

## Hawaii Public Meetings Calendar

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**Friday, 01/30/2026**

**Time:** 03:00 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:** 01/21/2026 03:40 PM

**Updated on:** 01/21/2026 03:40 PM

Hawaii Green Infrastructure Authority

**Date:** Friday, 01/30/2026

**Start Time:** 03:00 PM

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

### AGENDA

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

DATE: January 30, 2026  
TIME: 3:00 p.m.  
PLACE: 250 S Hotel Street, #436  
Honolulu, Hawai'i 96813  
And Video Conference

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_](https://teams.microsoft.com/l/meetup-join/19%3ameeting_)

Call in Number: +1 808-829-4853  
Meeting ID: 251 789 125 079 61  
Passcode: XN3vB7Tc

**Please note that this Teams link will not be activated until 2:55 p.m. on January 30, 2025.**

The public is welcome to participate by attending the meeting virtually or in person and/or by submitting written testimony to the Hawaii Green Infrastructure Authority ("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)

HGIA requests that written testimony be submitted by 12:00 noon on the business day before the board meeting. Testimony received after this deadline will still be accepted but may not reach board members for prior review before the 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 – December 17, 2025

**III. Program Updates**

1. Report on program updates in the Residential Loan Portfolio for the quarter ended December 31, 2025.
  - a. Data on program activities, including new applications, approved applications, and funded projects; and
  - b. Portfolio performance.
2. Report on the program updates in the Commercial Loan Portfolio for the quarter ended December 31, 2025.
  - a. Data on program activities including new applications, approved applications, and funded projects; and
  - b. Portfolio performance.
3. Update on Solar Hui Fund Program
4. Miscellaneous Program Updates

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

1. Request approval of a GEMS loan for co-borrowers SPS Solar VII LLC and Pacific Energy Capital LLC to finance the installation of a 75.05 kW solar system.
2. Request approval of a GEMS loan for co-borrowers Kala Capital LLC, SPS Solar VII LLC, Pacific Energy Capital LLC and HBA Solar LLC to finance the installation of solar systems aggregating 466.32 kW.
3. Request approval of a GEMS loan for Kala Capital LLC to finance the installation of a 69.35 kW solar + storage project.
4. Approval of HGIA's Quarterly Report to the Public Utilities Commission for the quarter ending on December 30, 2025

**V. ADJOURNMENT**

HGIA shall make the full board packet available at <http://gems.hawaii.gov/learn-more/about-us/> at least three business days prior to the meeting.

If any person requires auxiliary aid or accommodation due to a disability, please call Latrisha 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, December 17, 2025 – 3:00 p.m.

Conference Room #436 and Video Conference

250 S. Hotel Street  
Honolulu, Hawai‘i 96813

**ATTENDANCE**

Members Present: James Kunane Tokioka, Richard Wallsgrave, Mark Glick, Dennis Wong, Seth S Colby.

Member Absent:

Staff Present: Gwen Yamamoto Lau, Valerie Kubota, Jenna Seagle, Latrisha Nakasone.

Others Present: John Cole (Deputy Attorney General).

Members of the Public:

**I. ROLL CALL**

Chair Tokioka called the meeting of the Hawaii Green Infrastructure Authority to order at 3:00 p.m. Chair Tokioka called a proper roll call of all members.

Chairperson Tokioka	Present
Vice Chair Wallsgrave	Present (joined at 3:02 p.m.)
Secretary Glick	Present
Member Colby	Present
Member Wong	Present

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

**MATERIALS DISTRIBUTED**

1. Agenda for the December 17, 2025 Meeting.
2. Minutes from the November 18, 2025 Regular Meeting.
3. GEMS Bond Fund Audit
4. HGIA's Loan Fund Audit
5. 2025 Report to the Governor and Legislature

## **II. APPROVAL OF MINUTES**

1. Chair Tokioka stated that the first item on the agenda is the approval of the minutes of the November 18, 2025 regular meeting and asked for a motion to approve the minutes.

Member Wong moved, and Secretary Glick seconded the motion to approve the November 18, 2025, regular meeting minutes. Chair Tokioka asked if there was any discussion on the meeting minutes. Hearing none, he asked if there were any questions from the general public. With no questions from the general public, he called for a vote via roll call.

Ayes: Tokioka, Glick, Wong.

Nays: None.

Abstain: Colby (not present at the last meeting)

The motion carried, 3 to 0.

Member Wallsgrove joined the meeting.

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

1. Chair Tokioka stated that the first item on the agenda for discussion and decision making is the acceptance of the Green Energy Market Securitization Bond Fund audit for fiscal year ended June 30, 2025 and called on Gwen Yamamoto Lau to present highlights.

Yamamoto Lau presented the following highlights:

- N&K CPA's completed its audit of the GEMS Bond Fund and opines that said financial statements are presented fairly in all material respects, in accordance with generally accepted accounting principles. Minor, non-substantive updates may be made as final information is received.
- In accordance with established practice since 2014, the Authority submits a semiannual true-up to the Public Utilities Commission (PUC) to set the Green Infrastructure Fee (GIF) for bond debt service. The GIF was \$1.21 per residential ratepayer for January 1–June 30, 2025, and \$1.19 per residential ratepayer for July 1–December 31, 2025, reflecting changes in estimated expenses and ratepayer counts.
- The assets, liability, and fund balances remain relatively stable from year to year.
- Infrastructure fees totaled \$13.4 million, offsetting \$13.3 million in bond payments and related expenses.
- As of July 1, 2025, remaining bond obligations include \$49.2 million in principal and \$3.7 million in interest. The bond matures on June 30, 2029, with the final payment due January 2, 2029.

- There were no findings or deficiencies in internal controls, compliance, or other matters.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he asked if there were any questions from the general public. With no questions from the public, Chair Tokioka called for a motion to accept the Green Energy Market Securitization Bond Fund audit for the fiscal year ended June 30, 2025. Member Wong moved and Member Colby seconded the motion to accept the GEMS bond fund audit for the fiscal year ended June 30, 2025. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wallsgrove, Glick, Wong, Colby.

Nays: None.

The motion carried unanimously, 5 to 0.

