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**Friday, 08/08/2025**

**Time:** 01:00 PM

**Recurring:**

**Event status:**

**Calendar:** Hawaii Green Infrastructure Authority

**Title:** Board of Directors Meeting

**Location:** 250 S Hotel Street, #436 and Video Conference

**Posted on:** 07/30/2025 04:48 PM

**Updated on:** 07/30/2025 04:48 PM

Hawaii Green Infrastructure Authority

**Date:** Friday, 08/08/2025  
**Start Time:** 01:00 PM  
**Place:** 250 S Hotel Street, #436 and Video Conference

**AGENDA**

**HAWAII GREEN INFRASTRUCTURE AUTHORITY  
NOTICE OF MEETING  
BOARD OF DIRECTORS MEETING**

DATE: August 8, 2025  
TIME: 1:00 p.m.  
PLACE: 250 S Hotel Street, #436  
Honolulu, Hawai'i 96813  
And Video Conference

<https://us06web.zoom.us/j/85798679162?pwd=ixJaS4ZrEIUGDeaCAYe6xfAdK1QndR.1>

Call in Number: +1 669-444-9171  
Meeting ID: 857 9867 9162  
Passcode: 418217

**Please note that this Zoom link will not be activated until 12:55 p.m. on August 8, 2025**

The public is welcome to participate by attending the meeting virtually or in person and/or by submitting written testimony to HGIA by one of the methods listed below. Testimony will be accepted only for items listed on the agenda. Please check our website for the upcoming meeting at <http://gems.hawaii.gov/learn-more/about-us/>.

By mail to: Hawaii Green Infrastructure Authority  
PO Box 2359, Honolulu, HI 96804  
By e-mail to: [dbedt.greenbank@hawaii.gov](mailto:dbedt.greenbank@hawaii.gov)

The deadline for submitting written testimony is before 12:00 noon on the business day prior to the board meeting.

Should you have any questions or concerns, please call us at (808) 587-3868.

**AGENDA**

**I. CALL TO ORDER/ROLL CALL**

## **II. APPROVAL OF MINUTES**

1. Regular Meeting – April 30, 2025

## **III. Program Updates**

1. Report on program updates in the Residential Loan Portfolio for the period ended June 30, 2025
2. Report on the program updates in the Commercial Loan Portfolio for the period ended June 30, 2025
3. Miscellaneous Program Updates.

## **IV. DISCUSSION AND/OR DECISION MAKING**

1. Elect new Board Officers of the Hawaii Green Infrastructure Authority
2. Approval of a Limited Meeting
3. Ratification of HGIA's Quarterly Report for the period ended June 30, 2025
4. Discussion on the results of the Attorney General's Administrative Investigation on HGIA's requested loan from the Coalition for Green Capital, and related matters\*

\* The Board of the Hawaii Green Infrastructure Authority anticipates convening in executive meeting pursuant to Section 92-5(a)(4) to discuss legal issues pertinent to the Authority's statutory rights and obligations.

## **V. ADJOURNMENT**

Upon distribution to HGIA's board members, HGIA shall make the full board packet available at: <http://gems.hawaii.gov/learn-more/about-us/>

If any person requires auxiliary aid or accommodation due to a disability, please call Latrishia Nakasone at (808) 460-7986 or email her at [dbedt.greenbank@hawaii.gov](mailto:dbedt.greenbank@hawaii.gov) as soon as possible preferably by close of business, three business days prior to meeting date. Please note that requests made as early as possible have a greater likelihood of being fulfilled. If a response is received after 3 business days prior to meeting date HGIA will try to obtain the auxiliary aid/service or accommodation, but HGIA cannot guarantee that the request will be fulfilled. In some cases, due to the limited number of communication access providers, a requested auxiliary aid/service or accommodation may not be obtained for the event even if a request is made prior to the reply by date.

Upon request, this notice is available in alternate formats such as large print, Braille or electronic copy.

HAWAII GREEN INFRASTRUCTURE AUTHORITY  
State of Hawai'i

Wednesday, April 30, 2025 – 2:00 p.m.

Conference Room #436 and Video Conference

Honolulu, Hawai'i 96813

**ATTENDANCE**

Members Present: James Kunane Tokioka, Dennis Wong, Mark Glick,  
Richard Wallsgrove, Luis Salaveria

Staff Present: Gwen Yamamoto Lau, Timothy Wong, Valerie Kubota,  
Latrishia Nakasone

Others Present: John Cole (Deputy Attorney General), Jocelyn Iwamasa  
(Dept. of Budget and Finance), Rod Becker (Dept. of  
Budget and Finance)

Members of the Public:

**I. ROLL CALL**

Chair Tokioka called the meeting of the Hawaii Green Infrastructure Authority to order at 2:00 p.m. Chair Tokioka called a proper roll call of all members.

Chairperson Tokioka	Present	
Vice Chair Wong	Present	
Secretary Glick	Excused	Joined at 2:03 P.M.
Member Wallsgrove	Excused	Joined at 2:11 P.M.
Member Salaveria	Present	

All members confirmed that no other adults were present in the room with them.

**MATERIALS DISTRIBUTED**

1. Agenda for the April 30, 2025 Meeting.
2. Revised Minutes from the January 29, 2025 Regular Meeting.
3. Minutes from the March 28, 2025 Regular Meeting.
4. Board Resolution to Apply for a \$10.0 million loan.
5. HGIA's Quarterly Report for the period ended March 31, 2025.

