

SB 2013, SD1

RELATING TO  
ENERGY



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
Senate Committee on Transportation and Energy  
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By  
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### SB 2013 SD1 – RELATING TO ENERGY

Chair Inouye, Vice Chair Gabbard, and members of the Committee:

The University of Hawai'i ("University") supports SB 2013 SD1, which establishes a green special fund, because it facilitates a sustainable means of financing energy efficient and other sustainability projects at the University that will ultimately improve energy performance, reduce operating costs, and modernize our facilities.

Green Revolving Funds (GRFs) are prominent across many colleges and universities dedicated to addressing sustainable facilities, operations and behaviors. These funds are typically managed by the university through the issuance of "loans" to internal departments or campus groups to fund energy-efficient projects, reduce resource use, and other sustainable efforts. The departments or campus groups repays the "loan" either through savings realized by the project or other sources of income.

GRFs have gained momentum across the nation. According to the Association for the Advancement of Sustainability in Higher Education, there are at least 85 universities that use GRFs as part of their sustainability programs, like Boston University, George Washington University, Stanford University and University of Notre Dame.

Last year, the University of Hawai'i formally established the Office of Sustainability. In addition to supporting smaller campus initiatives, the Office of Sustainability has taken on a larger effort to holistically tackle the high energy consumption across all ten campuses. To assist in this effort, a green special fund is necessary to support multiple methods of financing (including internal loans, other special funds, and private donations) and the repayment of debt service from special funds, private donations, and energy rebates. Establishment of a green special fund at the University will also ensure that funding dedicated to sustainability initiatives are used for that particular purpose and, more importantly, ensure that any savings from the investment be reinvested toward other sustainable projects.

There is strong student support for this initiative as well. In August 2015, the Associated Students of the University of Hawai'i passed a resolution in support of a Green Revolving Fund, saying that *"ASUH acknowledges the growing concern our university's infrastructure faces and believes that sustainability projects that reduce operational costs is integral in improving both the fiscal nature of this university along with its environment"*.

The student resolution further states that *“ASUH hopes the GRF would serve as an example for organizations and departments on this campus to lead best business practices to not only save money, but to also further promote sustainability in a fiscally responsible manner”*.

The green special fund advanced by SB 2013 SD1 will improve fiscal management, increase transparency, and support the University’s progress towards its Net Zero Energy mandate (Act 99, Session Laws of Hawai‘i 2015). We respectfully request passage of this measure.

Thank you for the opportunity to testify in support of SB 2013 SD1.