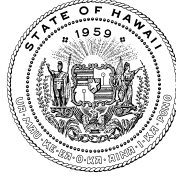


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



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

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

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
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 COMMITTEES ON
**ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
AND
PUBLIC SAFETY AND INTERGOVERNMENTAL AND MILITARY AFFAIRS**

H.B.654, H.D. 2

MARCH 21, 2023, 1:00 PM
CONFERENCE ROOM 229 AND VIA VIDEOCONFERENCE, STATE CAPITOL
RELATING TO BUILDINGS.

Chairs DeCoite and Wakai, Vice Chairs Wakai and Elefante and Members of the Committees, thank you for the opportunity to testify on H.B. 654, H.D. 2.

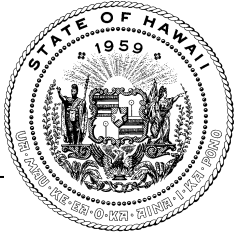
The Department of Accounting and General Services (DAGS) offers **comments** for H.B. 654, H.D. 2 which requires state agencies to process the aggregated energy and water data of certain properties through the federal Energy Star Portfolio manager and submit benchmarking data to the Hawai'i State Energy Office.

DAGS supports the 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. Benchmarking electrical and water usage by uploading data to the federal Energy Star Portfolio Manager is not automated and will require manual data aggregation, preparation, and uploading to the website. Additionally, the State will be

required to engage four separate water utilities, two electric utilities, and possibly multiple other providers based on the benchmarking requirements. We would recommend that, rather than spreading out the responsibility to collect, aggregate, prepare, and upload data to the website, the entire process should be consolidated into the Hawaii State Energy Office. This would allow for a more streamlined and consistent process handled by the proper subject matter experts in energy. As such, we would also recommend that language be inserted to include the additional funds to identify a resource that may be able to assist the Hawaii State Energy Office in implementing such a requirement for State facilities.

Should the committee not wish to consolidate the entire process in the Hawaii State Energy Office, we would urge the committee to consider allocating funds and positions to each state agency that will be required to perform the functions necessary to accomplish the requirements of this measure.

Thank you for this opportunity to testify on this matter.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

JOSH GREEN, M.D.
GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-3807
Web: energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
**SENATE COMMITTEES ON
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
AND
PUBLIC SAFETY AND INTERGOVERNMENTAL AND MILITARY AFFAIRS**

Tuesday, March 21, 2023
1:00 PM
State Capitol, Conference Room 229 and Videoconference

