

Bill 22 Testimony



Hawai'i Energy

45 North King Street, Suite 500 • Honolulu, Hawai'i 96817 • HawaiiEnergy.com • P: (808) 839-8880 • F: (808) 441-6068

Before the Honolulu City Council
Wednesday, March 16, 2022 at 10:00am

Testimony on Bill 22 relating to Building Benchmarking.

Chair Waters, Vice Chair Kia'aina, Floor Leader Tupola and Members of the Council:

Thank you for the opportunity to provide comments in support of Bill 22.

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 is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient. Hawai'i Energy provides technical and financial assistance to assist residents and businesses in becoming more energy efficient.

Hawai'i Energy applauds the City for taking the lead with the 2020 adoption of Ordinance 20-47 that established a municipal benchmarking policy for City facilities over 10,000 square feet. We support this bill's effort to establish a complementary building benchmarking program for commercial and multi-family buildings on O'ahu.

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 make Hawai'i-specific benchmarking available to the public.

Hawai'i Energy is willing provide technical assistance to impacted businesses required to complete benchmarking activities as it is aligned with our mission. Hawai'i Energy has been engaged with the City's Office of Climate Change, Sustainability and Resiliency on the rollout of the building benchmarking program and is willing to continue its work with stakeholders to come up with the most cost-effective implementation plan.

We appreciate the efforts made by the City Council and the City & County of Honolulu to promote energy efficiency. Thank you for the opportunity to testify on Bill 22.

Sincerely,
Brian Kealoha
Executive Director
Hawai'i Energy

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Hawai'i Energy's mission is to empower island families and businesses to make smart energy choices that reduce energy consumption, save money and pursue a 100% clean energy future.

March 15, 2022

The Honorable Tommy Waters, Chair and Presiding Officer,
and Members of the Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawai'i 96813

Dear Chair Waters and Councilmembers:

Re: Support for Bill 22, Building Benchmarking

The Natural Resources Defense Council (NRDC) works to ensure the rights of all people to clean air, clean water, and healthy communities; on behalf of this goal, and our 7,500 Honolulu members, **we are writing to strongly support your adoption of Bill 22**, which will establish a better buildings benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

Bill 22 enables building owners and the City to measure and track building energy and water use to help better manage costs and improve energy and water efficiency.

This is an important step to reduce energy waste and carbon emissions, and secure the supply of precious drinking water.

The energy used in buildings is Honolulu's second-largest source of greenhouse gas emissions. Passing this policy will bring Honolulu one important step closer to reaching its Climate Action Plan goal to reduce greenhouse gas (GHG) emissions by 45 percent by 2025 and put the city on the path to carbon neutrality by 2045.

Energy use in buildings (most commonly for water heating, air conditioning, and lighting) also exacts a high climate cost: 35% of emissions citywide, according to the City's 2019 GHG inventory. If passed, this benchmarking policy is projected to help save 1.7 million metric tons of CO2 by 2045. These savings will both realize climate goals and improve island-wide affordability.

Energy use is the highest operating cost of owning a building; benchmarking helps building owners manage that cost and reduce it.

Benchmarking and transparency can also help tenants reduce costs. It's a strong consumer protection tool: potential residential and commercial tenants estimate likely utility bills, for better budgeting and more informed decisions. Transparency can also help utilities and public programs identify how to support the lowest-performing buildings and energy-burdened communities.

Benchmarking and transparency for energy use is a proven strategy, used since 2008.

- If Honolulu's City Council approves this policy, it will follow in the footsteps of **43 other U.S. cities, counties, and states**.
- Cities like Minneapolis, Denver, and Chicago have seen energy savings of 3-5% soon after policy passage, as this tracking encourages building owners and managers to make their own cost-wise improvements.

Honolulu is improving on this tried-and-true approach by also tracking water use. Right now, Honolulu residents are more aware than ever of the need to save precious clean water given the contamination of freshwater at Red Hill. Supporting water conservation community-wide will go a long way to safeguard residents' drinking water supply over time.

The City Council has clearly paved the way for this policy:

- In December 2020, Council passed Bill 65 (now **Ordinance 20-47**) to require that the City benchmark energy and water use in City-owned buildings above a certain threshold, enabling the City to test-run a benchmarking program and lead by example.
- In June 2021, the City Council passed the **2020-2025 Climate Action Plan**, in which building efficiency and benchmarking were identified as key to dramatically reducing Honolulu's GHG emissions.

In addition, this is being supported by the American Cities Climate Challenge, as one of the climate actions Honolulu has set out to accomplish; we are pleased to have been able to support this work with technical information and capacity, and applaud the City's progress on this foundational step.

Now the City Council can deliver on this promise, to lower emissions, save residents money, and conserve precious water for all.

NRDC urges this Council to take this smart step toward making Honolulu a more resilient, affordable and sustainable city.

