BILL022(22) Testimony

MISC. COMM. 237

TRANSPORTATION, SUSTAINABILITY AND HEALTH

TRANSPORTATION, SUSTAINABILITY AND HEALTH Meeting

Meeting Date: Jun 14, 2022 @ 09:00 AM

Support: 32

Oppose: 0

I wish to comment: 2

Name: Charles Fletcher	Email: ccc@honolulu.gov	Zip: 96813
Representing: City & County of Honolulu Climate Change Commission	Position: Support	Submitted: Jun 9, 2022 @ 07:56 AM
Name:	Email:	Zip:
Adriann Gin	agin808@gmail.com	96821-1560
Representing:	Position:	Submitted:
Self	Support	Jun 9, 2022 @ 09:25 AM

Aloha Chair Cordero, Vice Chair Elefante, and Committee members,

I am testifying in support of Bill 22, which establishes a better building benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

There isn't a day that goes by where I experience a sense of doom given our efforts to combat climate change, sea level rise, increased weather disasters, etc. We are now living the consequences of irresponsible growth and innovation, actions taken by previous generations. Please act now to protect current and future generations from continuing down this path. Every action taken to mitigate against this is critical, all policy decisions matter, even policies like these benchmarking and reporting requirements.

The building sector is the largest consumer of energy on O'ahu, accounting for roughly one-third of the island's greenhouse gas emissions. Measuring and reporting energy and water use is a foundational step in reducing overall consumption and tracking progress toward Oahu's carbon neutrality goal by 2045.

At a time when Hawaii is experiencing rising electricity costs and an ongoing water crisis, the proposed benchmarking and reporting requirements in Bill 22 will help to improve energy efficiency, conserve water, and lower costs.

Please pass BILL 22 to support Hawaii's clean energy future.

Thank you for considering my testimony.

Adriann Gin, Honolulu, Hawaii, 96821

Name:	Email:	Zip:
William Metzger	wjmetzger@hotmail.com	96822
Representing: Self		Submitted: Jun 9, 2022 @ 10:00 AM

Testimony:

Bill 22 is important!

We MUST conserve our natural resources.

William Metzger

Name:	Email:	Zip:
Elizabeth Kiefer	emkiefer@hawaii.edu	96821
Representing:	Position:	Submitted:
Self	Support	Jun 9, 2022 @ 10:26 AM

Testimony:

TO: Committee on Transportation, Sustainability, and Health

SUBJECT: Support for BILL 22, RELATING TO BUILDING BENCHMARKING, June 14, 2022, 9:00 AM hearing

Aloha Chair Cordero, Vice Chair Elefante, and Committee members,

I am testifying in support of Bill 22, which establishes a better building benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

As private homeowners, my husband and I gather data! We installed Sense Water Meters in our home, we are able to monitor our electricity use from our phones, and even measure how much solar we are producing and sending to the grid. We know almost immediately if there is a leaky faucet, a broken irrigation pipe, or if the kids left the AC running. You really DON'T KNOW if you DON'T MEASURE it! As a former resident and renter in New York City for 10+ years, I can tell you without a doubt that I would chose a building with measurement and transparency in place. We have an entire generation of young, savvy, informed renters and buyers who want to know this information, who will make decisions that are ethically motivated.

Aside from the individual benefits of these measures, the community and our state will benefit as well. We need to do more to conserve energy in the building sector. Roughly one-third of Oahu's greenhouse gas emissions come from the energy buildings consume. This bill is a foundational step toward pursuing deeper carbon emissions reductions.

The effects of climate change are already here, threatening our homes, our health, our economy, and our very way of life. Honolulu needs to take specific and measurable actions if it hopes to reach its carbon neutrality goal by 2045.

Sincerely,

Elizabeth Kiefer, MD MPH

Name: Andrea Bertoli	Email: andreadevonbertoli@gmail.com	Zip: 96816
Representing: Self		Submitted: Jun 9, 2022 @ 11:30 AM

Testimony:

I am testifying in support of Bill 22, which establishes a better building benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

The building sector is the largest consumer of energy on O'ahu, accounting for roughly one-third of the island's greenhouse gas emissions. Measuring and reporting energy and water use is a foundational step in reducing overall consumption and tracking progress toward Oahu's carbon neutrality goal by 2045.

At a time when Hawaii is experiencing rising electricity costs and an ongoing water crisis, the proposed benchmarking and reporting requirements in Bill 22 will help to improve energy efficiency, conserve water, and lower costs.

Please pass BILL 22 to support Hawaii's clean energy future.

Thank you for considering my testimony.

Name: Ernest Nishizaki	Email: enishizaki@acumenadvisor.com	Zip: 96825
Representing: Self	Position: Support	Submitted: Jun 9, 2022 @ 05:21 PM
Name:	Email:	Zip:
Pili Valderrama	mapivaca@hotmail.com	96814

Testimony:

TO: Committee on Transportation, Sustainability, and HealthSUBJECT: Support for Bill 22, RELATING TO BUILDING BENCHMARKING, June 14, 2022, 9:00 AM hearing

Aloha Chair Cordero, Vice Chair Elefante, and Committee members,

I am testifying in support of Bill 22, which establishes a better building benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

Honolulu needs to take specific and measurable actions in order to reach our carbon neutrality goal by 2045

The building sector is the largest consumer of energy on O'ahu, accounting for roughly one-third of the island's greenhouse gas emissions. Measuring and tracking energy and water usage is a necessary first step in reducing overall consumption, eliminating waste, and lowering energy costs.

At a time when Hawaii is experiencing rising electricity costs and an ongoing water crisis, the proposed benchmarking and reporting requirements in Bill 22 will help improve energy efficiency efforts and conserve water. This is a vital step to reaching our state's overall goal of 100% renewable energy by 2045.

Please pass BILL 22 to support Hawaii's clean energy future.

Thank you for considering my testimony.

Maria del pilar valderrama

Honolulu, Hi 96814

	Email:	Zip:
Angela Huntemer	Ahuntemer@aol.com	96731
Representing:	Position:	Submitted:
Self	Support	Jun 9, 2022 @ 09:53 PM

Testimony:

Please support the Better Buildings Benchmarking Program at the City level (Bill 22) establishing an energy and water usage reporting requirement for Oʻahu's large buildings.

Benchmarking water and energy usage is critical if we are to achieve the City's climate action and sustainability goals.

Benchmarking empowers building owners, managers, and tenants with necessary data to cut costs, reduce utility waste, and improve efficiency of operations.

Capping annual fines would only encourage non-compliance in my opinion. We have SO MUCH non-compliance and lack of enforcement of fines already.

Mahalo for supporting Bill 22.

Name: James Burton	Email: james.burton@imt.org	Zip: 20036
Representing: Institute for Market Transformation	Position: Support	Submitted: Jun 10, 2022 @ 05:17 AM
Name: B. A. McClintock	Email: redahi@hawaii.rr.com	Zip: 96814
Representing:	Position:	Submitted:
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Testimony:

Committee on Transportation, Sustainability, and Health

SUBJECT: Support for BILL 22, RELATING TO BUILDING BENCHMARKING, June 14, 2022, 9:00 AM hearing

Aloha Chair Cordero, Vice Chair Elefante, and Committee members,

I am testifying in support of Bill 22, which establishes a better building benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

The building sector is the largest consumer of energy on O'ahu, accounting for roughly one-third of the island's greenhouse gas emissions. Measuring and reporting energy and water use is a foundational step in reducing overall consumption and tracking progress toward Oahu's carbon neutrality goal by 2045.

At a time when Hawaii is experiencing rising electricity costs and an ongoing water crisis, the proposed benchmarking and reporting requirements in Bill 22 will help to improve energy efficiency, conserve water, and lower costs.

