urgency for the state to take proactive measures to reduce wildfire ignition risk and enhance grid resiliency. Distributed rooftop solar and energy storage, as advocated by SB3357, can play a pivotal role in mitigating the impact of stronger storms, power outages, and downed power lines, ultimately minimizing the risk of wildfires and the associated toll on lives, economy, and public health.

4. Climate Crisis Preparedness: As we confront the escalating climate crisis, SB3357 positions the state to be better prepared for inevitable disasters. By implementing this bill, we save lives and expedite recovery efforts following any disaster. Importantly, this legislation supports first responders, equipping them to fulfill their critical role in safeguarding our communities.

In conclusion, I urge you to support and pass SB3357. This bill is a fiscally responsible and environmentally sound initiative that saves taxpayer money and significantly contributes to

climate protection and disaster preparedness. Your consideration of this crucial matter is deeply appreciated, and I trust that your decision will reflect the best interests of our community.

Mahalo for your time and dedication to this vital cause.

Sincerely,

Jotis Russell-Christian

(808) 639-1243