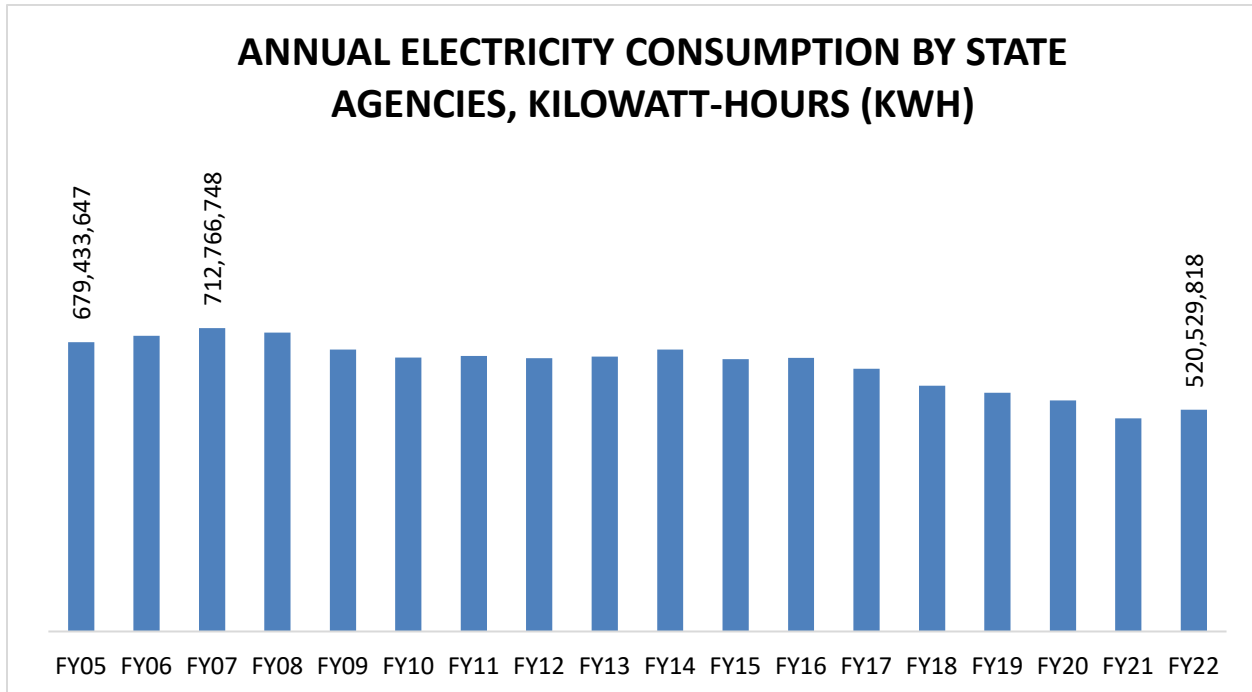
In SUPPORT of
HB 654, HD2

RELATING TO BUILDINGS.

Chairs DeCoite and Wakai, Vice Chairs Wakai and Elefante, and Members of the Committees, the Hawai'i State Energy Office (HSEO) supports the intent of HB 654, HD2, which requires state 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 HSEO, provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget.

The previous benchmarking effort and subsequent energy efficiency measures have provided measurable benefits. By 2022, State of Hawai'i buildings had achieved a 23% decrease in energy usage from the 2005 baseline.¹

¹ At an average cost of \$0.33 per kWh, the value of 158,900,000 kWh in FY22 is more than \$50 million. 679,400,000 kWh in FY2005 - 520,500,000 kWh in FY 2022 = 158,900,000 kWh saved; times \$0.3296/kWh per non-residential kWh in FY 2022 = \$52,373,440. (FY2022 electricity cost = \$173 million.) Data and graph available on HSEO's data portal, <https://energy.hawaii.gov/energy-data/>



To accomplish this new effort statewide would require funding, resources, and staff time to gather, process and provide access to the data on state facilities.

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.

Thank you for the opportunity to testify.

BOARD OF WATER SUPPLY

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



March 21, 2023

RICK BLANGIARDI, MAYOR

BRYAN P. ANDAYA, Chair
KAPUA SPROAT, Vice Chair
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DAWN B. SZEWCZYK, P.E., Ex-Officio
EDWIN H. SNIFFEN, Ex-Officio

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

ERWIN M. KAWATA
Deputy Manager

The Honorable Lynn DeCoite, Chair
and Members

Senate Committee on Energy, Economic Development and Tourism
Hawaii State Capitol, Room 229
Honolulu, Hawaii 96813

The Honorable Glenn Wakai, Chair
and Members

Senate Committee on Public Safety and
Intergovernmental and Military Affairs
Hawaii State Capitol, Room 229
Honolulu, Hawaii 96813

Dear Chair DeCoite, Chair Wakai and Members:

Subject: House Bill 654, HD2: Relating to Buildings

The Honolulu Board of Water Supply (BWS) supports House Bill (HB) 654, House Draft (HD) 2, relating to buildings, which requires state 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 to 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

The Honorable Lynn DeCoite, Chair
The Honorable Glenn Wakai, Chair
and Members
March 21, 2023
Page 2

businesses to voluntarily reduce their water use by 10 percent, to prepare for the summer season and prevent more restrictive conservation measures, if necessary.

Thank you for this opportunity to provide testimony in support of HB 654, HD2.

Very Truly Yours,



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





To: The Honorable Chairs Lynn DeCoite and Glenn Wakai, the Honorable Vice Chair Brandon Elefante, and Members of the Committees on Energy, Economic Development, and Tourism and Public Safety and Intergovernmental and Military Affairs

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: **Hearing HB654 HD2 RELATING TO BUILDINGS**

Hearing: Tuesday March 21, 2023, 1:00 p.m., room 229

Aloha Chairs DeCoite and Wakai, Vice Chair Elefante, and Members of the Committees on Energy, Economic Development, and Tourism and Public Safety and Intergovernmental and Military Affairs!