## **II. APPROVAL OF MINUTES**

Chair Tokioka stated that the first item on the agenda is the ratification of changes made to the January 29, 2025 meeting minutes. During the last Board meeting, Secretary Glick joined after the January 29, 2025 meeting minutes were approved. However, prior to signing the approved minutes, he requested two revisions be made (1) under Section IV. 1 to add “and has provided 90 days for HGIA to obtain the Governor’s approval” on the 6<sup>th</sup> bullet; and (2) “non-refundable” on the 8<sup>th</sup> bullet. Chair Tokioka asked for a motion to ratify the January 29, 2025 meeting minutes as amended.

Member Salaveria moved, and Vice Chair Wong seconded the motion to ratify the changes made to the January 29, 2025 regular meeting minutes. Chair Tokioka asked if there was any discussion on the meeting minutes. Hearing none, Chair Tokioka asked if there were any questions from the general public. Hearing none, Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Salaveria

Nays: None.

The motion carried unanimously, 3 to 0.

Secretary Glick joined the meeting.

Chair Tokioka stated that the next item on the agenda is the approval of the minutes of the March 28, 2025 regular meeting and asked for a motion to approve the minutes.

Member Salaveria moved and Vice Chair Wong seconded the motion to approve the March 28, 2025 regular meeting minutes. Chair Tokioka asked if there was any discussion on the meeting minutes. Hearing none, Chair Tokioka asked if there were any questions from the general public. Hearing none, Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Glick, Salaveria

Nays: None.

The motion carried unanimously, 4 to 0.

## **III. PROGRAM UPDATES**

Chair Tokioka stated that the next items on the agenda are program updates, starting with Valerie Kubota on the Residential Loan Portfolio.

1. **Residential Portfolio.** Valerie Kubota reported that over the past quarter, HGIA decreased its application pipeline from 1,007 to 581 applications. HGIA approved 39 applications aggregating \$2.6 million in project costs and provided partial or final funding for 58 installations based on milestone completion.

Out of 40 delinquent loans, only five did not make payments in March or April. Four out of the five are on-bill. HGIA has been in contact with the one direct-billed borrower to arrange payments or request a loan modification and transition to on-bill.

2. **Solar Hui Investment Fund.** Timothy Wong reported that HGIA is designing two solar investment funds for condo owners, structured for a balanced return for both investors and ALICE households, while complying with entity-type and tax regulations.

Under Act 40, the Solar Hui Fund requires the adoption of administrative rules under Chapter 91. HGIA is drafting those rules and outlining a roadmap for their approval. Both funds will finance the installation of solar energy systems on residential properties owned by ALICE households.

Member Salaveria asked whether the Board would approve before scheduling a public hearing for the adoption of administrative rules under Chapter 91.

Wong responded that once the draft rules are finalized after the public comment period, it will be submitted to the Board for approval prior to being submitted to the Governor for final approval.

Secretary Glick asked whether income eligibility for low- and moderate-income households would be codified in the Chapter 91 administrative rules or handled solely as a procedural requirement.

Gwen Yamamoto Lau responded that income eligibility for rooftop solar installations under the fund will be consistent with HGIA's existing LMI stated-income process.

Member Wallsgrove joined the meeting.

3. **Commercial Portfolio.** Yamamoto Lau reported that during the last quarter, three commercial loans were approved, totaling \$3.4 million.

All loans in the commercial portfolio are being repaid as agreed.

Under the HI-CAP program, HGIA received an additional \$10 million in SSBCI funds from the U.S. Treasury. To date, \$5 million of SSBCI funds have

leveraged over \$26 million in loan capital for small businesses and nonprofits statewide.

#### 4. **Legislative and Miscellaneous Updates**

Yamamoto Lau reported on the following HGIA-related bills that were approved by the Legislature:

- Including the Investment Fund Manager position, as authorized under Act 40 (SLH 2024), in HGIA's base budget; and
- A Condominium Loan Program to be administered by HGIA was included into SB 1044 (the Stabilization of Insurance Bill) with a \$25.0 million appropriation.

Member Salaveria asked how the condominium loan program will operate and what underwriting criteria will apply.

Yamamoto Lau explained that the program targets condominium associations unable to obtain traditional financing. Applicants must provide a bank or credit-union decline letter. Many AOA's lack full insurance because they either were not able to afford it, or insurers felt the risks, typically due to aging piping, were too high. Under the program, HGIA will finance essential risk-mitigation retrofits (e.g., re-piping, fire-sprinkler installation, etc.) in order for condominium associations to secure insurance in the future.

Member Salaveria asked whether HGIA has sufficient bandwidth to manage the condominium retrofit loan program, noting that the program lies outside the agency's clean-energy scope.

Yamamoto Lau responded that while commercial loans require more complex underwriting, due to the size of each loan, it is significantly less resource-intensive than processing hundreds of smaller residential loans.

Secretary Glick questioned whether focusing exclusively on uninsured condominiums is overly niche, since most associations already carry insurance and present a different risk profile.

Yamamoto Lau explained that both policymakers and the banking industry directed the program to serve those unable to obtain traditional financing, and there are over a hundred projects impacting over 30,000 units on the "do not lend" list.

Member Salaveria noted that underwriting loans already declined by banks involves higher default risk and asked how HGIA would manage any losses against the appropriation.

