

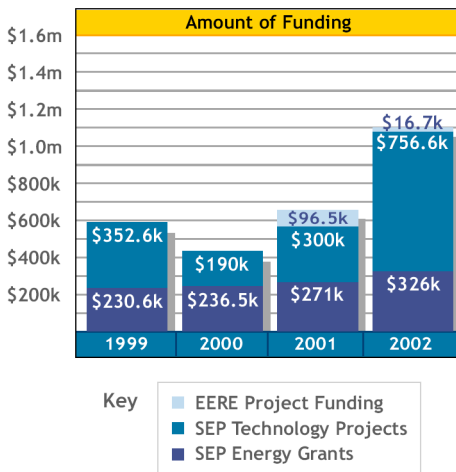
State Energy Program

The State Energy Program in Hawaii

Bringing Federal Resources to Hawaii

Hawaii's Strategic Industry Division applies funding from the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE) to a portfolio of energy projects in the islands. Through EERE's State

DOE Funding to the Hawaii Strategic Industry Division



Energy Program (SEP), the division uses funding from SEP energy grants to meet Hawaii's energy objectives. Hawaii also competes with other states for SEP and EERE funding for specific technology projects. In 2002, Hawaii received SEP funding for \$1.1 million.

One of the most important energy objectives for the state is reducing its dependence on imported oil for a majority of its energy supply. This dependence leads to Hawaii residents and businesses paying higher prices for energy than the rest of the country. Hawaii's businesses are vulnerable to severe economic risk from potential oil supply and price disruptions.

This vulnerability has been a powerful stimulant to public- and private-sector energy initiatives. As a result, Hawaii has specific policies aimed at reducing

dependence on oil, encouraging renewable energy and energy efficiency, and maintaining energy emergency preparedness. The Strategic Industry Division uses SEP and matching funds to carry out energy policies that lower energy bills, reduce emissions and oil spills, create jobs, and increase economic productivity in Hawaii.

Reducing Energy Expenditures for Schools and Government Buildings

Hawaii has forged local partnerships through EERE's Rebuild America to target energy and resource efficiency. Under its national award-winning Rebuild Hawaii Consortium, the state has established a network of government agencies, community political and business leaders, private industry, non-governmental organizations, and energy service companies. The consortium makes private-sector investment available for energy efficiency projects in government facilities through performance contracts. These contracts show substantial savings.

The Strategic Industry Division estimates the annual benefits to Hawaii's economy from a combination of performance contracts, energy efficiency programs, and utility demand-side management programs at:

- energy savings of 95.2 million kilowatt-hours (kWh),
- cost savings worth \$12.1 million,
- 90,000 tons reduction of CO₂ emissions,
- 935 jobs created, and
- \$60 million in direct income to the economy.



Hawaii Strategic Industry Division

Hawaii's Strategic Industry Division supports economic productivity, efficiency, and diversification for the islands. The division facilitates technology-based industries that engage in the sustainable development of Hawaii's energy, ocean, recyclable, and environmental resources.

Annual Savings from Energy-Saving Performance Contracts

Government Facility	Investment	Annual Savings
University of Hawaii at Hilo	\$2,900,000	\$450,000
County of Kauai buildings	\$395,000	\$79,000
County of Hawaii buildings	\$3,675,000	\$735,000
Honolulu City Hall	\$3,000,000	\$200,000

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Supporting Hawaii Industries

Hawaii's energy projects lead to increased energy security and use of alternative transportation fuels that lead away from dependence on imported oil.

Energy Security and Emergency Preparedness

The Strategic Industry Division chairs the Hawaii Energy Council to coordinate planning, information flow, and responses to energy emergencies stemming from supply shortages, natural disasters, or acts of terrorism.

Alternative Transportation Fuels

Hawaii has formed partnerships with the City and County of Honolulu, several federal agencies, and private-sector partners to advance the use of alternative fuel vehicles. Among others, these include Honolulu Clean Cities' demonstration of electric vehicles and the use of locally produced biodiesel fuel by Honolulu and Maui counties.

Fostering a Competitive Economy

Many of the Strategic Industry Division's activities directly benefit Hawaii's economy.

Solar Program

Since the inception of the SEP, the division has supported a solar program in partnership with utilities, industry, and consumers. As a result, Hawaii today has more than 85,000 solar systems operating throughout the state, the most per capita of any state in the country. These systems have saved Hawaii consumers \$240 million, reduced oil consumption by more than 4 million barrels, and provided 1,800 jobs for Hawaii's residents. Since the inception of SEP, funding of \$500,000 for the Solar Program has stimulated an estimated \$345 million invested in solar energy systems, a leverage exceeding 600:1.

Model Energy Code

Hawaii has combined SEP funds with contributions from its partners in the construction industry, building trades, and county agencies to develop an



Hawaii Electric Company, Inc.

Solar water heating on residential buildings. Hawaii's 85,000 solar installations have saved consumers more than \$240 million and created 1,800 jobs.

energy code for buildings based on the Model Energy Code (MEC). It took years of effort to arrive at a consensus solution, which the state adopted in 1994.

Today the MEC saves consumers more than \$1 million per year. The Strategic Industry Division estimates that between 1995 and 2014, the MEC will:

- reduce energy costs by \$336 million,
- reduce oil imports by 5 million barrels, and
- generate \$97 million worth of investments in energy efficiency; this represents \$222 of investment for each dollar of SEP funding.

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A Strong Energy Portfolio for a Strong America

Energy efficiency and clean, renewable energy will mean a stronger economy, cleaner environment, and greater energy independence for America. Working with a wide array of state, community, industry, and university partners, the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy invests in a diverse portfolio of energy technologies.

EERE provides many forms of technical assistance to the states. For details, contact the DOE Seattle Regional Office at 216.553.1004, or visit the EERE Web site at: www.eere.energy.gov/wip/tech_assist.html.

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