



EXECUTIVE CHAMBERS  
HONOLULU

LINDA LINGLE  
GOVERNOR

February 25, 2009

The Honorable Dr. Steven Chu  
Secretary of Energy  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Dear Secretary Chu:

As a condition of receiving our State's share of the \$3.1 billion funding for the State Energy Program (SEP) under the American Recovery and Renewal Act of 2009 (H.R.1) (ARRA), I am providing the following assurances that I have and will continue to provide strong direction to our Public Utilities Commission to promote and support increased energy efficiency, use of renewable energy, and resource planning, which will reduce our high dependence on petroleum while meeting utility obligations to maintain just and reasonable rates and protect the public. Also, I have and am working closely with our State Legislature and local governments by proposing and supporting strong actions to update, implement, and enforce state and local building energy codes in concert with statutory language contained in ARRA.

We are prioritizing our energy investments to take advantage of existing programs and expand programs where appropriate.

Our State is committed to a robust improvement in energy efficiency and renewable energy, as well as a balanced State energy policy. I want to assure you that within the limits of my authority, we will move forward in these critical areas.

We look forward to immediate distribution of the Federal SEP funds to permit my State to make progress in energy efficiency and renewable energy.

Sincerely,

  
for LINDA LINGLE

JAMES R. AIONA JR.  
ACTING GOVERNOR

- cc: Gil Sperling, Director, Office of Weatherization and Intergovernmental Programs, U.S. Dept. of Energy
- David Terry, Executive Director, National Association of State Energy Officials
- The Honorable Colleen Hanabusa, President of the Senate, Hawai'i State Legislature
- The Honorable Calvin Say, Speaker of the House, Hawai'i State Legislature
- Carl Caliboso, Chairman, Public Utilities Commission
- Hawai'i State Energy Resources Coordinator

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1 under this section in excess of the base allocation estab-  
2 lished for a State under regulations issued pursuant to  
3 the authorization provided in section 365(f) of such Act  
4 only if the governor of the recipient State notifies the Sec-  
5 retary of Energy in writing that the governor has obtained  
6 necessary assurances that each of the following will occur:

7 (1) The applicable State regulatory authority  
8 will seek to implement, in appropriate proceedings  
9 for each electric and gas utility, with respect to  
10 which the State regulatory authority has ratemaking  
11 authority, a general policy that ensures that utility  
12 financial incentives are aligned with helping their  
13 customers use energy more efficiently and that pro-  
14 vide timely cost recovery and a timely earnings op-  
15 portunity for utilities associated with cost-effective  
16 measurable and verifiable efficiency savings, in a  
17 way that sustains or enhances utility customers' in-  
18 centives to use energy more efficiently.

19 (2) The State, or the applicable units of local  
20 government that have authority to adopt building  
21 codes, will implement the following:

22 (A) A building energy code (or codes) for  
23 residential buildings that meets or exceeds the  
24 most recently published International Energy

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1 Conservation Code, or achieves equivalent or  
2 greater energy savings.

3 (B) A building energy code (or codes) for  
4 commercial buildings throughout the State that  
5 meets or exceeds the ANSI/ASHRAE/IESNA  
6 Standard 90.1-2007, or achieves equivalent or  
7 greater energy savings.

8 (C) A plan for the jurisdiction achieving  
9 compliance with the building energy code or  
10 codes described in subparagraphs (A) and (B)  
11 within 8 years of the date of enactment of this  
12 Act in at least 90 percent of new and renovated  
13 residential and commercial building space. Such  
14 plan shall include active training and enforce-  
15 ment programs and measurement of the rate of  
16 compliance each year.

17 (3) The State will to the extent practicable  
18 prioritize the grants toward funding energy effi-  
19 ciency and renewable energy programs, including—

20 (A) the expansion of existing energy effi-  
21 ciency programs approved by the State or the  
22 appropriate regulatory authority, including en-  
23 ergy efficiency retrofits of buildings and indus-  
24 trial facilities, that are funded—

25 (i) by the State; or

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1 (ii) through rates under the oversight  
2 of the applicable regulatory authority, to  
3 the extent applicable;

4 (B) the expansion of existing programs,  
5 approved by the State or the appropriate regu-  
6 latory authority, to support renewable energy  
7 projects and deployment activities, including  
8 programs operated by entities which have the  
9 authority and capability to manage and dis-  
10 tribute grants, loans, performance incentives,  
11 and other forms of financial assistance; and

12 (C) cooperation and joint activities between  
13 States to advance more efficient and effective  
14 use of this funding to support the priorities de-  
15 scribed in this paragraph.