
A BILL FOR AN ACT

RELATING TO ENERGY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that energy efficiency is
2 the cheapest, quickest, and cleanest way to accelerate Hawaii's
3 transition to one hundred per cent renewable energy. Hawaii's
4 buildings and facilities offer enormous opportunities for energy
5 savings, yet the potential for savings is not clear through
6 current disclosure and information-sharing requirements.

7 The legislature finds that Hawaii can accelerate progress
8 toward its clean energy, economic security, and greenhouse gas
9 emission reduction goals by expanding the State's building
10 energy benchmarking and energy consumption disclosure
11 requirements beyond residential and public buildings. Building
12 energy benchmarking is the process of comparing a facility's
13 energy usage against facilities of a similar type or function to
14 identify opportunities for savings. Building energy
15 benchmarking is a useful starting point for commercial, or
16 nonresidential, building owners and operators to target energy
17 savings opportunities.



1 Hawaii is already a leader in driving energy transparency
2 in single-family housing via the residential energy-use
3 disclosure policy, as set forth in section 508D-10.5, Hawaii
4 Revised Statutes. Hawaii has also previously adopted
5 benchmarking policies for public facilities and buildings
6 through section 196-30, Hawaii Revised Statutes, and the State
7 recently completed a successful benchmarking project for public
8 buildings with the support of the United States Department of
9 Energy's State Energy Program. Between 2014 and 2016, the State
10 benchmarked four hundred sixteen public facilities, including
11 more than two thousand six hundred buildings covering more than
12 twenty-nine million square feet. The benchmarking project found
13 potential for all state agencies to save more than fifty-six
14 million kilowatt hours annually, the equivalent to saving more
15 than \$25,000,000 using current electricity rates.

16 The legislature finds that this transparency and visibility
17 into the potential for savings should be extended to commercial,
18 or nonresidential, properties in the State. Leading states,
19 such as California and Washington, have already extended their
20 benchmarking policies beyond public buildings to include
21 commercial buildings. Benchmarking the energy use of this



1 sector via regular measurement and disclosure has clear benefits
2 for many stakeholders. Building owners understand how much gas
3 and electricity their properties use and can take steps to
4 reduce wasted energy, helping them lower energy costs and stay
5 competitive. Benchmarking data helps fill an information gap
6 for commercial real estate firms and investors, providing
7 everyone access to the same information. For tenants,
8 benchmarking and disclosure provide valuable data to better
9 understand energy use and make informed decisions.

10 The purpose of this Act is to encourage energy efficiency
11 by requiring benchmarking for nonresidential buildings.

12 SECTION 2. Chapter 196, Hawaii Revised Statutes, is
13 amended by adding a new section to be appropriately designated
14 and to read as follows:

15 "§196- Nonresidential building benchmarking. (a)
16 Beginning January 1, 2019, a qualifying utility shall maintain
17 records of the energy consumption data of all nonresidential
18 buildings to which they provide service; provided that the data
19 must be maintained for at least the most recent twelve months,
20 and in a format compatible for uploading to the portfolio
21 management tool.



1 (b) Beginning January 1, 2019, upon the written
2 authorization or secure electronic authorization of a
3 nonresidential building owner or operator, a qualifying utility
4 shall upload the energy consumption data for the accounts
5 specified by the owner or operator for a building to the
6 portfolio management tool; provided that the data shall not
7 disclose personally identifying information.

8 (c) A qualifying utility shall use any method for
9 providing the specified data to maximize efficiency and minimize
10 overall program cost; provided that the data shall not disclose
11 personally identifying information.

12 (d) A qualifying utility may consult with the United
13 States Environmental Protection Agency and its customers in
14 developing reasonable reporting options.

15 (e) A building owner or operator, or their agent, of a
16 nonresidential building shall disclose the most recent
17 benchmarking data to a prospective buyer, lessee, or lender,
18 for:

19 (1) Buildings greater than fifty thousand square feet,
20 beginning January 1, 2020; and



1 (2) Buildings greater than ten thousand square feet,
2 beginning January 1, 2021.

3 (f) A building owner or operator, or their agent, who
4 delivers benchmarking data to a prospective buyer, lessee, or
5 lender shall not be required to provide additional information
6 regarding energy consumption, and the benchmarking data provided
7 shall be deemed to be adequate to inform the prospective buyer,
8 lessee, or lender.

9 (g) As used in this section, unless the context requires
10 otherwise:

11 "Benchmarking data" means information including the:

12 (1) Amount of energy used by a facility as recorded
13 monthly for at least one year; and

14 (2) Facility characteristics information inputs required
15 for a portfolio management tool.

16 "Energy consumption data" means the monthly amount of
17 energy consumed by a customer as recorded by the applicable
18 energy meter.

19 "Portfolio management tool" means the United States
20 Environmental Protection Agency's ENERGY STAR portfolio manager



1 or an equivalent tool adopted by the energy resources
2 coordinator.

3 "Qualifying utility" means a gas or electric utility that
4 serves customers in the state of Hawaii."

5 SECTION 3. New statutory material is underscored.

6 SECTION 4. This Act shall take effect on July 1, 2018.



Report Title:

Building Energy Benchmarking; Energy Efficiency

Description:

Requires benchmarking for all nonresidential buildings.
Resulting benchmarking data will be disclosed to a prospective
buyer, lessee, or lender. (HB1841 HD1)

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