2. Chair Tokioka stated that the next item on the agenda is the acceptance of the Hawaii Green Infrastructure Authority Loan Fund audit for fiscal year ended June 30, 2025 and called on Gwen Yamamoto Lau to present highlights.

Yamamoto Lau presented the following highlights:

- N&K CPA's completed its audit of HGIA's loan fund financial statements and opines that the financial statements are presented fairly in all material respects, in accordance with generally accepted accounting principles. Minor, non-substantive updates may be made as final information is received.
- Non-capital assets increased by \$25.8 million, primarily due to the receipt of \$10 million in federal SSBCI funds for the HI-CAP program; and net growth in loan receivables of \$13.8 million.
- Liabilities increased by \$10.2 million, primarily reflecting grants and other funds received but not yet earned, recorded as unearned revenues.
- As grant and other funds are deployed into loans, unearned revenues are reclassified as program revenues, resulting in a \$10.8 million increase from the prior year.
- Of the \$6.2 million in total expenses, approximately \$4.0 million represents amounts due to the PUC for GEMS bond-funded loan repayments, which will be transferred shortly.
- With the adoption of GASB Statement No. 101 this fiscal year, HGIA is required to recognize a liability for unpaid or unused sick leave incentive leave that is expected to be paid, based on historical usage.
- Due to increased premium costs, the State allowed its liability insurance coverage to lapse. DAGS may cover claims up to \$25,000, with any amounts exceeding this threshold requiring payment through legislative appropriations from the State's general fund.
- There were no findings or deficiencies in internal controls, compliance, and other matters.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he asked if there were any questions from the general public. With no questions from the public, Chair Tokioka called for a motion to accept the Hawaii Green Infrastructure Authority Loan Fund audit for the fiscal year ended June 30, 2025. Secretary Glick moved and Vice Chair Wallsgrove seconded the motion to accept HGIA's loan fund audit for the fiscal year ended June 30, 2025. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wallsgrove, Glick, Wong, Colby.

Nays: None.

The motion carried unanimously, 5 to 0.

3. Chair Tokioka stated that the next item on the agenda is the approval of HGIA's 2025 Report to the Governor and Legislature and asked Gwen Yamamoto Lau to present.

Yamamoto Lau presented the following highlights:

- Infographics included in the report were program impacts as of September 30, 2025.
- 2025 has been a year of disruption with the Authority receiving a termination notice for its \$62.35 million Solar for All grant; the 30% residential federal tax credit expiring on December 31, 2025; and the 30% commercial tax credit scheduled to expire at the end of 2027.
- In spite of these disruptions, 2025 was a busy year with the following milestones achieved:
  - the launch of a new residential loan application portal on 4/22/2025;
  - implementation of a new GEM\$ servicing program during the summer of 2025;
  - PUC approval of HGIA's request to modify a previous Order, allowing the retention of interest income and enabling some \$18 million in GEMS loan capital to be released for financing;
  - outreach efforts during the year included 46 media articles, 26 workshops, and 9 community outreach events;
  - securing an additional \$10 million in federal funding for the HI-CAP program;
  - featuring Participating Lenders, businesses and partners on Hawaii News Now's *HI Now Daily*;
  - administrative rulemaking for Act 296, SLH 2025 to establish a condominium loan and loan loss reserve program is currently underway with a targeted launch in spring 2026;
  - and Act 96, SLH 2025, establishing the historic Green Fee, was signed into law on May 26, 2025.
- Looking ahead, priorities include accelerating application processing, expanding targeted outreach, advancing catalytic HICAP projects, and launching the Condominium loan and Solar Hui loan programs in the coming year.

Chair Tokioka thanked Gwen for her excellent work coordinating the Hawaii News Now feature, noting that the one-hour program effectively showcased program beneficiaries and highlighted the work of DBEDT, HGIA, and the HI-CAP program.

Secretary Glick and Member Colby provided suggestions to incorporate into the report.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he asked if there were any questions from the general public. With no questions from the public, Chair Tokioka called for a motion to approve HGIA's 2025 Report to the Governor and Legislature, as amended. Vice Chair Wallsgrove moved and Secretary Glick seconded the motion to approve HGIA's 2025 Report to the Governor and Legislature. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wallsgrove, Glick, Wong, Colby.

Nays: None.

The motion carried unanimously, 5 to 0.

4. Chair Tokioka stated that the last item on the agenda is for the board to discuss the performance of the Executive Director and stated that the board will convene into Executive Session pursuant to Section 92-5(a)(2), HRS where a board may hold a meeting closed to the public to consider the evaluation of an employee where matters affecting privacy will be involved, as well as Section 92-5(a)(4) to consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he asked if there were any questions from the general public. With no questions from the public, Chair Tokioka called for a motion to enter into Executive Session. Member Wong moved and Vice Chair Wallsgrove seconded the motion to enter into Executive Session. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wallsgrove, Glick, Wong, Colby.

Nays: None.

The motion carried unanimously, 5 to 0.

Chair Tokioka stated that all members of the public will remain in public TEAMS room. Board members, Gwen Yamamoto Lau, and Deputy Attorney General John Cole were asked to join a breakout room. The meeting entered Executive Session at 3:25 p.m.

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Executive Session

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The meeting reconvened at 3:58 p.m.

Chair Tokioka summarized the Executive Session stating that the Board discussed the performance of the Executive Director and thanked Yamamoto Lau for her performance over the evaluation period.

#### **IV. ADJOURNMENT**

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

Member Wong moved, and Secretary Glick seconded the motion. Chair Tokioka adjourned the meeting by acclamation at 4:02 p.m.

Respectfully Submitted

By: \_\_\_\_\_

Mark Glick  
Its: Secretary

DRAFT

**HAWAII GREEN INFRASTRUCTURE AUTHORITY (HGIA)**  
**Loan Approval Request**  
January 16, 2026

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**BORROWER:** **SPS SOLAR VII LLC**, a Hawaii limited liability company formed on December 27, 2011, for the primary purpose of selling electricity through Power Purchase Agreements. Manager: Pacific Energy Capital LLC.

**PACIFIC ENERGY CAPITAL LLC**, a Hawaii limited liability company organized on July 28, 2011, for the primary purpose of selling electricity through Power Purchase Agreements. Its Members/Managers are Scott J. LaRue and Kevin Comcowich, each with 50% membership interest.