Please pass BILL 22 to support Hawaii's	clean energy future.	
Thank you for considering my testimony.		
Name:	Email:	Zip:
Maya Walton Representing:	mayamwalton@gmail.com Position:	96822 Submitted:
Self	Support	Jun 10, 2022 @ 09:00 AM

I write as a private citizen. I urge the city council to support and pass Bill 22 (2022), CD1 which aims to create a Better Buildings Benchmarking Program at the City to establish an energy and water usage reporting requirement for Oʻahu's large buildings. This will save Honolulu money and help the city to identify where to make cost and energy saving retrofits that will help us to meet Honolulu's goal of carbon neutrality by 2045. Also, the bills emphasis on transparency is important to me as a member of the public. We need measures that build public trust.

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Name: Caroline Carl	Email: caroline.a.carl@leidos.com	Zip: 96817
Representing:	Position:	Submitted:
Hawaii Energy	Support	Jun 10, 2022 @ 10:12 AM
Name:	Email:	Zip:
Micah Munekata	mmunekata@ulupono.com	96813
Representing:	Position:	Submitted:
Ulupono Initiative	Support	Jun 10, 2022 @ 09:55 PM
Name:	Email:	Zip:
Charley Ice	icec002@hawaii.rr.com	96701
Representing:	Position:	Submitted:
Energy & Climate Action Committee,	Support	Jun 12, 2022 @ 11:02 AM
Environmental Caucus, Hawaii		
Democratic Party		
Name:	Email:	Zip:
Julie Yunker	jyunker@hawaiigas.com	28413
Representing:	Position:	Submitted:
Hawaii Gas	Support	Jun 12, 2022 @ 05:54 PM
Name:	Email:	Zip:
Alyson Nakamura	anakamura@abhi.com	96813
Representing:	Position:	Submitted:
Alexander & Baldwin, Inc.	Support	Jun 12, 2022 @ 08:35 PM
Name:	Email:	Zip:
Virginia Tincher	vatincher@gmail.com	94303
Representing:	Position:	Submitted:
Self	Support	Jun 13, 2022 @ 02:08 AM

Testimony:

I'm in strong support of Bill 22 (2022), CD1 to create a Better Buildings Benchmarking Program at the City to establish an energy and water usage reporting requirement for Oʻahu's large buildings.

Benchmarking—or collecting and reporting a building's annual energy and water usage data—is foundational for achieving the City's climate action and sustainability goals. Benchmarking empowers building owners, managers, and tenants with necessary information to cut costs, reduce utility waste, and improve efficiency of operations.

Thank you for considering this important bill.

Virginia		
Name:	Email:	Zip:
Melissa Miyashiro	melissa@blueplanetfoundation.org	96813
Representing:	Position:	Submitted:
Blue Planet Foundation	Support	Jun 13, 2022 @ 06:17 AM
Name: Paul Bernstein	Email: paulbernstein2004@yahoo.com	Zip: 96821
Representing:	Position:	Submitted:
Self	Support	Jun 13, 2022 @ 07:24 AM

Aloha Chair Cordero and Members of the Transportation, Sustainability and Health Committee:

I'm writing in strong support of Bill 22 (2022), CD1 to create a Better Buildings Benchmarking Program at the City to establish an energy and water usage reporting requirement for Oʻahu's large buildings. Benchmarking—or collecting and reporting a building's annual energy and water usage data—is foundational for achieving the City's climate action and sustainability goals. As a contributor to the City and County's Climate Action Plan(CAP), I realize how critical such benchmarking is to measure progress. Benchmarking empowers building owners, managers, and tenants with necessary information to cut costs, reduce utility waste, and improve efficiency of operations. Mahalo for considering this important bill.

Respectfully,

Paul Bernstein

Name: Virginia Hinshaw	Email: vhinshaw@hawaii.edu	Zip: 96821
Representing: Self		Submitted: Jun 13, 2022 @ 08:30 AM

Testimony:

Benchmarking is an effective way to track expenses - will help determine how a building is performing. You can't manage what you don't measure.

Name:	Email:	Zip:
Scott Glenn	dbedt.energyoffice@hawaii.gov	96813
Representing:	Position:	Submitted:
Hawaii State Energy Office	Support	Jun 13, 2022 @ 08:30 AM
Name: Ted Bohlen	Email: tbohl8@yahoo.com	Zip: 96822

Testimony:

Hawaii faces a climate emergency. Oahu faces a crisis in drinking water supplies. Having benchmarked data on large buildings' energy and water use will be critical to meet these crises.

Please pass Bill 22 (2022), CD1! Mahalo!

Climate Protectors Hawaii (by Ted Bohlen)

Name: Deirdre Stearns	Email: dstearns@ahl.design	Zip: 96813	
Representing: AHL	Position: Support	Submitted: Jun 13, 2022 @ 08:35 AM	
Name:	Email:	Zip:	
John Kawamoto	jk1492@gmail.com Position:	96816 Submitted:	
Representing:	FUSILIUII.	Submitted.	

Name:	Email:	Zip:
Sherry Pollack	davidsher@juno.com	96744
Representing:	Position:	Submitted:
350Hawaii	Support	Jun 13, 2022 @ 11:50 AM

Aloha Chair Cordero, Vice Chair Elefante, and Members of the Committee,

Mahalo nui to the Council for hearing Bill 22 CD1 and for prioritizing policies that address the climate crisis we are facing. 350Hawaii supports Bill 22 CD1 towards a better buildings benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

Over one-third of Oahu's total greenhouse gas emissions come from electricity used to power homes and businesses. Serious progress on our climate targets requires that buildings be part of the solution. The proposed program establishes a system for large commercial and multifamily buildings to measure and report on their electricity, water, and gas use annually. Benchmarking or collecting and reporting a building's annual energy and water usage data is a powerful tool to help building owners, tenants, and the City identify opportunities to cut energy waste, save money, and invest in energy efficiency upgrades.

While we support the proposed CD1, which allows additional time for building owners to gather data, we strongly urge the Committee to keep the June, 30, 2024 deadline for reporting for smaller properties (i.e. those between 25,000 and 50,000 square feet). Further delay beyond 2024 would be a setback for forward motion on Oahu's climate goals, and benchmarking is an important first step that helps identify the best opportunities for energy, water, and cost savings.

Reduced energy demand through increased energy efficiency will play a large role in meeting the aligned State and City zero emissions clean energy targets and reducing energy burdens for residents. Moreover, water efficiency is particularly critical for Oahu's residents in the aftermath of the Navy's contamination of our sole source aquifer.

Please support and pass this important measure.

Thank you for the opportunity to testify.

Sherry Pollack

Co-founder, 350Hawaii

Name:	Email:	Zip:			
Josh Stanbro	joshua.stanbro@gmail.com	96816			
Representing:	Position:	Submitted:			
Elemental Excelerator	Support	Jun 13, 2022 @ 11:54 AM			
Name:	Email:	Zip:			
Name: Dave Mulinix	Email: OurRevolutionHawaii@Yahoo.com	Zip: 96744			
		•			

Testimony:

Aloha Council,

On behalf of Our Revolution Hawaii's 5,000 member and supporters statewide we stand in strong support of Bill 22, an ordinance designed to establish a better buildings benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

At a time when Hawaii is experiencing rising electricity costs and an ongoing water crisis, the proposed benchmarking and reporting requirements in Bill 22 will help to improve energy efficiency, conserve water, and lower costs.

Please pass BILL 22 to support Hawaii's clean energy future.

Mahalo for your kind attention,

Dave Mulinix, Hawaii Statewide Community Organizer, Our Revolution Hawaii.

