

Email: communications@ulupono.com

## SENATE COMMITTEES ON GOVERNMENT OPERATIONS AND ENERGY, ECONOMIC DEVELOPMENT & TOURISM Tuesday, March 19, 2024 — 3:01 p.m.

## Ulupono Initiative <u>supports with comments</u> HB 1829 HD1, Relating to Electric Vehicle Charging Infrastructure.

Dear Chair McKelvey, Chair DeCoite, and Members of the Committees:

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, clean transportation choices, and better management of freshwater resources.

**Ulupono supports with comments HB 1829 HD1**, which requires that if parking is to be included in any new state building construction, the design provide that at least twenty-five per cent of parking stalls be electric vehicle charger-ready; requires the Hawaii State Energy Office, in consultation with the Department of Accounting and General Services and Department of Transportation, to conduct a survey and identify certain high-priority state facilities; and establishes a goal of the State to retrofit state facilities to be electric vehicle charger-ready.

In December 2023, the Hawai'i State Energy Office specifically recommended that Hawai'i needs to "[p]ursue incentives for and streamline permitting for public EV charging infrastructure[,]" to meet our climate goals and exceed the current projected reductions of 54%. The lack of access to charging is one of the top barriers to EV adoption. As such, additional action is required, and making our state facilities EV charger-ready is a positive move.

The Public Utilities Commission designed time-of-use rates that economically incentivize using electricity during the day. Unfortunately, this rate design creates some challenges when compared to the average EV driver's charging pattern, which generally favors vehicle charging during the evening or overnight, when the vehicle is at home and not in use. Therefore, as this bill identifies, there is a need to invest in workplace charging, to better align the "charging opportunity" with lower cost time-of-use rates. Ulupono commends the Legislature in its efforts to lead by example, creating a pathway to develop robust workplace charging at state facilities, both as retrofits and in any new facility construction.

<sup>&</sup>lt;sup>1</sup> https://energy.hawaii.gov/wp-content/uploads/2024/01/Act-238 HSEO Decarbonization Report.pdf

<sup>&</sup>lt;sup>2</sup> https://www.osti.gov/biblio/1854730



Requiring qualifying facilities to be "EV-ready" is smart future-proofing. In 2021, the International Code Council (ICC) updated its building standards to include EV-ready provisos. One main rationale was that the cost of retrofits is significantly more expensive than when installed upfront, and such an upfront investment is a relatively small part of the total building cost. In some cases, EV-ready costs were an estimated 0.13–0.17% of total construction costs, usually \$1,000 per space or less.<sup>3</sup> Other examples from California demonstrate that retrofits easily cost 2–8x as much as making new developments EV-ready.<sup>4</sup> Ulupono's own research shows that a typical structured parking space can cost \$42,000–\$57,000 per space to build, so this relatively low incremental amount seems worth the option to expand EV access.<sup>5</sup>

Additionally, the counties have EV-readiness requirements to varying degrees. Honolulu, Maui and Kaua'i all require some degree of EV-readiness, whereas Hawai'i County requires some EV-readiness with charging. Passing this state policy will ensure comprehensive statewide coverage at the least cost to taxpayers.

However, relying exclusively on new facilities means that the network will potentially remain incomplete. A comprehensive effort to develop a retrofit plan is also very prudent.

Ulupono recommends reconsideration of the limiting language that new construction be EV charging-ready "where feasible and cost-effective." While the intent of this language is clearly to avoid unduly expensive or complex construction projects, this limiting language can also be interpreted to avoid making *any* investments because all EV-ready construction will likely be more costly than the alternative of doing nothing, even if such costs are negligible.

As our energy issues become more complex and challenging, we appreciate this committee's efforts to look at policies that support clean ground transportation.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs

<sup>&</sup>lt;sup>3</sup> https://www.cleanenergy.org/blog/ev-readiness-and-why-we-need-it-now/#:~:text=As%20a%20percentage%20of%20total.about%20%24920%20per%20parking%20spot.

<sup>&</sup>lt;sup>4</sup> https://www.energy.wsu.edu/documents/Regional%20Code%20Collab EV%20Research%20Summary 7-20.pdf

<sup>5</sup> https://ulupono.com/media/ivcfs2pu/the-cost-of-parking-in-hawaii-report-2020-08.pdf?sha=27ef1b3a