



UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

S.B. 2863 RELATING TO ENERGY CONVERSATION

Testimony Presented Before the
Senate Committees on Energy and Environment and Science, Arts and
Technology

February 26, 2004

By

Bruce Justin Miller
Director, Office of Sustainability
University of Hawai'i

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Chairs J. Kalani English and David Y. Ige and Members of the Committees:

The bill updates the existing statutory provisions to include current financing options such as leasing, third-party joint ventures and energy service contracts, among others. These various types of financing options can play a beneficial role in funding the University of Hawai'i at Mānoa's various planned energy conservation projects.

In addition, the bill includes water conservation retrofitting as another potential aspect of energy performance contracts. Water being a limited commodity and thereby a precious resource, conservation is an important sustainability goal and one that the University of Hawai'i at Mānoa supports. As a result, the potential for including water conservation retrofit projects in energy performance contracts is important.

The bill further provides a mechanism to assure that the user receives guaranteed savings from energy performance contracts, even if verified savings are less than the annual amount guaranteed by the energy service company.

The University of Hawai'i at Mānoa supports approval of this bill.

Thank you.