

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY
CITY AND COUNTY OF HONOLULU

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April 18, 2022

The Honorable Radiant Cordero, Chair
and Members
Committee on Transportation, Sustainability and Health
Honolulu City Council
520 South King Street, Room 202
Honolulu, Hawai'i, 96813

Dear Chair Cordero and Councilmembers:

SUBJECT: Bill 22 (2022) Relating to Better Buildings Benchmarking
Program

The Office of Climate Change, Sustainability and Resiliency (CCSR) strongly supports Bill 22 (2022), which seeks to create a Better Buildings Benchmarking Program and establish an energy and water usage reporting requirement for large buildings within the City and County of Honolulu ("City").

The concept of a building benchmarking requirement was identified and prioritized by community and technical and stakeholder working groups in the development and adoption of both the City's *O'ahu Resilience Strategy* (Resilience Action 21) and *Climate Action Plan* (Action 5.3) as a key strategy to save energy, water, and associated costs; promote economic development; and take action towards meeting the City's 100 percent renewable energy and zero emissions targets by 2045. In directly asking residents what they think through a public opinion poll conducted in 2019, CCSR found that 74% of residents support requiring large commercial buildings to report their energy use and reduce consumption over time. With recent news of rising local electricity prices and strains on our fresh water supplies, now, more than ever, action is needed to support our affordability and resilience goals.

In addition to a foundation of community support, the Better Buildings Benchmarking Program proposal has been developed in response to Honolulu City Council ("Council") Resolution 21-229, which requested the City Administration work with the Council to establish a benchmarking program to increase the efficiency and resiliency of commercial and multi-family residential buildings on O'ahu.

“Benchmarking” means measuring a building’s water and energy utility data and comparing its performance to like buildings over time. Bill 22 (2022) would establish a requirement for commercial and multi-family buildings above 25,000 square feet to collect their benchmarking information and report it to the City on a phased schedule depending on building size. Additionally, the proposed bill will require CCSR to make certain portions of the benchmarking information available to the public, as transparency of the data is key to unlocking market awareness, as well as benefits towards reduction of waste and utility costs and investments in efficiency improvements.

The building sector is the largest consumer of energy on island and accounts for over one-third of the island’s total greenhouse gas (GHG) emissions. What’s more, energy is also one of the highest ongoing costs to building owners and tenants; O’ahu residents and businesses are burdened with utility rates roughly two to three times above the national average. Benchmarking empowers actions, programs, and partnerships to lower energy and water use, reduce operating expenses for local building owners and tenants, and decrease GHG emissions island-wide.

Benchmarking is a well-used practice. As of 2020, over 600 buildings on O’ahu have already used the industry standard U.S. Environmental Protection Agency (EPA) Energy Star Portfolio Manager platform to benchmark at least once. Across the country, more than 30 municipalities have implemented benchmarking programs for commercial, multifamily, and public buildings. The City is leading by example and is benchmarking its own facilities over 10,000 square feet in accordance with Ordinance 20-47, and is using insights from the benchmarking data to retrofit a number of buildings, implementing cost-effective energy- and water-savings upgrades. Once completed, the projects are estimated to save the City more than \$3.5 million in utility bill savings and more than 27 million kWh in energy savings annually.


Extensive stakeholder engagement has been essential to development of the program. Prior to the bill’s introduction, CCSR conducted direct outreach to roughly 40 different relevant organizations, including utilities, building and land owners, building managers, developers, and other building experts. Additionally, CCSR hosted two public open houses in January 2022 for stakeholders and the public to learn, ask questions, and share feedback. Since the bill’s introduction, CCSR has been constructively engaging in dialogue with stakeholders who have shared comments with regard to the logistics of program enforcement and data access and disclosure. CCSR continues ongoing engagement with utilities who understand the importance of supporting customers in making access to benchmarking data and the process of submitting benchmarking information as user-friendly as possible. CCSR remains committed to providing as much support to building owners in benchmarking as possible and looks forward to working with stakeholders and the Council to design an effective program.

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Our buildings currently play an outsized role in contributing to the climate crisis, but they also have the opportunity to play an equally large role in solutions for driving down GHG emissions to achieve our climate targets and provide more energy, water, and costs security for owners and occupants. The transparency of simple disclosure of the energy and water usage of O'ahu's large buildings is a critical first step to gaining a better understanding of efficiency and cost savings opportunities for building owners, as well as more informed decision-making at the City on where to invest critical resources to improve existing building stock and support businesses and residents.

Thank you for the opportunity to provide these comments in support of Bill 22 (2022). Should you have any questions, please feel free to contact me at (808) 768-2277 or via e-mail at resilientoahu@honolulu.gov.

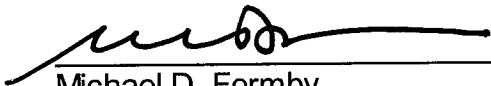
Sincerely,



Matthew Gonser
Executive Director and
Chief Resilience Officer

Digitally signed by Gonser, Matthew
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APPROVED:



Michael D. Formby
Managing Director