Yamamoto Lau responded that the \$25 million appropriation in SB 1044 provides for \$20.0 million in loan capital and \$5 million for debt service and loss reserves to mitigate risks.

Chair Tokioka noted that the Authority's work is impactful and suggested that HGIA arrange site visits for interested members to better showcase its work. He noted that witnessing projects firsthand will help members better appreciate its impact than just reviewing it on the agenda.

#### **IV. DISCUSSION AND/OR DECISION MAKING**

Chair Tokioka stated that the next item on the agenda is an update on the Coalition for Green Capital \$10.0 million loan.

The Director for Finance informed HGIA on April 25, 2025, that upon the advice from the Office of the Attorney General, Budget & Finance is denying HGIA's request to ask Governor Green for approval of the \$10.0 million loan from the Coalition for Green Capital (CGC).

Per the memo from the Director of Finance, the denial is based on the fact that there was a clear and knowing violation of section 196.65.5, which requires Governor's approval prior to executing loan documents, by HGIA.

Chair Tokioka noted that CGC has waived the non-refundable loan fee for HGIA, and as such the loan capital will be returned to CGC at no cost to the State. He also noted that this matter will be included in Executive Director Yamamoto Lau's personnel file.

Chair Tokioka stated that the next item on the Agenda is to approve a Resolution for HGIA to apply for a \$10.0 million loan with the CGC and execute loan documents after obtaining the Governor's approval. Chair Tokioka asked Gwen to present.

Yamamoto Lau noted the following:

- HGIA has approximately 20 rural community health centers, public housing developments, rural nonprofits, and small businesses in its pipeline.
- Securing a loan from the Community's Green Capital (CGC) will provide capital to relend to help these organizations lower their energy burden, enhance resilience, and is in alignment with Governor Green's Executive Order.
- Accordingly, HGIA would appreciate an expedited approval process through Budget & Finance.
- Yamamoto Lau is asking for Board approval to apply for a loan with CGC, simultaneously submit a request for preliminary approval from the



Governor through Budget & Finance, and obtain Governor's approval before executing the loan documents.

- The loan will be issued under the same terms and conditions, with an interest rate of 50 basis points, and an initial term of 10 years with options to extend for an additional 12 years. Interest payments may be made monthly or capitalized and paid at maturity. A non-refundable loan fee of 1% will apply.

Chair Tokioka asked if there were any questions from the members.

Vice Chair Wong inquired about the implications if borrowers were to default and how that would affect HGIA, since the CGC loan will need to be repaid.

Yamamoto Lau indicated that to manage the risk, the net interest margin will provide for overhead and, as required under GAAP, a loan loss reserve allowance. It was also noted that all loans will be placed on bill, which significantly reduces the risk.

Member Salaveria inquired whether the projects being financed would be on public or private property.

Yamamoto Lau confirmed that HGIA is only financing private projects.

Member Salaveria asked whether there was any way Davis-Bacon (DB) provisions could still apply to these loans, noting that there is currently a waiver in place.

Yamamoto Lau responded that the DB and Buy American waivers were approved by EPA because EPA understood that the unintended consequence of said provisions would be penalizing the ratepayers we are trying to help by significantly increasing solar installation costs for low-income households, underserved ratepayers, and disadvantaged communities without a proportional benefit.

Yamamoto Lau also noted that while Governor Green did sign a Project Labor Agreement (PLA), said PLA applies to State construction projects valued at \$1.5 million or more involving contractors directly engaged by the State. In contrast, HGIA serves only as a financing mechanism and does not contract directly with any solar installer. The solar installers are selected and contracted by the private property owners.

Member Salaveria noted the importance of informing Governor Green of the waiver before requesting loan approval, expressing his concern about the policy implications of waiving Davis-Bacon prevailing wages for these low-income households, disadvantaged communities and other underserved ratepayers, because while HGIA was able to provide financing to underserved ratepayers



installing solar on private property without requiring DB provisions in the past, Hawaii now has a different Governor. While Member Salaveria is supportive of moving forward, he flagged that this is a sensitive issue for Governor Green.

Deputy Attorney General Cole stated that a clear explanation for the waivers should be included in the memo to the Governor, and the Board concurred.

The Chair noted that the CGC remains open to working with HGIA. The Chair acknowledged lessons learned and emphasized the importance of following proper process going forward.

Member Wallsgrove expressed concern about the scope and timing of the AG's investigation; disagreed with the legal conclusions presented; and shared that his objection may be noted in the record. He emphasized that differing legal interpretations do not imply misconduct, as the loan was never really consummated, based on loan covenants requiring Governor Green's approval.

Vice Chair Wong stated that, while he is not familiar with the state's processes, he felt that the matter was handled transparently by the board and expressed support for Member Wallsgrove's concerns.

Chair Tokioka acknowledged all viewpoints and confirmed that the discussion and the meeting minutes will serve as final documentation of the matter. Chair Tokioka called for a motion to approve the Resolution for HGIA to submit an application for a \$10.0 million loan; simultaneously submit a request to Budget and Finance for Preliminary approval from the Governor, obtain final approval from the Governor, and then execute the loan documents.

Secretary Glick moved, and Member Wallsgrove seconded the motion to approve the Resolution for HGIA to submit an application for a \$10.0 million loan; simultaneously submit a request to Budget and Finance for Preliminary approval from the Governor, obtain final approval from the Governor, and then execute the loan documents. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Glick, Salaveria, Wallsgrove  
Nays: None.

