JOSH GREEN, M.D. GOVERNOR KE KIA'ÅINA





COMPTROLLER KA LUNA HO'OMALU HANA LAULĂ

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

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

March 4, 2025

VIA ELECTRONIC MAIL

The Honorable Ronald D. Kouchi, President and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Nadine K. Nakamura, Speaker and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the State of Hawai'i Department of Accounting and General Services Report to Decrease Costs of Utilities, pursuant to <u>Section 5.1</u>, Act 230, Session Laws of Hawaii 2024.

In accordance with Section 93-16, Hawaii Revised Statutes, a copy of this report has been transmitted to the Legislative Reference Bureau and the report may be viewed electronically at: <u>http://ags.hawaii.gov/reports/legislative-reports/</u>.

Sincerely,

KEITH A. REGAN Comptroller

Enclosure

bc: Governor's Office Lieutenant Governor's Office Legislative Reference Bureau Legislative Auditor Department of Budget and Finance

STATE OF HAWAI'I

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES REPORT ON THE PLAN TO DECREASE COSTS OF UTILITIES

FEBRUARY 2025

SUBMITTED TO

THE THIRTY-THIRD STATE LEGISLATURE

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES REPORT ON THE PLAN TO DECREASE COSTS OF UTILITIES February 27, 2025

The Department of Accounting and General Services (DAGS) submits this report as required by <u>Act 230, SLH 2024 (Section 5.1)</u>.

Since 2009, the Central Services Division within DAGS has been engaging with Energy Savings Performance Contracts (ESPCs) to implement energy efficiency upgrades throughout DAGS managed State facilities, which includes lighting system improvements, upgrading air conditioning, elevators, generators, and irrigation systems. The savings from reducing utility costs is used to pay for the building efficiency upgrades. ESPCs reduced our utility dependance by 1/3 of electricity consumption.

The Central Services Division also continues to identify energy efficient projects per the requirements of Act 96, SLH 2006, which mandates and focuses the State's efforts on energy efficiency, conservation, and energy alternatives. These initiatives include replacing building air conditioning equipment with high efficiency units, implementing electric lawnmowers to replace gasoline powered lawnmowers, swapping out fluorescents for LEDs, and minimizing irrigation leakage.

The Central Services Division plans to utilize the recently released Energy Services Contractors vendor list to solicit and engage with another energy saving performance contractor to leverage advancements in the lighting, air conditioning and building management technologies.