Name:	Email:	Zip:		
Stefanie Sakamoto	ssakamoto@imanaka-asato.com	96789		
Representing:	Position:	Submitted:		
BIA Hawaii	I wish to comment	Jun 13, 2022 @ 01:17 PM		
Name:	Email:	Zip:		
Michael Chang	michael.chang@hawaiianelectric.com	96840		
Representing:	Position:	Submitted:		
Hawaiian Electric	Support	Jun 13, 2022 @ 01:38 PM		
Name:	Email:	Zip:		
Hoang Tran	bae@bomahawaii.com	96813		
Representing:	Position:	Submitted:		
Building Owners and Managers	Support	Jun 13, 2022 @ 02:24 PM		
Association - Hawaii				
Name:	Email:	Zip:		
Tracy Tonaki	tstonaki@drhorton.com	96813		
Representing:	Position:	Submitted:		
D.R. Horton	Support	Jun 13, 2022 @ 02:43 PM		
Name:	Email:	Zip:		
Elizabeth Stampe	estampe@nrdc.org	94104		
Representing:	Position:	Submitted:		
Natural Resources Defense Council	Support	Jun 13, 2022 @ 04:10 PM		
(NRDC)				
Name:	Email:	Zip:		
Garret Matsunami	gmatsunami@castlecooke.com	96817		
Representing:	Position:	Submitted:		
Castle & Cooke Homes Hawaii, Inc.	I wish to comment	Jun 13, 2022 @ 05:06 PM		
Name:	Email:	Zip:		
Kaui Burgess	kaburges@ksbe.edu	96813		
Representing:	Position:	Submitted:		
Kamehameha Schools	Support	Jun 13, 2022 @ 07:05 PM		

CLIMATE CHANGE COMMISSION

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-2277 • EMAIL: ccc@honolulu.gov • INTERNET: www.resilientoahu.org

RICK BLANGIARDI MAYOR



May 29, 2022

CHARLES FLETCHER, PH.D., CHAIR
ROSIE ALEGADO, PH.D., VICE CHAIR
MAKENA COFFMAN, PH.D.
MELANIE ISLAM, AIA NCARB, LEED AP BD+C, LFA
VICTORIA KEENER, PH.D.

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

Dear Chair Cordero and Councilmembers:

SUBJECT: Bill 22 (2022) – Better Buildings Benchmarking Program

The City and County of Honolulu's ("City") Climate Change Commission ("Commission") strongly supports Bill 22 (2022), which establishes a Better Buildings Benchmarking Program and energy and water usage reporting requirement for large buildings within the City.

Building benchmarking is Resilience Action 21 in the *O'ahu Resilience* Strategy¹ and Action 5.3 in the City's Climate Action Plan². Benchmarking allows owners and occupants to understand their building's performance relative to similar buildings, and helps identify opportunities to cut energy and water waste and save money.

Today, the building sector is the largest consumer of energy on the island; it accounts for roughly 35% of the island's total in-state greenhouse gas emissions (GHGs). Energy is also one of the highest ongoing costs to building owners and renters, with Oʻahu residents burdened with utility rates roughly two to three times above the national average. Implementing a benchmarking program on Oʻahu is expected to lower energy use, reduce operating expenses for local building owners and tenants, and decrease GHGs island-wide.

Benchmarking and transparency is already a well-used practice. In 2017, almost 300 buildings on Oʻahu were benchmarked in Energy Star Portfolio Manager, representing more than 27 million square feet of floor area from office, multifamily, hotel, retail, and other commercial and residential settings. And across the country, more than

¹ https://resilientoahu.org/resilience-strategy.

² https://resilientoahu.org/climate-action-plan.

The Honorable Radiant Cordero, Chair and Members May 29, 2022 Page 2

40 municipalities have already implemented benchmarking and transparency programs for public, commercial, and multifamily buildings.

The Red Hill crisis has negatively impacted Oʻahu freshwater resilience. In light of ongoing drought conditions in Hawaiʻi, the inability of existing sytems to handle peak hourly demand, the current water conservation recommendation from the Board of Water Supply, and projected future climate change impacts, it is critical to monitor water use and waste water production. Bill 22 provides for this monitoring.

The proposed program will not require buildings to implement efficiency improvements, audits, or retrofits. While the City encourages voluntary action among buildings to realize greater energy savings, this program would only require benchmarking and reporting data annually. In addition, this program does not establish any type of performance standard. Buildings will not be penalized based on their energy efficiency or for performing below other efficient buildings island-wide.

In conclusion, the Commission thanks Chair Cordero and Councilmembers for proposing Bill 22 and stands with you in advancing Honolulu's goal of carbon neutrality by 2045.

Thank you for the opportunity to submit comments in support of Bill 22 (2022). The Commission urges you to support passage of the bill. Should you have any questions, please feel free to contact the Commission via email at ccc@honolulu.gov.

Sincerely,

C. Fletcher

Charles Fletcher, PH.D., Chair Climate Change Commission

Committee on Transportation, Sustainability, and Health Tuesday, June 14, 2022 9:00 am
City Council Chamber

TESTIMONY IN SUPPORT OF BILL 22, RELATING TO BUILDING BENCHMARKING

Aloha Chair Cordero, Vice Chair Elefante, and Committee Members:

Mahalo for the opportunity to provide my testimony in support of Bill 22, which establishes building benchmarking and reporting requirements for energy and water usage of covered properties within the City and County of Honolulu.

Based on various University of Hawaii Manoa reports, visitors to Hawaii consume more energy than our island residents. In addition to utilizing nearly 2.5 times more electricity, the visitor accommodations account for 2 times more water and generate corresponding sewage outflow, which is primarily due to water needed for the air conditioning cooling towers.

While significant attention and monies by management and ownership were focused on the conservation of energy and water usage, energy expenditures continue to be the second highest cost sector for these hotels and resorts.

Benchmarking will be an effective way for all building owners and managers to track this large operating expenditure and assist them in identifying opportunities to reduce their usage and create cost-savings for their operations. The establishment of benchmarking and reporting will establish a report of complementary building benchmarking, which would allow the opportunity for building owners and managers to gauge their own performance against like buildings and, hopefully, share best practices.

Together we can make a difference and address this climate challenge that threatens our way of life, our economy, and our health.

I urge the Committee on Transportation, Sustainability, and Health to advance Bill 22.

Mahalo for the opportunity to provide my written testimony.

Ernest K. Nishizaki Principal, Acumen Advisor, LLC Chair, Blue Planet Foundation Honolulu, Hawaii 96825



1707 L St. NW | Suite 1050 Washington, DC 20036 202.525.2883 IMT.org

Honolulu Testimony - Bill 22(2022)

Chair Cordero, Vice Chair Elefante, and members of the Committee, thank you for the opportunity to testify. My name is James Burton and I am an employee of the Institute for Market Transformation (IMT), which I am representing with my testimony today. As a national nonprofit supporting energy efficiency in buildings, IMT supports the adoption of Bill 22(2022) by the City Council of Honolulu.

To date, over 40 U.S. local and state governments are implementing building energy benchmarking and transparency ordinances, akin to Bill 22(2022). IMT has acted and continues to act as an adviser to many of these cities, including the City and County of Honolulu.

By instituting a benchmarking and transparency policy, Bill 22(2022) represents an important step toward Honolulu's goals of increasing energy efficiency, reducing greenhouse gas emissions, creating local job opportunities, and improving economic outcomes for local communities.

The tool to be used for benchmarking, Energy Star Portfolio Manager, is a free US Government resource that advises first time users of the system will need 2 hours to create an account and input their data for their first year of compliance. For buildings already benchmarking, using this tool this would only take 30 minutes to input the necessary data. Over 300 buildings in Honolulu are currently using the tool. The data needed to use this tool is simple, building owners and managers should already be monitoring these variables such as: workforce size, number of computers, and hours of operation. Gathering the necessary data for benchmarking each year would require between 2-8 hours of in-house labor for building owners or managers. There are contractors that specialize in collecting benchmarking data, if building owners are not able to do this themselves. Contractor fees range between \$300 - \$1,200 per year.