The motion carried unanimously, 5 to 0.

Chair Tokioka stated that the last item on the agenda is the approval of HGIA's Quarterly Report for the period ending March 31, 2025. He asked Gwen to present.

Yamamoto Lau presented the following highlights:

- Section 1.2 – Overview (Page 4): The report now includes the total number of ratepayers benefitting from HGIA financing.

- Section 2.4 – C-PACER Financing Program (Page 6): Three confirmed projects are currently in underwriting: a new construction project, an adaptive reuse project, and a condominium retrofit project.
- Section 2.5 – Marketing (Page 6): During the quarter, HGIA was featured in 10 articles, participated in 7 panels, exhibited at 1 outreach event, and hosted a HI-CAP Update Convening at the Sandbox.

Chair Tokioka asked if there were any questions from the members.

Secretary Glick noted the high underserved loan capacity and no delinquencies in the commercial portfolio. He also noted how delinquencies are under 1%, with only five residential borrowers missing recent payments, and congratulated HGIA.

Chair Tokioka asked if there were any other questions from the members. Hearing none, Chair Tokioka asked if there were any questions from the general public. Hearing none, Chair Tokioka asked for a motion to approve HGIA's Quarterly Report for the period ending March 31, 2025.

Secretary Glick moved, and Member Wallsgrove seconded the motion to approve HGIA's Quarterly Report for the period ending March 31, 2025. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Glick, Salaveria, Wallsgrove  
Nays: None.

The motion carried unanimously, 5 to 0.

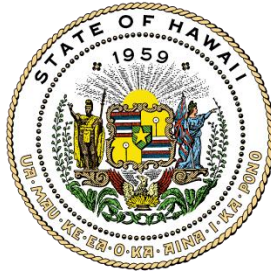
## **V. ADJOURNMENT**

Chair Tokioka asked if there were any other matters that should be discussed. Hearing none, he asked for a motion to adjourn.

Member Wallsgrove moved, and Vice Chair Wong seconded the motion. Chair Tokioka adjourned the meeting by acclamation at 2:44 p.m.

Respectfully Submitted

By: \_\_\_\_\_  
Mark Glick  
Its: Secretary



**State of Hawaii**



**Hawaii Green Infrastructure Authority**

**GREEN ENERGY MARKET SECURITIZATION &  
OTHER FINANCING PROGRAMS**

**QUARTERLY REPORT:  
April 1, 2025 – June 30, 2025**

REPORT TO THE  
STATE OF HAWAII  
PUBLIC UTILITIES COMMISSION

Pursuant to  
Act 211, SLH 2013  
Act 107, SLH 2021

Decision and Order No. 32318 filed in Docket No. 2014-0135

**July 2025**

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## 1 Introduction and Context

The Green Infrastructure Loan Program (a.k.a. the “Green Energy Market Securitization Program,” “GEMS Program” or “Program”) leverages public-private capital to deploy clean energy infrastructure that will contribute towards Hawaii’s pursuit of its statutory 100% clean energy goals by 2045 while helping ratepayers lower their energy costs. The GEMS Program is the result of Act 211, Session Laws of Hawaii 2013 (“Act 211”), which created the framework for establishing the GEMS Program, including its oversight, governance, and reporting processes. The Program is governed by the Hawaii Green Infrastructure Authority which consists of five members: The Director of Business, Economic Development, and Tourism, the Director of Finance, the Chief Energy Officer (fka Energy Program Administrator), and two members appointed by the Governor with the advice and consent of the Hawaii State Senate.

### 1.1 Procedural History and Reporting Requirements

The State of Hawaii Public Utilities Commission (“Commission” or “PUC”) issued Decision and Order No. 32318<sup>1</sup> (the “Program Order”), which approved the “Application of the Department of Business, Economic Development, and Tourism for an Order Approving the Green Infrastructure Loan Program,”<sup>2</sup> (“Application”) for the Hawaii Green Infrastructure Authority (“Authority” or “HGIA”).<sup>3</sup> The Application requested, and the Program Order approved, the use of funds deposited in the Green Infrastructure Special Fund to establish and institute the GEMS Program, subject to the modifications described within the Program Order.<sup>4</sup> In addition to complying with reporting requirements mandated by Act 211, the Authority proposed providing the Commission with Quarterly Reports which offer a snapshot of program activities as a part of the Application.<sup>5</sup> The Commission approved the quarterly reporting proposal made by the Authority, adding additional requirements that arose during the docket process, including one from the Consumer Advocate<sup>6</sup> that included requirements concerning the financing of utility-scale projects, when applicable.<sup>7</sup>

The Commission’s approval of the Quarterly Report process, with modifications, stated that Quarterly Reports must provide information on the progress of the GEMS Program development and include, at a minimum:

- (1) All information proposed in [the] Application or as otherwise indicated by DBEDT in the course of this proceeding to be included in Quarterly Reports;
- (2) Summaries of all metrics approved pursuant to [the] Program Order, and as developed and approved through the metrics and data collection development process;

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<sup>1</sup> Filed on September 30, 2014 in Docket No. 2014-0135

<sup>2</sup> Filed on June 6, 2014 in Docket No. 2014-0135

<sup>3</sup> HRS §196-63 provides that until the Authority is duly constituted, the Department of Business, Economic Development, and Tourism of the State of Hawaii (DBEDT) may exercise all powers reserved to the Authority pursuant to HRS §196-64, and shall perform all responsibilities of the Authority. As the Authority has now been duly constituted, the Authority assumes in its own right, pursuant to statute, all of the functions, powers, and obligations, including responsive or informational submissions in this Docket, which had heretofore been assigned to DBEDT.