**GUARANTOR(S):** Scott J. LaRue (FICO █)  
Mr. LaRue is an insurance agent with over 30 years of insurance industry experience. He is also an experienced real estate developer and investor in PV installations and power purchase agreements.

A review of Scott's credit report █.

His stated net worth as of January 8, 2026 was █ and his adjusted net worth was █. Please refer to Exhibit B1 for details. (CONFIDENTIAL)

Kevin Comcowich (FICO █)  
Mr. Comcowich is retired chief executive officer and portfolio manager of HTX Energy Fund in Houston, TX; and retired president and chief investment officer of Sound Energy Partners. He currently invests in various businesses providing PV installations and power purchase agreements, as well as ranching and restaurant.

A review of Kevin's credit report █.

His stated new worth as of January 8, 2026 was █ and his adjusted net worth was █. Please refer to Exhibit B2 for details. (CONFIDENTIAL)

**PROJECT,  
LOCATION &  
DESCRIPTION:** Fresh Catch - Kaneohe  
45-1002 Kamehameha Hwy  
Kaneohe, HI 96744  
TMK (1) 4-5-019-013-0000  
75.05 kW (DC) Solar Photovoltaic Systems  
Project Cost: █

Fresh Catch is an “island style” seafood & meat deli. The company does not exceed the U.S. Small Business Administration maximum annual revenue threshold of \$13.5 million (limited-service restaurant), and is therefore an eligible offtaker for the GEMS program.

**POWER PURCHASE AGREEMENT:** The terms of the Power Purchase Agreement (PPA) are highlighted below:

Seller:	SPS Solar VII LLC
Host:	Fresh Catch LLC
PPA Term:	█ years
System Size (DC):	75.05 kW
1 <sup>st</sup> Yr Estimated Production:	90,304 kWh
Initial PPA Rate:	(CONFIDENTIAL)
Option to Purchase:	(CONFIDENTIAL).
Purchase Price:	(CONFIDENTIAL)

**SOLAR PV EQUIPMENT**

The solar equipment includes, but is not limited to:

Solar Modules: Seventy-six (76) Jinko 580W and sixty-three (63) Maxeon 475W solar modules. Total System DC Watts – . Manufacturer's limited equipment warranty: 12 years (Jinko); 25 years (Maxeon).

Solar Inverters: One hundred thirty-nine (129) Enphase / IQ8P-3PUS Micro-Inverters. Manufacturer's limited equipment warranty covers a period of 25 years.

Solar Racking: Ironridge. Manufacturer's limited equipment warranty covers a period of 25 years.

**SOLAR INSTALLER**

Duke Construction, LLC (Duke”), a Hawaii limited liability company formed on May 18, 2012. Duke is a licensed contractor (CT-32358) in good standing and has performed solar installations for the last 13 years.

**INSTALLER COST**

(CONFIDENTIAL).

**LOAN AMOUNT:**

\$230,218.00

**PURPOSE:**

Finance █% of the total project cost to purchase and install two Solar Photovoltaic Systems aggregating 75.05 kW (DC) located on Fresh Catch Kaneohe’s building and carport. The project capital stack will be as follows:

<b>HGIA Loan</b>	\$ 230,218.00	( █ %)
Borrower's Equity	█	( █ %)
Total Project Cost	\$ █	(100.00%)

<b>INTEREST RATE:</b>	4.50% per annum fixed.
<b>TERM:</b>	Twenty and one-half (20.5) years.
<b>AMORTIZATION:</b>	Twenty (20) years.
<b>REPAYMENT:</b>	Interest only payments due monthly for the first six months while the system is being installed. Thereafter, the HGIA loan shall be amortized over the remaining 20-year term of the loan, with monthly payments of principal and interest of \$1,456.47 (\$17,477.64 annually).
<b>ORIGINATION FEE:</b>	\$1,151.00 (0.50% of the loan amount)
<b>PREPAYMENT PENALTY:</b>	None.
<b>SECURITY:</b>	<ol style="list-style-type: none"><li>1. Junior lien position security interest in Borrower's personal property, including, but not limited to all accounts, accounts receivable, inventory, furniture, fixtures, equipment, general intangibles, tradenames, licenses, patents, deposit accounts, and proceeds of the foregoing.</li><li>2. First position UCC-1 over equipment financed.</li><li>3. Assignment of Power Purchase Agreement.</li><li>4. Assignment of the Site Lease Agreement</li></ol>
<b>DEBT SERVICE COVERAGE RATIO:</b>	Borrower to maintain a minimum Global Debt Service Coverage Ratio of not less than 1.30x at all times for the life of the loan.
<b>BILL SAVINGS:</b>	Estimated savings over the life of the system is approximately 27%.
<b>SOURCE OF REPAYMENT:</b>	<ol style="list-style-type: none"><li>1. Net excess cash flow from PPA.</li><li>2. Guarantor's excess cash flow.</li><li>3. Off taker's cash flow via assignment of the PPA.</li><li>4. Sale of collateral.</li></ol>
<b>CASH FLOW ANALYSIS:</b>	<p>The primary source of repayment is the aggregate PPA payments due, plus GET.</p> <p>Attached please find the Proforma (Exhibit A) based on this loan request. (CONFIDENTIAL)</p>
<b>GLOBAL CASH FLOW:</b>	The secondary source of repayment is from the Guarantors. In calculating excess personal cash flow for the purposes of this evaluation an aggregate of each Guarantor's average adjusted excess income/(loss) was used.

Collectively, HGIA has financed sixteen (16) projects, including this request, with loan proceeds aggregating \$11.0 million and total project costs aggregating \$ [REDACTED].

Please refer to Exhibits B-1 and B-2 for spread of Guarantor's financial statement, Exhibits C-1 and C-2 for spread of Guarantor's income and expenses for details, and Exhibit D for the aggregate proforma for all related projects. (CONFIDENTIAL)

**CONDITIONS PRIOR TO FUNDING**

Borrower shall provide the following documents prior to funding:

1. Updated EPC lowering the contract amount to \$ [REDACTED] and correcting the address of project site.
2. Prior to final funding, borrower shall submit a Certificate of Insurance acceptable to HGIA.

