



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 FINANCE

Monday, February 27, 2023
11:30 AM
State Capitol, Conference Room 308 and Videoconference

In SUPPORT of
HB 654, HD2

RELATING TO BUILDINGS.

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee, 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 HSEO, 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.

To accomplish this effort with state facilities statewide, will 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.

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 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

COMMITTEE ON FINANCE

H.B.654, H.D. 2

FEBRUARY 27, 2023 11:30 AM
CONFERENCE ROOM 308 AND VIA VIDEOCONFERENCE, STATE CAPITOL

RELATING TO BUILDINGS.

Chair Yamashita, Vice Chair Kitagawa and Members of the Committee, 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 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 benchmarking data to the Hawai'i State Energy Office.

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.

BOARD OF WATER SUPPLY

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



February 27, 2023

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

ERWIN M. KAWATA
Deputy Manager

The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
and Members
House Committee on Finance
Hawaii State Capitol, Room 308
Honolulu, Hawaii 96813

Dear Chair Yamashita, Vice Chair Kitagawa 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 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 Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
and Members
February 27, 2023
Page 2

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



HB-654-HD-2

Submitted on: 2/24/2023 7:00:21 PM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
laurel brier	Kaua'i 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



To: The Honorable Chair Kyle Yamashita, the Honorable Vice Chair Lisa Kitagawa, and Members of the Committee on Finance

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

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

Hearing: Monday February 27, 2023, 11:30 a.m., room 308

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee on Finance:

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.

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 important in reaching our carbon negative goal.

HB654 HD2 would allow agencies to measure and track their buildings' energy and consumption. 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 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.

Please pass this bill! Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



Email: communications@ulupono.com

HOUSE COMMITTEE ON FINANCE
Monday, February 27, 2023 — 11:30 a.m.

Ulupono Initiative supports HB 654 HD2, Relating to Buildings.

Dear Chair Yamashita 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 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>



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
FINANCE**

HB 654, HD 2

Relating to Buildings

Monday, February 27, 2023
11:30 am, Agenda Item #8
VIA VIDEOCONFERENCE
Conference Room 308
State Capitol

Kaiulani Shinsato
Director, Customer Energy Resources Programs
Hawaiian Electric

Aloha Chair Yamashita , Vice Chair Kitagawa, 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 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 2.

HB-654-HD-2

Submitted on: 2/26/2023 7:24:19 AM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Chang	Hawaiian Electric	Comments	Remotely Via Zoom

Comments:

I am available to answer questions on behalf of Hawaiian Electric on HB 654, HD 2.



Before the House Committee on Finance
Monday, February 27, 2023 at 11:30 a.m.

Testimony in Support of HB654 HD2: Relating to Buildings

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

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



Environmental Caucus of The Democratic Party of Hawai'i

To: The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
Members of the Committee on Finance

Re: **HB 654, HD2 – RELATING TO BUILDINGS**
Hearing: Monday, February 27, 2023, 11:30 a.m., Conference Room 308 and via videoconference
Position: **Strong Support**

Aloha, Chair Yamashita, Vice Chair Kitagawa and Members of the Committee on Finance:

The Environmental Caucus of the Democratic Party of Hawai'i stands in strong support of HB 654, HD2. This measure would require 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. This measure appropriates funds.

As provided in the Democratic Party of Hawai'i Platform adopted at the DPH State Convention on May 28, 2022, our policy is to “protect and preserve Hawai'i's environment and achieve energy sustainability, advance measures to re-establish a healthy climate and environment for humans and fellow species, including actions to urgently address climate change, and work towards 100% renewable energy goals.

We believe that all people have the right to live in a clean, healthy and safe environment. We believe that the preservation of our natural environment and its ecological well-being is essential to ensuring a safe, healthy, bountiful life for future generations in Hawai'i. We support policies that create a more sustainable society. We support the restoration, preservation, and protection of native ecosystems.

We believe in the resource management principles outlined in the Public Trust doctrine of [Article XI, Section 1 of the] Hawai'i State Constitution.

We believe that a key part of a sustainable and self-sufficient future for Hawai'i lies in achieving energy independence through a transition to clean renewable energy sources. We support policy that eliminates our dependence on fossil fuels and other dirty energy sources.”

Requiring 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 is consistent with Public Trust Doctrine and the policies of the Democratic Party of Hawaii as it would benchmark greenhouse gas emissions and water usage, which, in turn, would help the department in transitioning to more renewable energy projects for state and county buildings.

/s/ Melodie Aduja & Alan Burdick
Co-Chairs, Environmental Caucus of the Democratic Party of Hawai'i

HB-654-HD-2

Submitted on: 2/24/2023 8:44:03 PM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Noel Morin	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee members,

I support HB654 HD2.

Sincerely,
Noel Morin
Climate, Sustainability, and Resilience Advocate
Hilo

HB-654-HD-2

Submitted on: 2/25/2023 7:08:13 AM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ruta Jordans	Individual	Support	Written Testimony Only

Comments:

Please support HB654 **Energy Assessment**

- This bill requires the State and its counties to use the Portfolio Manager tool developed by the U.S. Environmental Protection Agency (EPA) to assess the efficiency of their 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.
- Portfolio Manager is being used by public and private organizations throughout the nation to assess the efficiency of buildings and improve their efficiency

Please support HB654 so we have initial data on current efficiency of buildings and their GHG emissions!

HB-654-HD-2

Submitted on: 2/25/2023 9:04:33 AM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

In support of HD2. Thank you.

HOUSE COMMITTEE ON FINANCE
Hearing on Feb. 27, 2023 at 11:30 am

SUPPORTING HB 654 HD 2

Aloha, my name is John Kawamoto, and I support HB 654 HD 2.

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 use the U.S. Environmental Protection Agency's Portfolio Manager to assess the efficiency of its 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 buildings. The State should lead the way in decarbonizing the economy.

HB-654-HD-2

Submitted on: 2/25/2023 5:21:16 PM

Testimony for FIN on 2/27/2023 11:30:00 AM

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

Comments:

FIN Committee members,

Mahalo for this opportunity to testify on HB654 HD2.

Every step towards reducing emissions helps and we need to know where we are now so we can track our progress. Benchmarking is critical. As you say in the bill “The first step to addressing environmental sustainability of our buildings is measuring the amount of emissions, energy, and water consumption.” And making that information public.

As a volunteer in support of solutions to lower our emissions and remove pollution you have my strong support for HB654 HD2.

Virginia Tincher

Aina Haina, Oahu

HB-654-HD-2

Submitted on: 2/26/2023 8:30:58 AM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul Bernstein	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitigawa, and Members of the Finance Committee:

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

HB-654-HD-2

Submitted on: 2/26/2023 8:42:04 AM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
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.