<sup>4</sup> See “Decision and Order No. 32318,” filed in Docket No. 2014-0135 on September 30, 2014, at p. 1.

<sup>5</sup> See “Application of Department of Business, Economic Development, and Tourism; Verification; Exhibits; and Certificate of Service,” filed in Docket No. 2014-0135 on June 6, 2014 at p. 17.

<sup>6</sup> “Consumer Advocate” refers to the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs of the State of Hawaii.

<sup>7</sup> See “Decision and Order No. 32318,” filed in Docket No. 2014-0135 on September 30, 2014, at p. 93.

- (3) Accumulated year-to-date tallies of quantitative, and to the extent possible, non-quantitative metrics provided in preceding Quarterly Reports for the applicable annual reporting period;
- (4) Any additional information required by this Program Order to be included as part of one or more Quarterly Reports; and
- (5) Actuals to date as compared to the immediately preceding Annual Plan budget.<sup>8</sup>

In the Application, the Authority proposed Quarterly Reports to include a snapshot of program activities, provide a financial summary, and address adjustments planned or made to the GEMS Program to accommodate market changes.<sup>9</sup> Effective March 31, 2024, detailed metrics and financial reports will be submitted to the Commission in an excel worksheet.

More information about the procedural background for the GEMS Program can be found in the various filings in Docket No. 2014-0135 on the Commission's website: [CDMS Search](#).

## 1.2 Overview of Program Status and Market Outlook

The following are Program highlights on the Authority's clean energy financing programs, as of June 30, 2025:

Total Installed Capacity (kW)	20,200
Total Estimated kWh Production / Reduction Over Lifetime Since Inception	1,129,564,225
Total Petroleum Displaced Over Lifetime (Estimated Barrels)	693,596
Total Greenhouse Gas Avoided Over Lifetime (Estimated Metric Tons CO <sub>2</sub> )	339,786
Estimated Net <sup>10</sup> Bill Savings Over Lifetime	\$256,999,251
Number of Ratepayers Benefitting from GEMS/GEM\$	6650
State Tax Revenues Generated	\$21,376,718
Economic Multiplier Impact	\$374,205,640
% Underserved Residential Households Served	91%

## 2. Summary of Program Activities

The following is a summary of the activities that have occurred between April 1, 2025 and June 30, 2025.

### 2.1 Administration

The following timeline of activities pertain to the administration of HGIA's programs:

- **Re-Open Loan Portal**. On April 22, 2025, Earth Day, HGIA launched its new Loan Portal supported by Banyan Infrastructure and began accepting new applications.
- **Board Meeting**. The Authority held a board meeting on April 30, 2025, during which it approved a new Resolution authorizing HGIA to apply for a \$10.0 million loan with the Coalition for Green Capital as well as HGIA's Quarterly Report for the quarter ended March 31, 2025.
- **Quarterly Report**. The Quarterly Report and financial statements covering the period of January 1, 2025 to March 31, 2025 were filed with the Commission on April 30, 2025 in Docket No. 2014-0135.
- **Information Request**. On May 7, 2025, the Commission filed an Information Request on HGIA's FY2025 Quarterly Filings and its FY2026 Annual Plan in Docket No. 2014-0135.

<sup>8</sup> See "Decision and Order No. 32318," filed in Docket No. 2014-0135 on September 30, 2014, at p. 97.

<sup>9</sup> See "Application of Department of Business, Economic Development, and Tourism; Verification; Exhibits; and Certificate of Service," filed in Docket No. 2014-0135 on June 6, 2014 at p. 17.

<sup>10</sup> Net bill savings is ratepayer savings from solar system after paying loan or power purchase agreement payments.

- **Response to Information Request.** On May 21, 2025, the Authority filed its response to the Commission's May 7, 2025 Information Request in Docket No. 2014-0135.
- **GEMS Status Conference.** On June 2, 2025, the Commission filed a Notice of a Green Energy Market Securitization Status Conference to be held on July 15, 2025 to discuss HGIA's FY2026 Annual Plan and Quarterly Report for the quarter ended March 31, 2025.

## 2.2 Status of Clean Energy Financing Programs

### 2.2.1 Residential Portfolio

During the quarter, HGIA's new Loan Origination Portal was launched on April 22, 2025 – Earth Day.

During the quarter, HGIA received twenty-nine new applications.

Thirty-two applications aggregating \$1.7 million in total project costs were approved and seventy-five installations were partial or final funded based on project completion.

There are currently 187 systems being installed.

Delinquent Status for the Residential Loan Portfolio as of June 30, 2025:

Loan Balance	Current	%	31 – 60 Days*	%	61 – 90 Days*	%	91+ Days	%
\$20,057,505	\$18,981,545	94.6%	\$621,284	3.1%	\$167,811	0.8%	\$286,864	1.4%
No.: 660	627	95.0%	21	3.2%	5	0.8%	7	1.1%

As of June 30, 2025, out of the thirty-three delinquent loans, only seven (7) did not make a payment in June or July, and all but one of these are on-bill. The Authority continues to reach out to the one direct billed borrower, who sporadically makes large lump sum payments.

MECO's extended its disconnection moratorium for all of its Maui customers to August 14, 2025.