Energy Savings:

Buildings are responsible for 40% of the USA's total energy consumption (often accounting for more than the total energy usage of many other countries as a whole), and it is clear that benchmarking and data transparency policies help reduce building energy usage. The US Environmental Protection Agency found



that buildings that benchmarked for three years saw reduced energy consumption per year of 2.4%.

Cities with benchmarking and transparency ordinances have seen similar results. Seattle reported a 3% reduction in energy consumption from 2014-2015. Minneapolis reduced its energy consumption by 3.4% from 2014-2016. New York City found that from 2010-2015, benchmarked buildings realized 10% energy savings. These savings in energy costs cycle directly back to building owners and their tenants. Based on the results in other cities, it is reasonable to expect similar savings to accrue to the residential and commercial segments of the Honolulu real estate market, should Bill 22(2022) be adopted.

Local Job Growth:

A benchmarking and transparency policy encourages a strong energy services market. Once the policy is in place, and building performance information is available, owners and energy service vendors will have a better understanding of which buildings are most viable for energy upgrades and the first steps that owners can take to improve their performance. This can support secure local job creation. Estimates suggest that in Philadelphia over 5,000 of its commercial buildings require energy efficiency upgrades, representing an investment opportunity of \$600 million – enough to support 23,000 jobs.

Community Benefits:

As awareness of our climate predicament spreads, and as many Honolulu residents grapple with an uncertain economic environment in which steep increases in housing costs have greatly outpaced wage growth, more people are looking for energy-efficient houses and apartments. They know these homes cost less to own, operate, live in, and make for more comfortable and safer living environments. Access to information about the energy performance of commercial and multifamily buildings will help tenants, prospective buyers and investors make more informed, and therefore better, decisions about where they live and how they spend their money. The transparency of the data allows the City to show communities how it is pushing for change that benefits them.

The sharing of data collected as part of benchmarking will allow the City to award innovation and help Honolulans make more informed decisions about the buildings they lease, own, and occupy. This will provide a natural incentive for property owners to make energy-related improvements to their properties,



thus reducing energy consumption, greenhouse gas emissions and lowering the energy cost burden on residents.

Conclusion:

Benchmarking and transparency policy can help Honolulu in a multitude of ways. IMT firmly believes Bill 22(2022)'s adoption is a critical milestone in Honolulu's journey toward a more profitable, healthier, cleaner future.



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 Committee on Transportation, Sustainability and Health Tuesday, June 14, 2022 at 9:00am

Testimony on Bill 22 relating to Building Benchmarking.

Chair Cordero, Vice Chair Elefante, and Members of the committee:

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 multifamily buildings on Oʻahu. Benchmarking is key for building owners and tenants to better understand how much energy and water they are using. Having good data is a gateway for owners to take advantage of energy- and water-saving measures, especially at this time when Oʻahu is facing water and energy shortfalls along with rising energy prices.

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, such as training programs, 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, Caroline Carl Executive Director Hawai'i Energy



Email: communications@ulupono.com

HONOLULU CITY COUNCIL COMMITTEE ON TRANSPORTATION, SUSTAINABILITY & HEALTH Tuesday, June 14, 2022 — 9:00 a.m.

Ulupono Initiative <u>supports</u> Bill 22 (2022) Proposed CD1, Relating to Building Benchmarking.

Dear Chair Cordero and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono <u>supports</u> Bill 22 (2022) Proposed CD1, which establishes a Better Buildings Benchmarking and Transparency Program ("Program") to further advance Honolulu's goal of carbon neutrality by 2045. The Program will establish a system for large commercial and multifamily buildings within the City and County of Honolulu to measure and report on their energy and water consumption annually.

Ulupono is supportive of energy efficiency measures to lower electricity consumption across the state. As proposed, the Program will provide a way to monitor progress toward the State's renewable energy, energy efficiency, and sustainability goals.¹ Additionally, the Program will help to reduce high electricity costs, with anticipated electricity bill savings of \$282 million over the next decade. As Hawai'i's electricity costs are expected to rise in the near-term², Ulupono sees the value of measuring and tracking energy usage as a first step to reduce energy consumption, lower overall electricity costs, and eliminate energy "waste."

As Hawai'i's energy issues become increasingly complex and challenging, we appreciate the City and County of Honolulu's efforts to look at policies that reduce the overall energy demand, which in return will result in lower electricity bills, thus mitigating the high cost of living and doing business in Hawai'i. This bill is also an effective way of dealing with split incentives—the building owners largely decide what equipment and fixtures are installed, and yet it is the

¹See Act 155, Sessions Laws of Hawai'i 2009 (Act 155), codified under 269-96 Hawai'i Revised Statutes, which established the State's energy efficiency goals into an Energy Efficiency Portfolio Standard (EEPS). As specified in HRS 269-96, the statewide EEPS goal is 4,300 gigawatt-hours (GWh) of electricity savings by 2030.

²See Hawaiian Electric Newsroom, "Driven up by Russian invasion, oil prices will push electric bills higher in coming months," March 10, 2022. https://www.hawaiianelectric.com/driven-up-by-russian-invasion-oil-prices-will-push-electric-bills-higher-in-coming-months



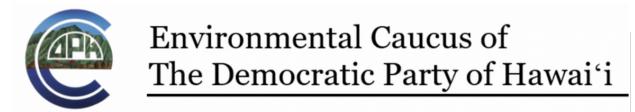
tenants who ultimately pay (whether directly or indirectly) the power and water bill. Increasing transparency on building energy and water use will help to better align those incentives.

In addition, this bill is aligned with recent Honolulu City Council legislation and efforts to expand energy efficiency initiatives and promotes climate positive opportunities that support a more resilient Hawai'i. Meeting the State's clean energy goals will require everyone's commitment. As such, the County should establish policies, such as the Better Buildings Benchmarking and Transparency Program, to best support Hawai'i's clean energy future. We appreciate the Council's attention to our climate crisis and look forward to ways in which we can streamline energy efficiency and savings, including an expedited start to this Program.

Respectfully,

Micah Munekata Director of Government Affairs

*Note: Ulupono Initiative values this measure before the Council today and appreciates the opportunity to testify; however, we are unable to attend in person due to concerns around COVID-19. Thank you for your understanding.



Energy & Climate Action Committee

Tuesday, June 14, 2022

Honolulu County Council

Bill 22 — Relating to Building Benchmarks for water and Energy

Me ke Aloha, Chair Waters, Vice-Chair Kia'āina, and Members of the Honolulu Council:

The Energy & Climate Action Committee of the Environmental Caucus of the Democratic Party is pleased to **strongly support Bill 22**'s benchmarking of water and energy use in buildings across the island. The widespread support for this measure across all sectors is a tribute to the Council, the Mayor, the Resilience Office, and many private and community-minded partners for recognizing the importance and significance of undertaking a benchmarking program. It is obvious that a tremendous amount of effort was expended coming to common judgment. This is a hopeful sign for our ongoing dilemmas in combatting climate change and the new challenges of supply chain disruptions.

A major problem of our civilization is the progligate use of resources, born of privilege and enormous waste. Decades ago, it was estimate that our civilization could fund development for the foreseeable future simply out of eliminating waste. It is a testament to this understanding that the water purveyors on all islands have perhaps surprisingly managed to keep total water use nearly flat for up to 20 years due simply to the elimination of waste, despite continual growth in users. The lengthening drought in California and the Colorado Basin has reinforced this notion by accommodating a surprising array of use requirements through ongoing improvements to efficiency, while nonetheless making restorations for environmental health. Honolulu and Hawaii have been leaders in taking fundamental recognition of this reality into practice. It is heartening, considering massive challenges that still lie ahead.