**OTHER CONDITIONS:**

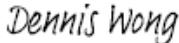
Borrower shall submit the following:

1. Tax Returns for Borrower and Guarantors (as required) including all schedules on an annual basis due within 30 days of filing.
2. Annual financial statements of off taker, as required.
3. Annual financial statements of Guarantors.
4. Borrower to provide thirty days prior notice if off taker has decided to exercise its Purchase Option. The balance of this loan may be assumable, based on the creditworthiness of the purchaser.
5. Certificate of Insurance evidencing required coverage and naming HGIA as Loss Payee or Additional Insured, requiring at least ten (10) Business Days prior written notice of cancellation.
6. Annual PV System Performance Report and Certification

**RECOMMENDATION:** Approval of this request is recommended as presented in view of the financial strength of the off-taker and its ability to satisfy the PPA, and the significant financial strength and cash flow of the guarantors and their long and successful track record with power purchase agreements and projects.

**Recommended for Approval:**

By:   
Gwen Yamamoto Lau  
Its Executive Director

By:   
Dennis Wong  
Its Member

**HAWAII GREEN INFRASTRUCTURE AUTHORITY (HGIA)**  
**Loan Approval Request**  
January 16, 2026

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**BORROWER(S):** **KALA CAPITAL LLC**, a Hawaii limited liability company formed on February 26, 2011, for the primary purpose of selling electricity through Power Purchase Agreements. Members/Managers are Scott LaRue and Kevin Comcowich, each with 50% membership interest.

**SPS SOLAR VII LLC**, a Hawaii limited liability company formed on December 27, 2011, for the primary purpose of selling electricity through Power Purchase Agreements. Manager is Pacific Energy Capital LLC of which Scott LaRue and Kevin Comcowich are the managers, each with 50% membership interest.

**PACIFIC ENERGY CAPITAL LLC**, a Hawaii limited liability company formed on July 28, 2011, for the primary purpose of selling electricity through Power Purchase Agreements. Members/Managers are Scott LaRue and Kevin Comcowich, each with 50% membership interest.

**HBA SOLAR LLC**, a Hawaii limited liability company formed on September 19, 2012, for the primary purpose of selling electricity through Power Purchase Agreements. Members/Managers are Scott LaRue and Kevin Comcowich, each with 50% membership interest.

**GUARANTOR(S):** Scott J. LaRue (FICO █)  
Mr. LaRue is an insurance agent with over 30 years of insurance industry experience. He is also an experienced real estate developer and investor in PV installations and power purchase agreements.

A review of Scott's credit report █.

His stated net worth as of January 8, 2026 was █ and his adjusted net worth was █. Please refer to Exhibit B1 for details. (CONFIDENTIAL)

Kevin Comcowich (FICO █)  
Mr. Comcowich is retired chief executive officer and portfolio manager of HTX Energy Fund in Houston, TX; and retired president and chief investment officer of Sound Energy Partners. He currently invests in various businesses providing PV installations and power purchase agreements, as well as ranching and restaurant.

A review of Kevin's credit report █.

His stated new worth as of January 8, 2026 was [REDACTED] and his adjusted net worth was [REDACTED]. Please refer to Exhibit B2 for details. (CONFIDENTIAL)

**PROJECT,  
LOCATION &  
DESCRIPTION:**

Hawaii Baptist Academy (HBA)  
2429 Pali Highway (TMK: (1) 2-2-022-003-0000)  
Middle & High Schools  
Honolulu, HI 96817

HBA Middle: 121.8 kW (DC)  
Year 1 Production: 187,045 kWh

HBA Science: 116.0 kW (DC)  
Year 1 Production: 177,896 kWh

HBA Gym: 228.52 kW (DC)  
Year 1 Production: 353,719 kWh

Aggregate: 466.32 kW (DC) Solar Photovoltaic Systems  
Aggregate Year 1 Production: 718,660 kWh  
Total Project Cost: [REDACTED]

Hawaii Baptist Academy is a Christian private school located in the heart of Honolulu. It offers exceptional education for students from preschool through high school, focusing on academic excellence and spiritual growth.

The project will repower existing systems and add additional renewable energy to offset load.

**POWER PURCHASE  
AGREEMENT:**

The terms of the Power Purchase Agreements (PPA) are highlighted below:

Seller: (Gym Building)	Kala Capital LLC
Seller: (Middle School)	HBA Solar LLC
Seller: (High School)	SPS Solar VII LLC
Host:	Hawaii Baptist Academy
PPA Term:	[REDACTED] years
System Size (DC):	466.32 kW (DC)
1 <sup>st</sup> Yr Estimated Production:	718,660 kWh
Initial PPA Rate:	(CONFIDENTIAL)
Option to Purchase:	(CONFIDENTIAL)
Purchase Price:	(CONFIDENTIAL)

**SOLAR PV  
EQUIPMENT**

The solar equipment includes, but is not limited to:

Solar Modules: Three hundred eighty-three (383) Jinko Solar 430W and five hundred twenty-two (522) Jinko Solar 580W solar modules. Total System DC Watts – . Manufacturer's limited equipment warranty covers a period of 12 years.

Solar Inverters: Three hundred eighty-three (383) Enphase IQ8H-3P—and five hundred twenty-two (522) Enphase IQ8P-3 US Micro-Inverters. Manufacturer's limited equipment warranty covers a period of 25 years.

Solar Racking: IronRidge. Manufacturer's limited equipment warranty covers a period of 25 years.

**SOLAR INSTALLER** Duke Construction, LLC (Duke"), a Hawaii limited liability company formed on May 18, 2012. Duke is a licensed contractor (CT-32358) in good standing and has performed solar installations for the last 13 years.

**INSTALLER COST** (CONFIDENTIAL)

**LOAN AMOUNT:** \$1,330,778.00

**PURPOSE:** Finance █% of the total project cost to purchase and install ten (10) solar systems aggregating 466.32 kW (DC) Solar Photovoltaic System on Hawaii Baptist Academy's campus.