### 2.2.2 Commercial Portfolio

During the quarter, the Authority fully funded three loans and is currently actively underwriting five loans with project costs aggregating \$7.5 million.

The Authority is oversubscribed for GEMS funded projects and will need to source additional loan capital.

Delinquent Status as of June 30, 2025 for the entire commercial loan portfolio:

Loan Balance	Current	%	31 – 60 Days	%	61 – 90 Days	%	91+ Days	%
\$34,848,978	\$34,848,978	100.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
No.: 78 <sup>11</sup>	78	100.0%	0	0.0%	0	0.0%	0	0.0%

As of June 30, 2025, all commercial loans were being paid as agreed.

<sup>11</sup> Although individual metrics for consumer leases are reported under the Residential Portfolio, advances for consumer leases are actually commercial loans. As such, these loans are included in the Commercial Portfolio for delinquency reporting purposes.



### 2.2.3 State Revolving Loan Fund

Delinquent Status as of June 30, 2025 for the State Revolving Loan Fund:

Loan Balance	Current	%	31 – 60 Days	%	61 – 90 Days	%	91+ Days	%
\$29,153,702	\$29,153,702	100.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%
No.: 4	4	100.0%	0	0.0%	0	0.0%	0	0.0%

As of June 30, 2025, all state loans were being paid as agreed.

Additionally, the Authority has been in discussions with an Agency contemplating some \$17.0 million in energy efficiency projects.

### 2.2.4 GEM\$ Servicing

On June 15, 2023, the Commission issued Order No. 39377 Approving in Part, Denying in Part, and Modifying in Part, Program Notification No. 15. One of HGIA's request that was approved was to expand GEM\$ eligibility beyond HGIA financed loans due to HGIA's limited loan capital.

Before implementing GEM\$ Servicing, HGIA was required to file in the docket an estimated dollar amount (and/or percentage if applicable) of the proposed servicing fee payable to HGIA and clarify if Hawaiian Electric, the customer, or the developer would be responsible for the payment of this servicing fee. HGIA accomplished this with the filing of its responses to the Commission's Information Requests on May 21, 2025 in Docket No. 2014-0135.

HGIA has started working with an Investor to service some eighty-eight (88) non-HGIA financed projects and will report the data required by the Commission in its next quarterly report.

## 2.3 Status of HI-CAP Programs

Authorized under Act 107, SLH 2021, through a Memorandum of Agreement with sister agency the Hawaii Technology Development Corporation, the Authority is administering the credit related programs under the federally funded State Small Business Credit Initiative, providing capital assistance to Hawaii's small businesses and nonprofits.

As of 6/30/2025, some \$6.7 million in HI-CAP program funds have facilitated **over \$30.4 million in loan capital** for small businesses and nonprofits statewide, with highlights by industry as follows:

➤ Hospitality	\$10,075,000
➤ Healthcare	\$ 3,709,403
➤ Energy	\$ 3,700,000
➤ Food & Ag Related	\$ 3,646,000
➤ Fitness & Recreational	\$ 3,221,000
➤ Waste Removal	\$ 2,333,559

The Authority is also in discussions with an applicant interested in financing a PV Recycling plant.

## **2.4 Status of HI C-PACER Financing Program**

During the quarter, the Authority has been working with C-PACE lenders on new construction, adaptive re-use and workforce housing construction projects.

Although HGIA's attorney provided its opinion that financing condominium associations are C-PACER eligible, C-PACE capital providers rely on rating agencies to securitize and sell in the secondary market. Condominium common areas are jointly owned by residential unit owners making it impossible to adequately calculate lien to value ratios required for lenders looking to access the secondary market. As such, while HGIA will use the C-PACER statute for its Condo Loan Program, traditional C-PACE lenders will not likely be able to finance re-piping, fire sprinklers, energy efficiency or renewable energy for Condo Associations.

## **2.5 Status of Solar Hui Fund Program**

Administrative rules for the Solar Hui Investment Program have been drafted and are currently undergoing the lengthy review process.

## **2.6 Status of Condo Loan Program**

HGIA is currently drafting Administrative Rules for the Condo Loan Program.

## **2.7 Marketing and Customer Service Activities**

During the quarter, HGIA was featured and/or related to sixteen articles or publications as follows:

- Between 4/3/2025 to 4/7/2025 – there were eight articles published by Hawaii News Now, Spectrum News, Hoodline, KITV, KHON, Yahoo!News, Big Island news and Kauai Now on HGIA/DCCA's warning to the public regarding aggressive door knockers posing as HGIA employees;
- 4/23/2025 – Hawaii Public Radio, "State tax measures put renewable energy incentives in the crosshairs"
- April 2025 – Harvard Kennedy School, Public Policy Paper prepared by Nalini Agnawal and Matthew Plaus, "Un(SUN)g Heroes: The Programs Bringing Distributed Solar Energy to LMI Residents in Hawaii"
- 5/8/2025 – Civil Beat, "Progress Report: Will Reforms Stabilize Hawaii Condo Insurance Costs?"
- 5/22/2025 – PSM News, "Vice President [Hussain Mohamed Latheff of the Maldives] Explores Green Financing with HGIA"
- 5/27/2025 – Civil Beat, "Hawaii Makes History As First State to Charge Tourists to Save Environment"
- 5/28/2025 – Hawaii Public Radio, "Hawaii solar industry expects setbacks from U.S. House Spending Bill"
- 5/28/2025 – Star Advertiser, "Climate fee becomes law"
- 6/2/2025 – Governor's Newsletter, "Historic Green Fee launched to combat climate change in Hawaii"