Sincerely,

Elizabeth Stampe
City Strategist for Honolulu
American Cities Climate Challenge
Natural Resources Defense Council

estampe@nrdc.org

From: CLK Council Info
Sent: Tuesday, March 15, 2022 10:24 AM
Subject: Council Testimony

Written Testimony

Name	James Burton
Phone	
Email	james.burton@imt.org
Meeting Date	03-16-2022
Council/PH Committee	Council
Agenda Item	Bill 22
Your position on the matter	Support
Representing	Organization
Organization	Institute for Market Transformation
Written Testimony	
Testimony Attachment	
Accept Terms and Agreement 1	

IP: 192.168.200.67



**Testimony of Elemental Excelerator to the City and County of Honolulu Council
consideration of Bill 22, March 16, 2022**

In

Dear Chair Waters and Councilmembers:

Elemental Excelerator respectfully submits our **strong support** for Bill 22.

Elemental Excelerator is a Honolulu-based non-profit organization that supports climate positive startup companies helping to solve Hawai'i's most urgent environmental problems. Each year, we select 15-20 companies annually that best fit our mission and fund each company up to \$1 million. To date, we have awarded over \$48 million to 135 companies resulting in 80 demonstration projects right here in Hawai'i & the Asia Pacific.

We strongly support Bill 22 and the establishment of an energy and water benchmarking program for large buildings within the City and County of Honolulu. Buildings are responsible for approximately one-third of all greenhouse gas emissions on O'ahu. Many Elemental Excelerator clean energy start-ups directly address energy monitoring, energy efficiency, and energy storage in buildings. The solutions—and the green jobs that they create—are readily available. Bill 22 will help create data and awareness for building owners and operators to take advantage of these solutions as well as many others.

In other jurisdictions that have adopted energy benchmarking, data transparency has led to energy efficiency gains of 3-5%. This translates to tons of emissions reduction and millions of dollars in monetary savings for our community. In an era where every barrel of imported oil that is eliminated keeps dollars at home in the local economy—and prevents harm in other countries overseas—the energy savings resulting from Bill 22 will make us more self-sufficient and the world a better place. Similarly, as we reduce fresh water use due to drought and pollution pressures on our aquifer, eliminating water waste in our buildings helps stretch resources for our residents.

Elemental Excelerator has helped support dozens of climate tech solution companies that create good jobs, help transition our economy to 100% clean energy, and lower the energy burden for companies and households throughout the islands. Bill 22 will help transition our economy, meet climate goals, increase green jobs, and cut costs for our consumers for years to come.

Thank you for the opportunity to testify.

Josh Stanbro
josh@elementalexcelerator.com





CITY COUNCIL
City and County of Honolulu
March 16, 2022, 10:00 A.M.

**TESTIMONY IN SUPPORT OF BILL 22 (2022),
RELATING TO BUILDING BENCHMARKING**

Aloha Chair Waters, Vice Chair Kia'aina, and Members of the Council:

Blue Planet Foundation **supports Bill 22**, which will establish an island-wide building benchmarking and transparency requirement.

Blue Planet Foundation is a Hawai'i-based nonprofit organization. We work to clear the path for local, clean, renewable power. Through our advocacy for clean energy adoption and energy efficiency, we seek to make our communities stronger, our energy more secure, our environment healthier, and our economy more robust. We appreciate Honolulu's growing leadership on clean energy issues and hope City Council will take another key leadership step by passing Bill 22.

Since 2019, Honolulu has worked to implement various elements of the *O'ahu Resilience Strategy* and the *Climate Action Plan*, both of which serve as guiding documents for Honolulu to achieve its climate goals through concrete actions. These plans were developed through robust community engagement and laid out a number of strategies and actions critical to achieving our goal of carbon neutrality by 2045. Establishing a benchmarking and reporting requirement was identified as one such action. Bill 22 brings Honolulu a step closer to fulfilling the community's desire for continued progress on mitigating the effects of climate change.

Establishing a robust benchmarking framework is also one of 50 actions featured in Blue Planet's *Waypoints* (waypointshawaii.org) report, which outlines actionable programs and policies to rebuild from the 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.

The proposed benchmarking and reporting requirement has clear benefits to many stakeholders. Benchmarking will help building owners 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 enables city and 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. For tenants, benchmarking provides valuable data that allows them to make informed decisions, recognize the value of efficiency in buildings, and better factor utility costs into their budgets when purchasing or renting property.

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Bill 22 also comes at an opportune moment as local residents face mounting challenges with high energy costs and a shortage of water. The cost of electricity is expected to increase by about 10% on O'ahu over the next few months due to sanctions on Russian oil.¹ Electricity costs in Hawai'i are already the highest in the nation, and the scheduled increase will place greater burden on local families and businesses financially recovering from the pandemic. Locals are also facing a water crisis after the Board of Water Supply shutdown key wells to protect our water supply in response to leaking Navy fuel tanks. Drought conditions across the state are also exacerbating this crisis.

Benchmarking is an important policy because **you cannot manage what you do not measure**. By tracking and measuring our energy and water consumption, we can improve the efficiency of our buildings, lower utility expenses, and protect and conserve our limited supply of water.

We respectfully urge the Council to pass Bill 22 to establish a benchmarking and reporting requirement on O'ahu.

Mahalo for the opportunity to provide testimony.

Melissa Miyashiro
melissa@blueplanetfoundation.org

¹ Hawaiian Electric, *Driven up by Russian invasion, oil prices will push electric bills higher in coming months*, <https://www.hawaiianelectric.com/driven-up-by-russian-invasion-oil-prices-will-push-electric-bills-higher-in-coming-months> (Mar. 10, 2022).