The project capital stack will be as follows:

<b>HGIA Loan</b>	<b>\$1,330,778.00</b>	( █%)
Borrower's Equity	█	( █%)
Total Project Cost	\$ █	(100.00%)

**INTEREST RATE:** 4.50% per annum fixed.

**TERM:** Twenty and one-half (20.5) years.

**AMORTIZATION:** Twenty (20) years.

**REPAYMENT:** Interest only payments monthly for the first 6 months while the system is being installed. Thereafter, the loan shall be amortized over the remaining 20-year term with monthly payments of principal and interest of \$8,419.16 (\$101,029.92 annually).

**ORIGINATION FEE:** \$6,654.00 (0.50% of the loan amount)

**PREPAYMENT PENALTY:** None.

**SECURITY:** 1. Junior lien position security interest in Borrower's personal property, including, but not limited to all accounts, accounts

receivable, inventory, furniture, fixtures, equipment, general intangibles, tradenames, licenses, patents, deposit accounts, and proceeds of the foregoing.

2. First position UCC-1 over equipment financed.
3. Assignment of Power Purchase Agreements.
4. Assignment of the Site Lease Agreements.

**DEBT SERVICE COVERAGE RATIO:** Borrower to maintain a minimum Global Debt Service Coverage Ratio of not less than 1.30x at all times for the life of the loan.

**BILL SAVINGS:** Estimated savings over the life of the system is approximately 27%.

**SOURCE OF REPAYMENT:**

1. Net excess cash flow from PPA.
2. Guarantor's excess cash flow.
3. Off taker's cash flow via assignment of the PPA.
4. Sale of collateral.

**CASH FLOW ANALYSIS:** The primary source of repayment is the aggregate PPA payments due, plus GET.

Attached please find the Proforma (Exhibit A) based on this loan request. (CONFIDENTIAL)

**GLOBAL CASH FLOW:** The secondary source of repayment is from the Guarantors. In calculating excess personal cash flow for the purposes of this evaluation an aggregate of each Guarantor's average adjusted excess income/(loss) was used.

Collectively, HGIA has financed sixteen (16) projects, including this request, with loan proceeds aggregating \$11.0 million and total project costs aggregating [REDACTED].

Please refer to Exhibits B-1 and B-2 for spread of Guarantor's financial statement, Exhibits C-1 and C-2 for spread of Guarantor's income and expenses for details, and Exhibit D for the aggregate proforma for all related projects. (CONFIDENTIAL)

**CONDITIONS PRIOR TO FUNDING** Borrower shall provide the following documents prior to funding:

1. Updated EPC lowering the contract amount to [REDACTED].
2. Prior to final funding, Borrower shall submit a Certificate of Insurance acceptable to HGIA.

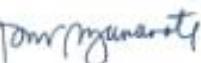
**OTHER CONDITIONS:** Borrower shall submit the following:

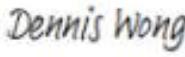
1. Tax Returns for Borrower and Guarantors (as required) including all schedules on an annual basis due within 30 days of filing.
2. Annual financial statements of the off taker, as required.
3. Annual financial statements of Guarantors.

4. Borrower to provide thirty days prior notice if the off taker has decided to exercise its Purchase Option. The balance of this loan may be assumable, based on the creditworthiness of the purchaser.
5. Certificate of Insurance evidencing required coverage and naming HGIA as Loss Payee or Additional Insured, requiring at least ten (10) Business Days prior written notice of cancellation.
6. Annual PV System Performance Report and Certification

**RECOMMENDATION:** Approval of this request is recommended as presented in view of the financial strength of the off-taker and its ability to satisfy the PPA, and the significant financial strength and cash flow of the guarantors and their long and successful track record with power purchase agreements and projects.

**Recommend Approval:**

By:   
Gwen Yamamoto Lau  
Its Executive Director

By:   
Dennis Wong  
Its Member

**HAWAII GREEN INFRASTRUCTURE AUTHORITY (HGIA)**  
**Loan Approval Request**  
January 16, 2026

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**BORROWER:** **KALA CAPITAL LLC**, a Hawaii limited liability company formed on February 26, 2011, for the primary purpose of selling electricity through Power Purchase Agreements. Members/Managers are Scott LaRue and Kevin Comcowich, each with 50% membership interest.

**GUARANTOR(S):** Scott J. LaRue (FICO █)  
Mr. LaRue is an insurance agent with over 30 years of insurance industry experience. He is also an experienced real estate developer and investor in PV installations and power purchase agreements.

A review of Scott's credit report █.

His stated net worth as of January 8, 2026 was █ and his adjusted net worth was █. Please refer to Exhibit B1 for details. (CONFIDENTIAL)

Kevin Comcowich (FICO █)  
Mr. Comcowich is retired chief executive officer and portfolio manager of HTX Energy Fund in Houston, TX; and retired president and chief investment officer of Sound Energy Partners. He currently invests in various businesses providing PV installations and power purchase agreements, as well as ranching and restaurant.

A review of Kevin's credit report █.

His stated new worth as of January 8, 2026 was █ and his adjusted net worth was █. Please refer to Exhibit B2 for details. (CONFIDENTIAL)

**PROJECT,  
LOCATION &  
DESCRIPTION:** Kaulana at Kona  
78-7110 Kaluna Street  
Kailua-Kona, HI 96740  
TMK (3) 7-8-010-0092  
69.35 kW (DC) Solar Photovoltaic System  
65 kW (153.6 kWh) Battery Energy Storage System  
Project Cost: █

Kaulana at Kona is a 44-unit condominium project constructed in 1991, which sits on the hillside of Keauhou offering easy access to Keauhou Shopping Center, nearby beaches and downtown Kona.

**POWER PURCHASE AGREEMENT:** The terms of the Power Purchase Agreement (PPA) are highlighted below:

Seller: Kala Capital LLC  
Host: Kaulana at Kona  
PPA Term: █ years  
System Size (DC): 69.35 kW  
1<sup>st</sup> Yr Estimated Production: 94,046 kWh  
Initial PPA Rate: (CONFIDENTIAL)  
Annual Escalator: (CONFIDENTIAL)  
Option to Purchase: (CONFIDENTIAL)  
Purchase Price: (CONFIDENTIAL)

**SOLAR PV EQUIPMENT**

The solar equipment includes, but is not limited to:

Solar Modules: One hundred forty-six (146) Maxeon SPR-MAX6=475-COM (or equivalent). Total System DC Watts – 69,350. Manufacturer's limited equipment warranty covers a period of 12 years.