The Climate Protectors Hawai'i seek to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate.

Climate Protectors Hawai'i STRONGLY SUPPORTS HB654 HD2.

HB654 HD2 would enable State agencies to measure and track their buildings' energy and consumption, **saving taxpayers money** in the future by operating more efficiently. It would require State agencies to process aggregated energy and water data of certain properties through the federal ENERGY STAR Portfolio Manager and submit data to the Office of Planning and Sustainable Development. The bill would create a program that uses the federal ENERGY STAR Portfolio

Manager (free of charge) to encourage State buildings to become more environmentally sustainable, with technical assistance from the State's Chief Energy Officer.

This bill would help State agencies 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 more sustainable building operations.

Hawai'i has established a goal of becoming carbon negative as soon as practicable but not 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 very important in reaching our carbon negative goal.

This bill would help the State save taxpayers money and reduce greenhouse gas emissions.

Please pass this bill! Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



Email: communications@ulupono.com

SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT, & TOURISM AND PUBLIC SAFETY
& INTERGOVERNMENTAL & MILITARY AFFAIRS
Tuesday, March 21, 2023 — 1:00 p.m.

Ulupono Initiative supports HB 654 HD2, Relating to Buildings.

Dear Chair DeCoite, Chair Wakai, and Members of the Committees:

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 HD2, which requires state 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.¹ As Hawai'i's electricity costs are expected to rise in the near-term², 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

¹See 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.

²See 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>



**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
SENATE COMMITTEE ON PUBLIC SAFETY AND MILITARY AFFAIRS**

March 21, 2023, 1:00 PM
Room 229

TESTIMONY IN SUPPORT OF HB 654 HD2

Aloha Chair DeCoite, Chair Wakai, and members of the Committees:

Blue Planet Foundation **supports HB 654**, which will establish a building benchmarking and transparency requirement for state agencies. Benchmarking is an important policy because you cannot manage what you do not measure. By tracking and measuring the energy and water consumption of state agencies, we can improve the efficiency of buildings, lower utility expenses, and protect and conserve our limited supply of freshwater.

HB 654 proposes a basic benchmarking program that requires state agencies to benchmark using the U.S. Energy Star Portfolio Manager and report building performance data to the Hawaii State Energy Office. Benchmarking will help state agencies better understand how much energy and water their properties consume, which can spur them to take action to eliminate waste and lower costs. Benchmarking data also enables state agencies to make effective use of their budgets and resources by strategically targeting efficiency rebates and incentives to low-performing buildings and buildings serving energy-burdened communities.

Furthermore, establishing a robust benchmarking framework is one of 50 actions featured in Blue Planet's *Waypoints* (waypointshawaii.org) report, which outlines actionable programs and policies to rebuild from the COVID-19 pandemic through an equity, climate, and resilience lens. Not only can high-performing buildings lead to lower monthly utility bills, energy efficiency is also the cheapest, quickest, and cleanest way to accelerate Hawai'i's transition to 100% renewable energy.

Mahalo for the opportunity to provide testimony.

info@blueplanetfoundation.org

126 Queen Street, Suite 204 • Honolulu, Hawai'i 96813 • 808-954-6161 • blueplanetfoundation.org



Before the Senate Committees on Energy, Economic Development, and Tourism, and Public Safety and Intergovernmental and Military Affairs

Tuesday, March 21, 2023 at 1:00 p.m.

Testimony in Support of HB654 HD2: Relating to Buildings

Chairs DeCoite and Wakai, Vice Chairs Wakai and Elefante, and Members of the Committees:

Thank you for the opportunity to testify in support and provide comments on House Bill 654 HD2.

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 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 HD2.

Sincerely,
Caroline Carl
Executive Director
Hawai'i Energy



Hawaii Environmental Change Agents' Decarbonization of Buildings Task Force

March 18, 2023

Position: Support for HB654 HD2

Aloha Chair DeCoitte, Chair Wakai, and Members of the EET and PSM Committees:

On behalf of the Decarbonization of Buildings Task Force, I am submitting testimony in **strong support** of HB654 HD2. The purpose of this Act is to create a program that uses the ENERGY STAR Portfolio Manager to encourage state and county buildings to become more environmentally sustainable, particularly with respect to greenhouse gas emissions and energy and water consumption.