Concerns about meeting the data gathering standards and the penalties for missing compliance are genuine and sincerely appreciated, and there is no question that smaller players will find the going difficult or expensive. We expect that the county will show resolve and compassion in addressing these cases, as we all need to be on board with these efforts. The importance of meeting these requirements means that all players need to be part of the solution. We anticipate that in the longer term, these difficulties will be met with the same collective problem-solving seen to this point.

A similarly-sized population lived on these islands for a thousand years prior to its discovery of modern living, and the Hawaiians were famous for their robust stature, intelligence, hospitality, and ingenuity, living within their means without modern comforts and privilege. This is in our bones, and we must revive it to survive the coming storm. The people of Honolulu, through their elected leaders, are showing that essential progress can be commenced. This benchmarking lays the foundation for subsequent efforts to beat the clock of climate change and supply chain disruptions in food, energy, and

subsequent efforts to beat the clock of climate change and supply chain disruptions in food, energy, and materials.

Mahalo for the opportunity to address this matter.

/s/ Charley Ice & Ted Bohlen, Co-Chairs, Energy and Climate Action Committee Environmental Caucus of the Democratic Party



June 14, 2022

The Honorable Radiant Cordero, Chair The Honorable Brandon Elefante, Vice Chair Committee on Transportation, Sustainability and Health City and County of Honolulu Honolulu, Hawaii 96813

RE: Bill 22 (2022) - Relating to Building Benchmarking

Aloha Chair Cordero and Members of the Committee,

Thank you for allowing Hawai'i Gas to provide testimony <u>in support of Bill 22 CD1 (2022)</u> (Cordero).

Despite representing less than 1% of the greenhouse gases emitted into Hawaii's atmosphere, Hawaii Gas is committed to doing our part to reduce the effects of climate change on our state and the planet, and we are making great strides. We already produce clean, renewable, affordable and reliable energy, including solar. Hawaii Gas currently generates Renewable Natural Gas (RNG) at the Honouliuli Wastewater Treatment Plant, as well as hydrogen at our Synthetic Natural Gas (SNG) facility in Campbell Industrial Park. We have been providing Hawaii residents and businesses a cleaner, more affordable energy choice for 115 years.

Implementation Timeline:

Hawaii Gas will be upgrading its Customer Information System which is scheduled to begin in the fourth quarter of this year. The upgrade is a major overhaul of the current customer data system and once completed will allow Hawaii Gas to provide more accurate gas customer data more efficiently to support the requirements of this ordinance. Hawaii Gas respectfully requested the committee amend the benchmarking schedule to allow us to work out any issues with the new system, train our internal staff on using the new system and address any challenges with providing legacy customer data.

This program transition will take time to be implemented correctly and amending the benchmarking schedule will give Hawaii Gas a chance to provide clear and concise data which is a key cornerstone of benchmarking efforts.

The amendments proposed in "<u>Sec. _-1 .1 Benchmarking Schedule"</u> to the reporting timeline addresses this concern and we urge adoption of this amendment.



Hawaii Gas appreciates the intent of this bill and the collaborative work the Office of Climate Change, Sustainability and Resiliency has done in conjunction with us and other stakeholders. By doing so, they have crafted a bill that is key to beginning to understand the usage of key resources across Oahu.

Based on our concern as described above, Hawaii Gas urges you to adopt Bill 22 CD1 (2022) (Cordero).

Mahalo for your consideration.



Testimony in support of Bill 22, relating to Building Benchmarking June 14, 2022

Dear Chair Cordero, Vice Chair Elefante and Members of the Committee:

Thank you for the opportunity to provide testimony regarding Bill 22, which proposes the creation of a building benchmarking program within the City and County of Honolulu.

As part of the Hawaii community for over 150 years, A&B is committed to sustainability and preserving our island resources. We consider benchmarking to be an important tool to improve efficiency and combat climate change and recently incorporated benchmarking within our own commercial real estate portfolio. As such, we endorse efforts to create a benchmarking program that champions sustainability and is fair to all stakeholders. Given the importance of benchmarking to achieving Hawaii's goals for reducing greenhouse gas emissions, Alexander & Baldwin supports the passage of Bill 22 in its amended form.

We appreciate the constructive collaboration among the City Council, the Office of Climate Change, Sustainability and Resiliency and stakeholder groups on Bill 22, which has resulted in a bill that achieves our shared environmental and climate objectives while taking into account the perspectives of property owners.

Thank you again for the opportunity to provide testimony.

Alyson J. Nakamura Vice President, Governance & Sustainability



CITY COUNCIL TRANSPORTATION, SUSTAINABILITY, AND HEALTH COMMITTEE City and County of Honolulu

June 14, 2022, 9:00 A.M.

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

Aloha Chair Cordero, Vice Chair Elefante, and Members of the Committee:

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

While we support the proposed CD1, which allows additional time for building owners to gather data, we strongly urge the Committee to keep the June, 30, 2024 deadline for reporting for smaller properties (i.e. those between 25,000 and 50,000 square feet). Further delay beyond 2024 would be a setback for forward motion on Oʻahu's ambitious climate goals, and benchmarking is an important first step that helps identify the best opportunities for energy, water, and cost savings.

Since 2019, Honolulu has worked to implement various elements of the *Oʻahu 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.

What's more, Bill 22 also comes at an opportune moment as local residents and businesses face mounting challenges with high energy costs and a shortage of water. The cost of electricity is expected to increase by about 10% on Oʻahu over the next few months due to sanctions on Russian oil.¹ Electricity costs in Hawaiʻi 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.

Bill 22 in its current form proposes a basic program as a starting point that simply requires buildings to benchmark and report building performance data only. For context, nearly half of the roughly 40 cities that have already established benchmarking programs take their programs a step further by also requiring aggressive energy efficiency requirements, periodic energy assessments, audits, or tune-ups.² Bill 22, in contrast, is proposing just the first step of benchmarking and reporting. Any changes to Bill 22 should be to strengthen rather than weaken the bill. If the City hopes to achieve its ambitious climate and clean energy goals, we cannot afford to step backward from this preliminary step.

Mahalo for the opportunity to provide testimony.

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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).

² See Comparison of U.S. Commercial Building Energy Benchmarking and Transparency Policies, Institute for Market Transportation, https://www.imt.org/wp-content/uploads/2015/09/Comparison-of-Benchmarking-Policies_October-2021.pdf (summarizing benchmarking policies across the U.S. and highlighting jurisdictions that require "additional elements" in addition to reporting requirements).



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE GOVERNOR

SCOTT J. GLENN CHIEF ENERGY OFFICER

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Testimony of SCOTT J. GLENN, Chief Energy Officer

before the COMMITTEE ON TRANSPORTATION, SUSTAINABILITY AND HEALTH CITY COUNCIL CITY & COUNTY OF HONOLULU

Tuesday, June 14, 2022 9:00 AM City Council Chamber

SUPPORT BIII 22, CD1 RELATING TO BUILDING BENCHMARKING.

Chair Cordero, Vice Chair Elefante, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports Bill 22, CD1, which establishes a better buildings benchmarking reporting requirement for energy and water usage of properties exceeding 25,000 gross square feet in total floor area within the City and County of Honolulu.

Benchmarking measures a building's energy use against comparable buildings. Hawai'i currently has policies in place to benchmark public facilities and buildings. For Hawai'i to reach its clean energy goals, large commercial and multifamily properties also must be required to benchmark their buildings. This will allow large commercial and multifamily building owners to understand their building's energy performance and identify areas where energy can be saved. Improvements can then be made to lower the cost of operating the building. In doing so, energy consumption will decrease.