Solar Inverters: One hundred thirty-six (136) Enphase IQ8P-3P-72-2--US and ten (10) Enphase IQ8H-240-72-M-US Micro-Inverters (or equivalent). Manufacturer's limited equipment warranty covers a period of 25 years.

Solar Racking: IronRidge Aluminum (or equivalent). Manufacturer's limited equipment warranty covers a period of 25 years.

Battery: Sol-Ark Battery Energy Storage System, aggregating 60kW / 140 kWh and Franklin WH Battery Energy Storage System 5kW / 13.6kWh. Manufacturer's limited equipment warranty covers a period of 10 years (Sol-Ark) and 12-years (Franklin WH).

**SOLAR INSTALLER**

Duke Construction, LLC (Duke"), a Hawaii limited liability company formed on May 18, 2012. Duke is a licensed contractor (CT-32358) in good standing and has performed solar installations for the last 13 years.

**INSTALLER COST**

(CONFIDENTIAL)

**LOAN AMOUNT:**

\$240,980.00

**PURPOSE:**

Finance █% of the total project cost to purchase and install five (5) Solar Photovoltaic Systems aggregating 69.35 kW (DC) with a

Battery Energy Storage System on Kaulana at Kona. The project capital stack will be as follows:

<b>HGIA Loan</b>	<b>\$240,980.00</b>	( [REDACTED] %)
Borrower's Equity	[REDACTED]	( [REDACTED] %)
Total Project Cost	\$ [REDACTED]	(100.00%)

**INTEREST RATE:** 4.50% per annum fixed.

**TERM:** Twenty (20.5) years.

**AMORTIZATION:** Twenty (20) years.

**REPAYMENT:** Interest only payments monthly for the first 6 months while the system is being installed. Thereafter, the loan shall be amortized over the remaining 20-year term with monthly payments of principal and interest of \$1,524.56 (\$18,294.72 annually).

**ORIGINATION FEE:** \$1,205.00 (0.50% of the loan amount)

**PREPAYMENT PENALTY:** None.

**SECURITY:**

1. Junior lien position security interest in Borrower's personal property, including, but not limited to all accounts, accounts receivable, inventory, furniture, fixtures, equipment, general intangibles, tradenames, licenses, patents, deposit accounts, and proceeds of the foregoing. Bank shall have the senior position.
2. First position UCC-1 over equipment financed.
3. Assignment of Power Purchase Agreement.
4. Assignment of the Site Lease Agreement

**DEBT SERVICE COVERAGE RATIO:** Borrower to maintain a minimum Global Debt Service Coverage Ratio of not less than 1.30x at all times for the life of the loan.

**BILL SAVINGS:** Estimated savings over the life of the system is approximately 21%.

**SOURCE OF REPAYMENT:**

1. Net excess cash flow from PPA.
2. Guarantor's excess cash flow.
3. Off taker's cash flow via assignment of the PPA.
4. Sale of collateral.

**CASH FLOW ANALYSIS:** The primary source of repayment is the aggregate PPA payments due, plus GET.

Attached please find the Proforma (Exhibit A) based on this loan request. (CONFIDENTIAL)

**GLOBAL CASH  
FLOW:**

The secondary source of repayment is from the Guarantors. In calculating excess personal cash flow for the purposes of this evaluation an aggregate of each Guarantor's average adjusted excess income/(loss) was used.

Collectively, HGIA has financed sixteen (16) projects, including this request, with loan proceeds aggregating \$11.0 million and total project costs aggregating [REDACTED].

Please refer to Exhibits B-1 and B-2 for spread of Guarantor's financial statement, Exhibits C-1 and C-2 for spread of Guarantor's income and expenses for details, and Exhibit D for the aggregate proforma for all related projects. (CONFIDENTIAL)

**CONDITIONS PRIOR  
TO FUNDING**

Borrower shall provide the following documents prior to funding:

1. Updated EPC reflecting the lower contract price of [REDACTED].
2. Prior to final funding, borrower shall submit a Certificate of Insurance acceptable to HGIA.

**OTHER  
CONDITIONS:**

Borrower shall submit the following:

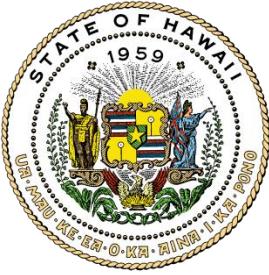
1. Tax Returns for Borrower and Guarantors (as required) including all schedules on an annual basis due within 30 days of filing.
2. Annual financial statements of off taker, as required.
3. Annual financial statements of Guarantors.
4. Borrower to provide thirty days prior notice if Kaulana at the off taker has decided to exercise its Purchase Option. The balance of this loan may be assumable, based on the creditworthiness of the purchaser.
5. Certificate of Insurance evidencing required coverage and naming HGIA as Loss Payee or Additional Insured, requiring at least ten (10) Business Days prior written notice of cancellation.
6. Annual PV System Performance Report and Certification

**RECOMMENDATION:** Approval of this request is recommended as presented in view of the financial strength of the off-taker and its ability to satisfy the PPA, and the significant financial strength and cash flow of the guarantors and their long and successful track record with power purchase agreements and projects.