Commercial and residential buildings are responsible for between a third and 40% of US carbon dioxide (CO₂) emissions (Source: US Energy Information Administration's Annual Energy Outlook 2022). Thus policies addressing emissions from this sector are critical to reducing our State's overall greenhouse emissions and meet Hawai'i's 2045 net negative emissions goal.

Enacting this bill would greatly improve the State's ability to track emissions from State and county buildings. This program would be a good first step in assessing emissions in buildings and help the State begin to effectively reduce emissions from this sector and better understand how to implement efficiency standards for these buildings. In addition, implementing this policy would lay the ground work for making commercial buildings more sustainable.

Respectfully,
Paul Bernstein
Chair of HECA's Decarbonization of Buildings Task Force



LATE

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

Committee: House Energy, Economic Development and Tourism and House Public Safety and Intergovernmental and Military Affairs
Date: Tuesday, March 21, 2023
Time: 1:00 PM
Place: Via Conference Room 229
RE: HB 654, HD2, Relating to Buildings

Aloha Chair DeCoite, Chair Wakai, Vice Chair Elefante and members of the committees:

We are the Building Owners and Managers Association of Hawai'i (BOMA Hawai'i) testifying in **support of** HB 654, HD2, 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.

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 by new county benchmarking requirements that go into effect soon. 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 and appreciate the engagement.

While we are hesitant to direct (through legislation) the government agencies we have worked with so closely, we feel it is imperative that they participate in benchmarking requirements and use submitted benchmarking data further the state's carbon neutrality goals by 2045. It should be a collective effort, and who better to set the example for the rest of us who are already working to comply with benchmarking requirements.

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



**Hawaiian
Electric**

**WRITTEN TESTIMONY BEFORE THE SENATE COMMITTEES ON
ENERGY, ECONOMIC DEVELOPMENT & TOURISM AND
PUBLIC SAFETY & INTERGOVERNMENTAL & MILITARY AFFAIRS**

HB 654, HD 2

Relating to Buildings

Tuesday, March 21, 2023

1:00 pm, Agenda Item #2

State Capitol, Conference Room 229

Kaiulani Shinsato

Director, Customer Energy Resources Programs

Hawaiian Electric

Aloha Chairs DeCoite & Wakai , Vice Chair Elefante, 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 2** 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 2:**

(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 aggregation

threshold standards consistent with direction from the State of Hawaii Public Utilities Commission for the provision of Utility data.

(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 2.

HB-654-HD-2

Submitted on: 3/19/2023 11:47:04 AM

Testimony for EET on 3/21/2023 1:00:00 PM

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

Comments:

We can't address an issue unless we know what we are looking at and can measure it. This bill requires the State and its counties to use the Portfolio Manager tool developed by the EPA to assess the efficiency of buildings and to determine greenhouse gas emissions. Commercial and residential buildings are responsible for 40% of carbon dioxide emissions globally. Portfolio Manager is a free, online, secure tool that is supported by the EPA. The Portfolio Manager has been used publicly and privately throughout the US to assess the efficiency of buildings. It has been shown to be effective in lowering energy usage and thus helping address the climate crisis. A good tool we should be using now.

- Portfolio Manager is being used by public and private organizations throughout the nation to assess the efficiency of buildings and improve their efficiency

HB-654-HD-2

Submitted on: 3/17/2023 2:46:25 PM

Testimony for EET on 3/21/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Crossland	Individual	Support	Written Testimony Only

Comments:

I support this Bill.

HB-654-HD-2

Submitted on: 3/18/2023 10:27:56 AM

Testimony for EET on 3/21/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Virginia Tincher	Individual	Support	Written Testimony Only

Comments:

Members of the Energy, Economic Development and Tourism Committee and the Public Safety and Intergovernmental and Military Affairs Committee,

Mahalo for hearing HB654 - HD2

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 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, Oahu

HB-654-HD-2

Submitted on: 3/19/2023 2:05:58 PM

Testimony for EET on 3/21/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

HB654 supports Hawaii's progress toward sustainable energy. I support passage and funding of HB654.