HGIA participated as a panelist or presenter in seven seminars, workshops or webinars, as follows:

- 4/1/2025 – American Savings Bank's Business Banking Department, "HGIA's Financing Programs"
- 4/16/2025 – Climate Advisory Team Webinar, "Mid-Session Updates"
- 5/15/2025 – PACENation Conference, facilitator for "Developing New C-PACE Programs"
- 5/20/2025 – His Excellency, the Vice President of the Maldives, "Energy Policy and Creative Financing" joint with Mark Glick, Chief Energy Officer

- 5/22/2025 – Blue Planet Alliance’s Cohort IV consisting of policy makers, Commissioners and utilities from Bahamas, Barbados, British Virgin Islands, Kiribati, Maldives, Niue, Samoa, Saint Lucia, Saint Vincent & the Grenadines), “Creative Financing”
- 5/29/2025 – Community Associations Institute, “Where is the Money”
- 6/18/2025 – Mortgage Bankers Association Conference, “SB1044 Insurance Stabilization Bill”

The Authority also exhibited at the Hawaii Council of Community Association’s Educational Workshop on May 22, 2025.

## 2.8 Additional Activities

The following are activities that have occurred since the end of the quarter and will be reported as activities in the next Quarterly Report:

- **Act 296, SLH 2025.** On July 7, 2025, Governor Green signed SB1044, relating to the Stabilization of Property Insurance into law. This bill includes some \$25.0 million for HGIA to design and implement a Condo Loan and Loan Loss Reserve Program.
- **Information Request.** On July 15, 2025, the Commission filed an Information Request on HGIA’s FY2025 Quarterly Filings and its FY2026 Annual Plan in Docket No. 2014-0135.
- **GEMS Status Conference.** On July 15, 2025, the Commission held a Green Energy Market Securitization Status Conference via webinar where HGIA did a presentation on its FY2026 Annual Plan and Quarterly Report for the quarter ended March 31, 2025. A robust Q&A discussion followed the presentation.

### 3. Financial Summary of the Hawaii Green Infrastructure Authority

#### Hawaii Green Infrastructure Authority Balance Sheet

As of June 30, 2025

##### ASSETS

##### Current Assets

Cash in Bank Total	\$	65,890,787
Certificate of Deposits		5,617,982
Cash in Treasury		1,026,013
<b>Total Cash</b>	<b>\$</b>	<b>72,534,782</b>
Investments		36,025,698
<b>Total Cash and Investments</b>	<b>\$</b>	<b>108,560,480</b>
Prepaid Expenses		-
Other Receivables		461,002
<b>Total Current Assets</b>	<b>\$</b>	<b>109,021,482</b>

##### Noncurrent Assets

GEMS Loans Receivable	\$	71,856,948
General Fund Loans Receivable		10,284,030
Allowance for Loan Losses		(170,786)
HI-CAP Loans Receivable		553,287
Solar for All Loans Receivable		131,400
Other Noncurrent Assets		(1,500)
Capitalized Costs		88,137
<b>Total Noncurrent Assets</b>	<b>\$</b>	<b>82,741,516</b>

##### Total Assets

**\$ 191,762,998**

##### LIABILITIES AND EQUITY

##### Liabilities

##### Current Liabilities

Accounts Payable	\$	30,800
Accounts Payable - PUC		3,989,578
Other Current Liabilities		26,304,494
<b>Total Current Liabilities</b>	<b>\$</b>	<b>30,324,872</b>

##### Noncurrent Liabilities

Loan - Coalition for Green Capital		-
<b>Total Noncurrent Liabilities</b>		-

##### Total Liabilities

**\$ 30,324,872**

##### Fund Balance, Beginning 3/31/25 (From last quarterly report)

\$ 160,672,608

##### Net Income (loss) for the Quarter 4/1/25-6/30/25

\$ 765,518

##### Fund Balance, Ending

**\$ 161,438,126**

##### Fund Balance, Beginning 7/1/24 Audited

\$ 146,197,298

##### Net Income (loss) fiscal year-to-date

15,240,828

##### Fund Balance, Ending

**\$ 161,438,126**

##### TOTAL LIABILITIES AND FUND BALANCE

**\$ 191,762,998**

Other Receivables are funds that have been recorded but have yet to be transferred between accounts.

Other Noncurrent Assets are for maintenance and other reserves and prepaid loan expenses.

Accounts Payable – PUC represents the estimated principal and interest repaid on GEMS funded loans.

Other Current Liabilities include unapplied cash (cash that is received by our loan servicer but has not yet been applied to a loan payment), contract obligations for specific purposes and unearned HI-CAP grant income.