**Recommended for Approval:**

By:   
Gwen Yamamoto Lau  
Its Executive Director

By:   
Dennis Wong  
Its Member



**State of Hawaii**



**Hawaii Green Infrastructure Authority**

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

**QUARTERLY REPORT:  
October 1, 2025 – December 31, 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

**January 2026**

## Table of Contents

<b>1. Introduction and Context</b>	<b>3</b>
1.1 Procedural History and Reporting Requirements	3
1.2 Overview of Program Status and Market Outlook	4
<b>2. Summary of Program Activities</b>	<b>4</b>
2.1 Administration	4
2.2 Status of Clean Energy Financing Programs	5
2.2.1 Residential Portfolio	5
2.2.2 Commercial Portfolio	6
2.2.3 State Revolving Loan Fund	6
2.2.4 GEM\$ Servicing	6
2.2.4.1. HGIA Financed GEM\$ Servicing	7
2.2.4.2 Non-HGIA Financed GEM\$ Servicing	7
2.3 Status of HI-CAP Programs	7
2.4 Status of C-PACER Financing Program	8
2.5 Status of Solar Hui Fund Program	8
2.6 Status of Condo Loan Program	8
2.7 Marketing and Customer Service Activities	8
2.8 Additional Activities	9
<b>3. Financial Summary</b>	<b>10</b>
<b>4. Additional Reporting Requirements</b>	<b>13</b>
4.1 Consumer Protection Policies	13
4.2 Utility Scale Project Financing	13
4.3 Utility Scale Cost Information Update	14

## 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.

On November 26, 2025, the Commission issued Order no. 42129 requiring additional reporting requirements, including segregating and tracking GEMS loan repayments separately from other funding sources, as well as identifying administrative expenses attributable to GEMS loan repayments and non-GEMS financing.

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 December 31, 2025:

Total Installed Capacity (kW)	21,960
Total Estimated kWh Production / Reduction Over Lifetime Since Inception	1,175,150,330
Total Petroleum Displaced Over Lifetime (Estimated Barrels)	721,594
Total Greenhouse Gas Avoided Over Lifetime (Estimated Metric Tons CO2)	353,504
Estimated Net <sup>10</sup> Bill Savings Over Lifetime	\$265,890,606
Number of Ratepayers Benefitting from GEMS/GEM\$	6866
State Tax Revenues Generated	\$22,960,996
Economic Multiplier Impact	\$405,011,054
% Underserved Residential Households Served	94%

## 2. Summary of Program Activities

The following is a summary of the activities that have occurred between October 1, 2025 and December 31, 2025.

### 2.1 Administration

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

- **Response to Nexamp Letter.** On October 20, 2025, HGIA filed a letter in response to Nexamp's Letter filed on October 7, 2025 in Non-Docketed No. PC-201703, indicating support for Commission approval to utilize the GEM\$ on-bill repayment mechanism to service CBRE projects. HGIA further informed the PUC that if on-bill repayment servicing is not available, that HGIA would not be able to finance *any* CBRE project.

<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.

- **HI-CAP Takeover Show.** On October 24, 2025, HGIA's HI-CAP Program took over HNN's HI Now Daily show to showcase its Participating Lenders, Technical Assistance partners and small businesses.
- **HGIA Site Visits.** On October 30, 2025, HGIA hosted policy makers on a tour of businesses/organizations benefitting from HGIA's financing programs, including Farm Link Hawaii, Honolulu Cookie Company, Kahauiki Village, Highway Inn and Hawaii Agricultural Research Center/Kunia Village.
- **Quarterly Report.** The Quarterly Report and financial statements covering the period of July 1, 2025 to September 30, 2025 were efiled with the Commission on October 31, 2025 in Docket No. 2014-0135.
- **Board Meeting.** The Authority held a board meeting on November 18, 2025, during which it ratified HGIA's Quarterly Report for the quarter ended September 30, 2025; updated the Delegated Authority for its Executive Director explicitly expanding authorization to include all HGIA programs; and was briefed by the Attorney General's office on the status of the Solar for All litigation.
- **Order No. 42129.** On November 26, 2025, the Commission issued Order No. 42129 in Docket No. 2014-0135 granting a prospective modification of GEMS program loan repayment priority and extending the GEM\$ Servicing pilot program to June 30, 2026.
- **Press Release.** On December 8, 2025, the Authority issued a press release informing the public that due to Order 42129, \$18.0 million in GEMS loan capital has been made immediately available to finance underserved ratepayers, defined as low to moderate-income households, nonprofits, small businesses, rural health centers and multi-family rental projects.
- **Board Meeting.** The Authority held a board meeting on December 17, 2025, during which it accepted the GEMS Bond Fund Audit and the HGIA Loan Fund Audit; approved HGIA's 2025 Report to the Governor and Legislature; and conducted a performance evaluation of its Executive Director.
- **Letter Filing.** On December 31, 2025, the Authority filed a letter in Docket No. 2014-0135 providing a correction on the response to PUC-HGIA-IR-138 regarding the GEM\$ Servicing Program; and requesting clarification on the beginning date of the prospective relief for FY2026 to begin July 1, 2025 (instead of July 1, 2026).

## 2.2 Status of Clean Energy Financing Programs

### 2.2.1 Residential Portfolio

During the quarter, HGIA received eleven new applications for its GEM\$ Servicing Loan Program and one application for its GEM\$ Servicing Lease Program.

Sixteen applications aggregating \$770,000 in total project costs were approved and one hundred-two loan and lease installations were partial or final funded based on project completion.

There are currently 94 HGIA financed systems being installed and 87 non-HGIA financed systems being installed.

Delinquent Status for the Residential Loan Portfolio as of December 31, 2025:

Loan Balance	Current	%	31 – 60 Days*	%	61 – 90 Days*	%	91+ Days	%
\$32,424,379	\$30,513,619	94.1%	\$1,284,918	4.0%	\$187,285	0.6%	\$438,556	1.4%
No.: 763	702	92.0%	44	5.8%	5	0.7%	12	1.6%

As of December 31, 2025, out of the sixty-one delinquent loans, only five (5) did not make a payment in December 2025 or January 2026. Three of these are on-

bill with the other two direct billed. The Authority continues to reach out to the direct billed borrowers for payment.

MECO's extended its disconnection moratorium for all of its Maui customers to March 7, 2026.

### **2.2.2 Commercial Portfolio**

During the quarter, the Authority approved seven (7) commercial loans aggregating \$12.8 million in total project costs, as well as two (2) solar lease facilities with estimated project costs aggregating \$18.0 million.

Delinquent Status as of December 31, 2025 for the Commercial loan portfolio:

<b>Loan Balance</b>	<b>Current</b>	<b>%</b>	<b>31 – 60 Days</b>	<b>%</b>	<b>61 – 90 Days</b>	<b>%</b>	<b>91+ Days</b>	<b>%</b>
\$33,985,291	\$33,930,291	99.8%	\$55,000	0.2%	\$0.00	0.0%	\$0.00	0.0%
No.: 83 <sup>11</sup>	82	98.8%	1	1.2%	0	0.0%	0	0.0%

As of December 31, 2025, one on-bill loan to a nonprofit was in arrears 31+ days. However, in January 2026, said nonprofit made two payments, bringing this account current.