According to the U.S. Department of Energy, "Commercial building energy performance benchmarking is a foundational element of an organization's energy management strategy - because you can't manage what you don't measure. Across many commercial building markets, the practice has become standard operating procedure as energy costs and associated environmental and sustainability issues have

raised awareness around the importance of energy management." There are over 30 jurisdictions in the country that have adopted commercial building energy and transparency policies.

HSEO also believes that sharing benchmarking data can encourage the large commercial and multifamily buildings markets to recognize and reward energy efficiency while creating a continuous cycle of improvement and demand for high-performing buildings. To achieve the State's clean energy goals and to lead by example, commercial buildings have and can continue to join the over 100 state-owned buildings of the 178 buildings that are labeled ENERGY STAR in Hawai'i. HSEO supports benchmarking and data sharing and is aware of concerns regarding confidentiality. HSEO supports measures to address this and other concerns and is ready to collaborate with the City and County to implement such measures, looking at examples from other cities such as Miami, San Diego and San Francisco.

Thank you for the opportunity to testify.



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June 13, 2022

TO: Committee on Transportation, Sustainability, and Health

SUBJECT: Support for Bill 22, RELATING TO BUILDING BENCHMARKING,

June 14, 2022, 9:00 AM hearing

Aloha Chair Cordero, Vice Chair Elefante, and Committee members,

On behalf of AHL, we are testifying in support of Bill 22, which establishes a better building benchmarking and reporting requirement for energy and water usage of covered properties within the City and County of Honolulu.

Our islands are facing a water crisis, between the drought caused by climate change to the Red Hill shutdown, and benchmarking will help find ways to conserve water. Drastically cutting our carbon emissions is a necessary part of addressing climate change, the effects of which are already here. As architects, we understand measuring and tracking energy and water use is the first step in understanding opportunities to reduce energy and eliminate waste. Building benchmarking is that first step that will give us the tools necessary to help protect our island home.

The building sector is the largest consumer of energy on O'ahu, accounting for roughly one-third of the island's greenhouse gas emissions. Measuring and tracking energy and water usage is a necessary first step in reducing overall consumption, eliminating waste, and lowering energy costs.

At a time when Hawai'i is experiencing rising electricity costs and an ongoing water crisis, the proposed benchmarking and reporting requirements in Bill 22 will help improve energy efficiency efforts and conserve water. This is a vital step to reaching our state's overall goal of 100% renewable energy by 2045.

Please pass BILL 22 to support Hawai'i's clean energy future.

Thank you for considering our testimony.

Bettina Mehnert, FAIA, LEED AP

President and CEO

Deirdre Stearns, AIA, LEED AP BD+C Director of Sustainability

Architects Hawaii Limited 733 Bishop Street, Suite 3100 Honolulu, HI 96813

Aloha,

I support Bill 22 because it establishes an energy and water usage reporting requirement for Oahu's large buildings by creating the Better Buildings Benchmarking Program. This program provides building owners, managers, and tenants with the building's annual energy and water usage data, which is necessary to cut costs, reduce utility waste, and improve efficiency of operations. Benchmarking is foundational for achieving the City's climate action and sustainability goals.

John Kawamoto



Testimony of Elemental Excelerator to the City and County of Honolulu Council

Committee on Transportation, Sustainability and Health

in consideration of Bill 22 CD1, June 14, 2022

Dear Chair Cordero and members of the Committee:

Elemental Excelerator respectfully submits our overall **support** for Bill 22 CD1, with one suggested amendment to improve and strengthen Honolulu's benchmarking policy.

Elemental Excelerator is a Honolulu-based non-profit organization that supports climate positive startup companies that help solve Hawai'i's most urgent environmental problems. Each year, we select 15-20 companies that best fit our mission and fund each company with up to \$1 million in investment. To date, we have awarded over \$48 million to 135 companies, and additionally supported 80 new tech demonstration projects right here in Hawai'i & the Asia Pacific. Bill 22 CD 1 will reduce energy costs, open opportunities for businesses offering climate tech solutions and expand green jobs to local residents working for these companies.

Bill 22 CD 1 offers many positive changes and amendments. These include: clearer definitions for all parties; improved process explanations; and, adjustments of timelines that will improve implementation. Elemental Excelerator strongly supports all of the proposed amendments in Bill 22 CD 1 save one: delaying the implementation date for benchmarking buildings between 25,000 and 50,000 square feet to June 30, 2025—over three years from now. While the initial reporting date adjustments for 100,000 square fee and 50,000 square feet buildings make good sense and earn our support, delaying full implementation of the program by providing additional year for the smaller buildings doesn't comport with the urgency of the climate crisis, what the science is telling us, and the reality of a fresh water crisis and energy demands that are already upon us. We strongly believe that the original Bill 22 timeline for full implementation should be held, and 25,000 square feet and above buildings should have an initial reporting date of June 30, 2024.

Advancing an improved and amended Bill 22 CD1 is a critical step towards supporting the climate goals set up by this Council in the unanimously approved Honolulu Climate Action Plan, the O'ahu Resilience Strategy, and the statutory requirement under Ordinance 20-47 to achieve net negative

carbon emissions by 2045. Importantly, the adoption of Bill 22 CD1 and the establishment of an energy and water benchmarking program for large buildings within the City and County of Honolulu will bring transparency and help support the transition of our island to an energy-independent, modern, clean economy.

Buildings are responsible for approximately one-third of all greenhouse gas emissions on O'ahu, the second highest source of emissions on the island. O'ahu's climate goals cannot be reached without a policy to address and gradually reduce building energy use. Dozens of Elemental Excelerator's clean energy start-ups directly address energy monitoring, energy efficiency, and energy storage in buildings—and are eager to offer solutions that create green jobs as well as save building owners and tenants money on utility bills. Bill 22 CD1 is designed to make energy and water data easier to access, to track, and to guide decision-making, and help building owners and operators to take advantage of energy and water efficiency solutions that are readily available from local companies.

Dozens of other cities and states have already adopted benchmarking, and this simple data transparency has led to rapid energy efficiency gains of 3-5%. This is a simple and straight forward process that many responsible building owners and operators already do here in Honolulu. Moving the entire market toward transparency and a 3-5% gain will translate to tons of emissions reduction and millions of dollars in monetary savings for our community. In an era where every single barrel of imported oil that is eliminated keeps over 100 dollars at home in the local economy—and reduces human harm in other countries overseas—the energy savings resulting from Bill 22 CD1 will make us more self-sufficient and do our part to transition the world away from a reliance on fossil fuels. Importantly, Bill 22 CD1 will also help conserve fresh water on our island as we respond to drought and the recent pollution pressures at Red Hill on our aquifers, by eliminating water waste in our buildings and helping to 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 CD1 is a critical policy step forward to continue to foster the innovation and new business entrepreneurs that are transitioning our economy, meeting our climate goals, creating green jobs, and cutting the cost of living for local residents and consumers.

Bill 22 CD1, with an amendment to ensure that all buildings have an initial reporting period by June 30, 2024, must be passed to ensure that O'ahu meets the climate and clean economy goals we have established for ourselves. Elemental Excelerator strongly supports the passage of Bill 22 CD1 with the amendment outlined above.

Thank you for the opportunity to testify.



HONOLULU CITY COUNCIL COMMITTEE ON TRANSPORTATION, SUSTAINABILITY, & HEALTH Honolulu Hale 9:00 am

June 14, 2022

RE: Bill 22, Relating to Building Benchmarking

Chair Cordero, Vice Chair Elefante, and members of the committee:

My name is Daryl Takamiya, 2022 President of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

<u>BIA-Hawaii offers the following comments regarding Bill 22 CD1, Relating to Building Benchmarking.</u> This bill would establish a building benchmarking and reporting requirement for all buildings exceeding 25,000 sg. ft. to provide energy and water usage data.