## Hawaii Green Infrastructure Authority Revenues and Expenditures

For the Quarter: April 1, 2025 to June 30, 2025

### Revenues from Operations

Investment Interest	\$	1,050,256
Interest Income on Loans		711,496
Other Income		27,935
HI-CAP Fees		12,803
HI-CAP Program Revenue		232,500
Solar + Storage Loan Program Revenue		329,355
Solar For All Loan Program Revenue		145,400

<b>Total Revenues from Operations</b>	<b>\$</b>	<b>2,509,745</b>
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### Operational Expenditures

Salaries and Benefits	\$	353,825
Office and Administrative Expenses		42,518
Bank Fees		17,310
Program Expenses		235,452

<b>Total Operational Expenditures</b>	<b>\$</b>	<b>649,105</b>
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<b>Revenues Over (Under) Expenditures</b>	<b>\$</b>	<b>1,860,640</b>
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### Payments to PUC/PBF

PUC Repayment - Principal	\$	562,037
PUC Repayment - Interest		574,012

<b>Total PUC Repayment</b>	<b>\$</b>	<b>1,136,049</b>
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<b>Bad Debt Expense</b>	<b>\$</b>	<b>6,054</b>
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<b>Unrealized Gains (Losses)</b>	<b>\$</b>	<b>46,981</b>
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<b>Net Change in Fund Balance</b>		<b>765,518</b>
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### Fund Balance

Beginning of Period, Unaudited	\$	160,672,608
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End of Period	\$	161,438,126
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Loan capital from the general funds for Solar+Storage financing for ALICE households as well as Solar for All loans are posted as "revenue" for accounting purposes.

## Hawaii Green Infrastructure Authority Revenues and Expenditures

For the Quarter: July 1, 2024 to June 30, 2025

### Revenues from Operations

Investment Interest	\$	3,845,467
Interest Income on Loans		2,377,954
Other Income		212,130
HI-CAP Fees		27,767
HI-CAP Program Revenue		232,500
Solar + Storage Loan Program Revenue		14,006,080
Equitable Clean Water Grant Revenue		15,000
Solar For All Loan Program Revenue		145,400

### Total Revenues from Operations

**\$ 20,862,298**

### Operational Expenditures

Salaries and Benefits	\$	1,271,438
Office and Administrative Expenses		56,856
Bank Fees		67,433
Program Expenses		617,245

### Total Operational Expenditures

**\$ 2,012,972**

### Revenues Over (Under) Expenditures

**\$ 18,849,326**

### Payments to PUC/PBF

PUC Repayment - Principal	\$	1,918,631
PUC Repayment - Interest		2,041,463

### Total PUC Repayment

**\$ 3,960,094**

### Bad Debt Expense

**\$ 20,112**

### Unrealized Gains (Losses)

**\$ 371,708**

### Net Change in Fund Balance

**15,240,828**

### Fund Balance

#### Beginning of Period, Audited

**\$ 146,197,298**

#### End of Period

**\$ 161,438,126**

## **4. Additional Reporting Requirements**

### **4.1 Consumer Protection Policies**

The Program Order directed the Authority to “provide full details of the GEMS Program consumer protection policies it develops to the [C]ommission with its quarterly reporting and Program Notifications”<sup>12</sup> and to “report the details of any failure on the part of any Deployment Partner to comply with these consumer protection policies to the [C]ommission, including the number of complaints and the steps taken to address such complaints, as part of the GEMS Program’s quarterly reporting and Annual Plan submission process”.<sup>13</sup>

The GEMS Program submitted its consumer protection policies in a Program Notification to the Commission on July 1, 2015.<sup>14</sup> No complaints have been received to date regarding GEMS Deployment Partners.

### **Utility-Scale Project Financing**

The Program Order instructed the Authority to summarize and report information about utility-scale project financing during periods where utility-scale project financing is initiated and the project is operated.<sup>15</sup>

The Federally funded Solar for All program funds allows for financing community solar projects of up to 5 MW nameplate capacity that delivers at least 50% of the power generated from the system to residential customers within the same utility territory.

The Authority is working with several community solar developers and anticipates financing seven community solar projects statewide aggregating 15.45 MW under the SFA financing program.

### **4.3 Utility System Cost Information Update**

The Program Order directed the Authority to “work with the HECO companies and the Consumer Advocate to determine the appropriate GEMS Program-related utility system cost information for reporting purposes, and to provide an update on the finalization of these utility system costs and impacts reporting requirements as part of DBEDT’s first Quarterly Report filing.”<sup>16</sup> Though “utility system cost” was not defined in the Program Order, the Consumer Advocate refers to these costs as costs “incurred as result of [distributed generation] PV or other clean energy projects financed by the GEMS [P]rogram.”<sup>17</sup>

Subsequent to the issuance of the Program Order, the Authority, HECO and the Consumer Advocate met to identify ways to integrate data that is currently available with data that will be obtained through monitoring and other means to quantify and analyze potential utility system costs due to distributed generation. The Authority did not allocate any resources for this initiative over the last quarter. HGIA will update the Commission on utility system cost information should discussions resume.

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<sup>12</sup> See “Decision and Order No. 32318,” filed in Docket No. 2014-0135 on September 30, 2014, at p. 66.

<sup>13</sup> See “Decision and Order No. 32318,” filed in Docket No. 2014-0135 on September 30, 2014, at p. 66.

<sup>14</sup> See “Program Notification No. 4 for the Green Infrastructure Loan Program” filed in Docket No. 2014-0135 on July 1, 2015 at pp 4-5.

<sup>15</sup> See “Decision and Order No. 32318,” filed in Docket No. 2014-0135 on September 30, 2014, at p. 60.

<sup>16</sup> See “Decision and Order No. 32318,” filed in Docket No. 2014-0135 on September 30, 2014, at p. 95.

<sup>17</sup> See “Division of Consumer Advocacy’s Statement of Position,” filed in Docket No. 2014-0135 on August 7, 2014, at p. 14.