

STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119 HONOLULU, HAWAII 96810-0119

TESTIMONY

OF

RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE

HOUSE COMMITTEES

ON

ENERGY & ENVIRONMENTAL PROTECTION

AND

ECONOMIC REVITALIZATION, BUSINESS, & MILITARY AFFAIRS

ON

March 19, 2009

S.B. 553, S.D. 2

RELATING TO ENERGY-EFFICIENT LIGHTING

Chair Morita, Chair McKelvey, and members of the Committees, thank you for the opportunity to testify on S.B. 553, S.D.2.

The Department of Accounting and General Services (DAGS) opposes this bill because it is unnecessary. DAGS and other State agencies strive to reduce energy consumption and increase efficiencies. DAGS and other State agencies have programs under way to replace existing lighting with more efficient compact fluorescent lights. Additionally, DAGS has replaced all illuminated exit signs with LED light fixtures on Oahu and has started a fluorescent de-lamping program of DAGS' managed buildings, realizing up to 30% savings in energy costs relating to lighting, while maintaining industry illumination standards.

RUSS K. SAITO Comptroller

BARBARA A. ANNIS Deputy Comptroller

Bill No. 553

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Date 3/19/09

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I have attached a memo I issued today updating occupants of DAGS managed buildings of energy and other cost savings measures we have undertaken to illustrate that installation of energy-efficient lighting does not require legislation.

Thank you for the opportunity to testify on this matter.

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RUSS K. SAITO COMPTROLLER

BARBARA A. ANNIS DEPUTY COMPTROLLER

PBM-09.0114

STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119 HONOLULU, HAWAII 96810-0119

March 19, 2009

TO:

All Occupants of DAGS Buildings

FROM:

Russ K., Saito

State Comptroller /

SUBJECT:

Update of Energy and Other Cost Saving Initiatives

In previous memorandums, I have outlined measures that DAGS is taking to reduce a projected \$5 million budget shortfall for fiscal year 2009. I am happy to report that from these efforts, together with the decline in the cost of oil, we have reduced the projected shortfall to about \$3 million. However, we still have a long way to go, and have taken or will be taking some of the following actions to further reduce building operating costs:

1. We have posted signs in our buildings to remind occupants and visitors to save electricity and water.

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- We will be scheduling a second series of conservation training with the assistance of the Hawaiian Electric Company.
- We have replaced all incandescent exit signs with LED exit signs. We are also replacing all incandescent lamps with compact fluorescent lamps.
- 4. We are currently removing fluorescent lamps (de-lamping) in our buildings to reduce energy consumption, while still maintaining acceptable lighting levels based on current lighting codes.
- 5. After we de-lamp our buildings, our janitors will replace 32 watt fluorescent lamps with lamps that use only 25 watts. To realize the savings from de-lamping and using more efficient lamps as soon as possible, we have given this work the highest priority. As such, you may notice a slight decline in the level of custodial services being provided. Also, because some of the light fixtures are located over desks and other work areas there may be some disruption in your normal routine. We ask for your patience and cooperation as the janitors go about this task.
- 6. Where electrical power is available, we have been installing hand dryers in the restrooms. Because paper costs have increased by 40%, the hand dryers have been found to be more economical. In other restrooms, we are replacing single fold hand towels with less expensive roll-type hand towels.

Update of Energy and Other Cost Saving Initiatives March 19, 2009 Page 2

- 7. We are installing occupancy sensors that will turn off lights when rooms are not being used are being installed.
- 8. We have developed plans to install low-flush toilets and urinals, and water-saving sink faucets in our restrooms.
- 9. We have reduced landscape irrigation by 50% by resetting the controllers.
- While morning temperatures are still cool, we are planning to start the air conditioning systems later in the morning in selected buildings. We will continue to start the fans that provide fresh air at the normal time.
- Our building managers will monitor offices and other areas in our buildings to identify additional cost savings opportunities. One such area is the use of personal heaters and other small electrical appliances at individual work stations. The electricity consumed by these appliances adds up quickly. For example, a personal heater rated at 1,200 watts consumes as much electricity as 48 25 watt fluorescent lamps, which could provide lighting for a large office area.
- 12. We are currently entering into energy performance contracts with private companies to achieve other energy savings on a holistic basis.

Our efforts to reduce utility and other costs related to the operation of our buildings will continue. We will inform you of new developments on a recurring basis.

If you have any questions, contact James Hisano, Central Services Manager, by calling 831-6734 or by e-mail at james.hisano@hawaii.gov.

c: James Hisano Building Managers Testimony before the

House Committees on

Energy & Environmental Protection And Economic Revitalization, Business & Military Affairs Surport V

Bill No.

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Date 3/6/09

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S. B. 553 SD 2- Relating to Energy-Efficient Lighting

Thursday, March 19, 2009 11:00 a.m., Conference Room 325

by Keith Block Director, Customer Efficiency Programs Hawaiian Electric Company, Inc.

Chairs Morita and McKelvey and Members of the Committees:

My name is Keith Block and I am testifying on behalf of Hawaiian Electric Company, Inc. (HECO), and its subsidiaries, Maui Electric Company, Ltd. (MECO) and Hawaii Electric Light Company, Inc. (HELCO).

Hawaiian Electric supports the installation of energy efficient lighting products in state buildings and supports SB 553 SD 2. HECO has been pleased by the response to our compact fluorescent lamp (CFL) rebate program. In the two years since the program's inception, we have provided rebates for over 1.5 million CFL purchases on Oahu alone.

Thank you for this opportunity to testify.