The CD1 version of Bill 22 addresses many major concerns, however we still have questions regarding the implementation of the program. While we understand the need for data collection with regards to energy and water usage, we have concerns on the administration and enforcement of this program. This mandate would require building owners to provide annual reports, which would need to be gathered and compiled by building owners, and includes penalties for non-compliance. It remains unclear what information needs to be provided and what standards, if any, building owners would need to meet.

Further, we have concerns regarding privacy of the data itself. The bill is silent on where the data will "live", how it will be protected, and what it will be used for.

We would further suggest that a robust information system and ample training period be provided for those who will need to comply. Without that, it would be unfair to penalize building owners for non-compliance.

Hawaii is in a major housing crisis, which has only worsened over time. Rather than placing further mandates on businesses, perhaps there are better ways to incentivize the market to move further in this direction, without negatively impacting local families. The cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Mandates usually represent added cost and time to businesses, especially in this time of economic recovery and Hawaii's severe housing crisis.

Thank you for the opportunity to share our concerns.



TESTIMONY BEFORE THE TRANSPORTATION, SUSTAINABILITY AND HEALTH COMMITTEE

BILL 22 (Proposed CD 1) - BUILDING BENCHMARKING

Tuesday, June 14, 2022 9:00 am City Council Chamber

Michael Chang Manager, Strategic Analytics Hawaiian Electric

Chair Cordero, Vice Chair Elefante, and Members of the Committee,

My name is Michael Chang and I am testifying on behalf of Hawaiian Electric in support of Bill 22 (Proposed CD 1). Hawaiian Electric produces, purchases, and delivers the electricity which will be the predominate source of energy that property owners will be required to obtain to support meeting their benchmarking reporting requirements under the ordinance proposed in Bill 22 (Proposed CD 1).

Energy benchmarking will provide a positive contribution towards achieving increased energy efficiency and resiliency for covered properties on Oʻahu. Energy benchmarking can provide awareness of a covered property owner's energy use in relation to other covered propertiesand the trend of energy use to those stakeholders involved in the capital investment of energy consuming equipment as well as with those directly involved in the daily operations of buildings. The public presentation of the benchmarking results provides the addition of a market-driven motivation to take actions that reduce energy consumption and increase the utilization of renewable energy.

Hawaiian Electric has been in communication with the City's Office of Climate Change, Sustainability and Resiliency to better understand the program, provide feedback and determine the systems, procedures, and ongoing support required in order to provide a positive experience of data collection and reporting activities for covered property owners.

We recognize that the covered property owners, who may not be our direct customers, will be faced with a new and ongoing requirement to acquire and submit electricity data to the ENERGY STAR Portfolio Manager. Hawaiian Electric is prepared to support the covered property owners with aggregated energy use in the ENERGY STAR Portfolio Manager Electric Meter Template Excel File format. Hawaiian Electric is committed to working with the stakeholders and continue to pursue improvements to the process of providing the energy data through more automated methods that will require additional time to develop and may include engagement with the Public Utilities

Commission to identify the cost recovery mechanisms to deliver the new services.

Looking forward, Hawaiian Electric encourages the City & County of Honolulu to continue to coordinate with the State of Hawaii, counties, and the various energy providers to ensure clarity and commonality between this benchmarking program and future proposed benchmarking programs.

Mahalo for the opportunity to provide testimony.



Advancing the Commercial Real Estate Industry through Education, Networking and Advocacy

Testimony to the City & County of Honolulu Transportation, Sustainability and Health Committee

June 14, 2022 at 9:00 AM
City & County of Honolulu Council via Videoconference

RE: Bill 22, Relating to Building Benchmarking

Aloha Chair Cordero, Vice Chair Elefante and Members of the Committee,

Thank you for the opportunity to submit additional testimony on Bill 22 on behalf of the Building Owners and Managers Association of Hawai'i (BOMA Hawai'i). BOMA Hawai'i supports
Bills 22 with comments that we believe can help ensure the success of the program.

BOMA Hawai'i is a non-profit trade association dedicated to advancing the commercial real estate industry through education, networking and advocacy. We represent many commercial building owners and managers across the island, those who will be primarily impacted by Bill 22. We acknowledge that collectively, commercial real estate building owners play a critical role in advancing the state's and city's carbon neutrality goals by 2045, which is why we want to continue collaborative engagement with local officials and help identify opportunities to cut carbon emissions. It makes sense for a sustainable future, and it makes sense for our businesses. Improving the energy efficiency of our buildings also means reducing our energy consumption and its monthly expense, thereby improving the building's financial bottom line.

We have participated in meaningful discussions with a coalition of Bill 22 stakeholders, as well as with Chair Cordero. We sincerely appreciate the improvements to the bill captured in the proposed CD 1. In learning more about how the requirement would roll out, we respectfully request that the following be taken into consideration before a final bill is passed:

• Further engage with utilities serving buildings to ensure they are equipped to facilitate data access once a bill is passed, and consider the reporting deadlines when doing so. We appreciate the added exemptions and time extensions in the proposed CD 1 to Bill 22. We understand that time and people are needed by utilities to provide the data needed for owners to report, even under the proposed CD 1 extensions. Under current utility policies, owners are restricted from tenant account info and would need to obtain written consent from each tenant in order to obtain their usage data. If utilities are not yet equipped to provide owners with the info they need, there may be an influx of exemption requests that will need to be reviewed and processed with building owners,



Advancing the Commercial Real Estate Industry through Education, Networking and Advocacy

perhaps resulting in an unintended burden on the agency tasked with enforcement of Bill 22 requirements.

• Establish as part of the bill a "help center" to answer questions and aid building owners and manager in complying with the local ordinance. Trade organizations like BOMA Hawai'i will do our best to help educate our members on the program, EPA's Portfolio Manager and best practices on collecting data, but the overall success of the program and participation beyond our membership will require education and facilitation for all building owners. We want to understand and share with all building owners where these educational resources will live under the City & County of Honolulu.

We want to continue to serve as a resource to policy makers and thank you for the opportunity to support this measure.

Mahalo for the consideration.



June 13, 2022

The Honorable Radiant Cordero, Chair
The Honorable Brandon Elefante, Vice Chair
Members of the Committee on Transportation, Sustainability and Health
City Council, City and County of Honolulu
Honolulu, Hawaii 96813-3077

RE: Bill 22 (2022), CD1 – Building Benchmarking

Hearing Date: June 14, 2022

Aloha Chair Cordero and Members of the Committee on Transportation, Sustainability and Health,

Mahalo for the opportunity to submit testimony on behalf of D.R. Horton, offering comments to Bill 22 (2022), CD1 relating to Building Benchmarking. At this time, D.R. Horton offers its **support with comments**.

Over the past two months, D.R. Horton has worked and shared case study analysis with the Office of Climate Change, Sustainability and Resiliency (OCCSR) to better understand the intent of the proposed Building Benchmarking process, clarify the definition of Covered Property and most importantly walk step-by-step through the detailed mechanics of how Bill 22 can be reasonably implemented (or not) by Owners, specifically Association of Apartment/Unit Owners (AOAO/AOUO). Our discussions were specific to how D.R. Horton builds for sale multi-family condominiums, primarily for affordable housing and first-time home buyers. Therefore, our testimony by no means represents the views of other homebuilders or property owners, nor does it reflect a one-size fits all approach.

We offer the following comments:

1. Sec. -1.4(b) Exemptions and time extensions.

The addition of this subsection is commendable as it recognizes the critical role utilities must play in the success of Bill 22. Owners of Covered Properties must be able to reasonably rely on utilities to provide aggregated whole-building data. It is a <u>practical impossibility</u> for Owners, such as AOAO/AOUO, whose individual unit owners own their individual utility accounts (ie. Hawaiian Electric meters) to obtain this data without the assistance of the utility.

