

Contact: Kathleen Elliott-Pahinui Telephone: 748-5319

October 10, 2016

ENERGY SAVINGS PROJECT TO CREATE JOBS

HONOLULU – The Honolulu Board of Water Supply's (BWS) energy savings project will create nearly 129 jobs, \$42.7 million in household income, and \$3.4 million in State tax revenue over the next 20 years. According to research and analysis conducted by the State Department of Business, Economic Development, and Tourism, 119 jobs will be created during the first three years of the project, and 10 jobs during the remaining 17 years.

In March 2016, the BWS entered into a \$33 million Energy Savings Performance Contract (ESPC) with NORESCO LLC. This partnership enables the BWS to implement comprehensive energy efficiency, renewable energy generation, and operational improvements which guarantee enough energy savings over the next 20 years to pay for the contract. The project's goal is to reduce the BWS's annual electrical usage by about 8 million kilowatt hours (kWh), or 9 percent of the BWS's total purchased electricity.

The BWS will launch the first of a series of energy conservation measures (ECMs) in October 2016, beginning with energy efficient light replacements. Additional ECMs to be installed as part of the project include:

- Photovoltaic systems at 30 sites with facility upgrades and renovations.
- Energy efficient pumps at two production well sites.
- Enrollment of 19 BWS pumping stations into HECO's Rider M and TOU-J programs.
- Energy efficient air conditioning upgrades and controls at three BWS facilities.
- Install power factor correction equipment at 17 sites.

The project is financed by a loan from the Drinking Water State Revolving Fund, managed by the State of Hawaii Department of Health. The loan will be paid back by the approximately \$3.3 million annual savings in energy costs over 17 years after the implementation of various ECMs. Over a 20-year period, the ECMs are expected to generate \$56 million in energy savings. Cost savings from this project will be reinvested in additional energy-saving projects and will not affect water rates.

Energy Savings Project to Create Jobs Page2

Throughout the duration of this project, the BWS will continue to look at renewable energy opportunities to further manage energy use and control operating costs. The State Department of Health, State Department of Business, Economic Development, and Tourism and the Hawaiian Electric Company provided valuable assistance in the development of this project.

About the Board of Water Supply

The BWS, a semi-autonomous agency of the City and County of Honolulu, manages Oahu's municipal water resources and distribution system. As the largest water utility in the State, the BWS serves approximately one million customers on Oahu. The BWS embraces its mission to provide a safe, reliable and affordable water supply, now and into the future. The BWS works to accomplish its mission and strategic objectives while striving to maintain the public trust to protect the quality and sustainability of our precious water resources. $Uw\bar{e}$ ka lani, ola ka honua – "When the heavens weep, the earth lives." For more information, visit www.boardofwatersupply.com.

###