2. Setting Bill 22 Up for Success:

To support the success of Bill 22's intent, we believe a robust educational and training program is required. We recommend OCCSR be provided the support to implement the following:

The Honorable Radiant Cordero, Chair The Honorable Brandon Elefante, Vice Chair June 13, 2022 Bill 22(2022), CD1 - Page 2

- Roll out of a public service announcement campaign to educate Owners of Covered Properties about Bill 22;
- Identify probable Covered Properties and notify Owners of possible applicability under Bill 22;
- Conduct training sessions on the Energy Star Portfolio Manager benchmarking tool.

D.R. Horton remains committed to working with OCCSR to continue to engage in this process and collaborate with all stakeholders to move Hawaii forward towards its sustainability goals. Mahalo for your time and consideration. It is very much appreciated. Should you have any questions, please do not hesitate to contact me at #782-4109 or ttonaki@drhorton.com.

Sincerely,

Tracy Tonaki City Manager

American Cities Climate Challenge

June 13, 2022

Chair Radiant Cordero and Members of the Committee on Transportation Sustainability and Health 530 South King Street, Room 202 Honolulu, Hawai'i 96813

Dear Chair Cordero and Committee Members:

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.

We applaud your action as part of the American Cities Climate Challenge: for many reasons, benchmarking is a foundational step for a safer climate.

Bill 22 will help save energy and reduce costs. Bill 22 will enable 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. It 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 climate-polluting greenhouse gas emissions. Energy use in buildings (most commonly for water heating, air conditioning, and lighting) is the source of 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. 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 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. This is a strong consumer protection tool: potential residential and commercial tenants can estimate likely utility bills for better budgeting and more informed decisions. Transparency can also help utilities and public programs 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.

American Cities Climate Challenge

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 <u>Ordinance 20-47</u>) 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 <u>2020-2025 Climate Action Plan</u>, in which building efficiency and benchmarking were identified as key to dramatically reducing Honolulu's GHG emissions.

This is being supported by the <u>American Cities Climate Challenge</u>, 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.

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



Testimony by Garret Matsunami Vice President, Castle & Cooke Homes Hawai'i, Inc. June 13, 2022

City and County of Honolulu City Council Committee on Transportation, Sustainability and Health Regarding:

BILL 22 (2022), CD1 RELATING TO BUILDING BENCHMARKING

COMMENTS

Chair Radiant Cordero, Vice Chair Brandon Elefante, and Members of the Committee on Transportation, Sustainability and Health,

Thank you for the opportunity to submit testimony regarding Bill 22 (2022). Castle & Cooke Hawai'i supports striving for a more sustainable Hawaii. We are encouraged by efforts towards that end, however, are mindful of requirements with unintended consequences that burden local residents. We offer comments to the latest draft of Bill 22 (2022), CD1 as follows:

1. Sec._-1.1 "Covered property"

Clarification needs to be included that the 25,000 square feet in gross floor area is per building, and not cumulatively amongst all buildings within a parcel.

2. Sec. _-1.1 "Covered property" (1) Single family, duplex, triplex and fourplex residential homes

In listing the properties that are not considered "Covered property", strike "with fewer than five units". Its inclusion gives the incorrect appearance that single family, duplex, triplex and fourplex residential homes with five units or more would be considered collectively, however, that is not the case.

3. Sec._-1.1 "Shared benchmarking information" (2) Output information

There needs to be an education and assistance component to the program. The property owners and condominium association members and managers will need educating so they may thoroughly understand what information is required, and how to obtain it.

4. Reporting entity

The bill in its current form places the onus of reporting energy and water usage on the property owner for information that is best provided by the utility companies. Once the property owners have given the utility entity permission to disclose the information, it is suggested that the utility companies can take on the reporting.

Mahalo for your consideration of my testimony. Should you have any questions, please feel free to contact me:

Garret Matsunami
Vice President Residential Operations
Castle & Cooke Hawai'i
gmatsunami@castlecooke.com

Phone: 626-3625

680 Iwilei Road, Box 510, Honolulu, Hawaii 96817 Phone: (808) 548-4811 Fax: (808) 548-6690



Committee on Transportation, Sustainability and Health
City Council
City and County of Honolulu

Time: 9:00 a.m. Date: June 14, 2022

Where: City Council Chamber

TESTIMONY by Kau'i Burgess Director of Community & Government Relations

RE: Bill 22 (2022), Proposed CD1 – Relating to Building Benchmarking

Aloha e ka Luna Hoʻomalu Cordero, ka Hope Luna Hoʻomalu Elefante, a me nā Lālā o ke Kōmike.

Kamehameha Schools supports Bill 22, proposed CD1, and offers procedural comments.

The resilience of Hawai'i's communities directly impacts the ability of our keiki to succeed in their educational journeys and in life. The sustainable production and use of energy and water resources, particularly in our built environments, is one essential component of greater resilience. Having a deeper understanding of our buildings' energy and water consumption helps us take proactive steps to make that use more efficient.

Accordingly, Kamehameha Schools has independently benchmarked some of the buildings we manage to help us reduce energy and water use at those sites and we support establishing a broader building benchmarking program to promote more efficient energy and water use in covered buildings across Oʻahu. If enacted, we are committed to collecting and reporting upon the data available to us to support the success of this program.

We recognize, however, that the information required to be reported under the proposed program is not all directly accessible to the parties that are responsible for the reporting, like building owners and some tenants. There is also no mechanism currently included to ensure those with access to that data provide it to those required to complete the reporting. For that reason, we appreciate the work of the Council and Administration to refine Bill 22 through the CD1 to provide exemptions in limited situations where, despite our good faith efforts, we are unable to obtain the required data from the related utility. We feel the proposed exemptions support compliance with the program where feasible and prevent owners from being penalized for failing to provide data they have no access to.

We believe a few other amendments will further improve the bill to acknowledge and address effective implementation amongst the parties involved, including but not limited to:

- 1. Expanding exemptions under Sec. -1.4 to all buildings, rather than just those with more than six tenant meters from a single utility. We understand the intent for this exemption is to help owners with many tenants that could have a difficult time aggregating data from their tenants without help from the utilities. Owners of buildings with six or less tenant meters from a single utility, however, could face similar issues. A building with a single tenant, for example, that decides not to provide their data to the building owner could cause the owner to be noncompliant and face the resulting penalties. While an enforcement structure could be added to the bill to address tenant noncompliance, considering the complex layers of lease agreements currently in place, particularly at larger building complexes, this type of enforcement structure could become very burdensome to administer for all parties. In the alternative, we believe it is more efficient to allow all building owners exemptions if, despite good faith efforts, they are unable to obtain whole-building data from a utility, regardless of the number of tenant meters in their building for that utility. According to past testimony on this bill, it is our understanding that the utilities will be prepared to provide owners data to support their compliance with this program. If this is the case, expanding this exemption to all covered buildings will not interfere with the underlying objectives of the bill.
- 2. Where a property changes ownership, ensuring violations and enforcement under Sec. _-1.5 are assessed against the owner responsible for the violation. We believe it's important to hold accountable the owner who was in fact non-compliant and not let penalties assessed against a current owner be passed on and possibly deter a new owner from acquiring the property. New building owners should also have a fair opportunity to become compliant with the article before assessing any penalties.
- 3. Improving clarity by making consistent the use of the words "building" vs "property" vs "facility" throughout the bill.

With these amendments and a robust outreach/education program for the parties involved, we believe the proposed building benchmarking program will be successful in improving the efficiency of energy and water use by making related data more available to owners, tenants, utilities, regulators, and the public.

Founded in 1887, Kamehameha Schools is an organization striving to advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership. Hānai i ke keiki, ola ka lāhui; Nurture the child and the people thrive.