### **2.2.3 State Revolving Loan Fund**

Delinquent Status as of December 31, 2025 for the State Revolving Loan Fund:

<b>Loan Balance</b>	<b>Current</b>	<b>%</b>	<b>31 – 60 Days</b>	<b>%</b>	<b>61 – 90 Days</b>	<b>%</b>	<b>91+ Days</b>	<b>%</b>
\$27,970,247	\$27,970,247	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 December 31, 2025, all state loans were being paid as agreed.

The Authority has been in discussions with an Agency contemplating some \$17.0 million in energy efficiency projects. Additionally, based on preliminary findings on a study conducted by the State Energy Office, there may be some six (6) agencies/departments interested in financing energy efficiency retrofits. HGIA will work with HSEO once said study is published.

### **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 GEMS financed loans due to the limited remaining GEMS loan capital.

The Commission approved this request on a pilot basis, subject to the Authority collecting and reporting the following data:

- a. Names of project developers requesting this financing;
- b. Number of LMI customer served by each project

<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.

- c. Amount of revenue collected from non-financed on-bill repayment use;
- d. Amount of loan payments/revenue created for developers; and
- e. Implementation costs.

As provided in the Letter to Commission filed in Docket no. 2014-0135 on December 31, 2025, there are two categories in the GEM\$ Servicing portfolio (1) Projects financed by HGIA with non-GEMS funds (e.g., Solar & Storage Funds, HI-CAP funds, Solar for All funds, etc.); and (2) Projects not financed by HGIA.

#### **2.2.4.1 HGIA Financed GEM\$ Servicing (Solar + Storage and Solar for All Funds)**

a. Project Developer/Contractors <sup>12</sup>	All
b. Total Projects	547
LMI Projects	542
Non-LMI Projects <sup>*13</sup>	5
c. Fees Collected:	N/A
d. Developer Gross Revenue Q2FY2026	\$52,872
Average Monthly Revenue/Project	\$152
e. Implementation Costs:	None

HGIA is working with community solar developers on financing community solar projects throughout the state utilizing HI-CAP funds. Loan repayments will be collected on-bill utilizing the GEM\$ Servicing mechanism. The Authority will provide a status update when project financing is approved.

#### **2.2.4.2 Non-HGIA Financed GEM\$ Servicing**

a. Project Developer:	Holu Hou Energy
b. Total Projects	88
LMI Projects	83
Non-LMI Projects	5
c. Fee Collected <sup>14</sup> :	\$16,750
d. Developer Gross Revenue Q2FY2026:	None
Average Monthly Revenue/Project	N/A
e. Implementation Costs:	None

All fees are paid by the Developer and netted against administrative expenses.

### **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.

<sup>12</sup> All HGIA solar contractors are eligible to install non-GEMS financed solar projects: [Hawai'i Green Infrastructure Authority | HGIA Approved Contractors](#)

<sup>13</sup> Non-LMI projects are financed 100% with private capital.

<sup>14</sup> Fees collected during FY2026

As of 12/31/2025, some \$7.8 million in HI-CAP program funds have facilitated **over \$31.9 million in loan capital** for small businesses and nonprofits statewide, with highlights by industry as follows:

➤ Hospitality	\$10,075,000
➤ Healthcare	\$ 6,930,403
➤ Food & Ag Related	\$ 5,006,000
➤ Energy	\$ 3,700,000
➤ Waste Removal	\$ 2,333,559

The Authority is also in discussions with an applicant interested in financing a PV Recycling plant as well as community solar project.

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

While no C-PACER projects have closed during the quarter, the Authority continues to work with C-PACE lenders on new construction, adaptive re-use and workforce housing construction projects.

#### **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 continues to work on rulemaking for the Condo Loan Program, with a target launch in April 2026.

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

During the quarter, HGIA was featured and/or related to eighteen (18) articles or publications as follows:

- 10/8/2025 – Hi Now Daily featuring HI-CAP’s Noh’s Food and Central Pacific Bank;
- 10/21/25 – Hawaii Public Radio, “Island Leaders from around the globe gather to discuss energy resilience”;
- 10/24/2025 – HI-Now Daily HI-CAP Takeover Show
- 10/29/2025 – DBEDT Newsletter on HI-CAP Takeover
- 11/1/2025 – Citizen’s Portal, “Urging PUC to free up \$18.0 million”
- 11/11 to 11/20/25 – Star Advertiser, Yahoo, and Garden Isle, “HI lawmakers urged to act after Federal clean energy cuts”
- 11/26/2025 – DBEDT Newsletter on HGIA Site Visits
- 12/1/2025 – Governor’s Newsletter on HGIA’s Collaboration with City
- 12/9 to 12/23/2025 – Star Advertiser, Hawaii Public Radio, Maui Now and DBEDT Newsletter, “\$18.0 million made available for financing”
- 12/18 to 12/20/2025 – EIN Presswire, Big Island Now and Kauai Now, “HGIA achieves DOE Financial Ally Goal”
- 2025 12 – HI Condo Bulletin on Condo Loan Program

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

- 10/14/2025 – PACENation – HI C-PACER Program Update
- 10/15/2025 – Creative Financing for Bermuda
- 10/23/2025 – Creative Financing for Blue Planet Alliance, Cohort 5
- 10/27/2025 – Creative Financing for Association of Pacific Island Legislators
- 10/31/2025 – Creative Financing for Belize Utility Officials

- 12/11/2025 – Creative Financing for National Coalition of Environmental Legislators

In addition to the HGIA Site Visits held on 10/30/2025, HGIA exhibited at three expos:

- 10/25/2025 – Priced Into Paradise Expo
- 11/1/2025 – Youth Climate Summit
- 11/8/2025 – Waianae Moku Resource Fair

## 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:

- **Condo Loan Program Administrative Rules.** On 1/14/2026, HGIA submitted the standard and Ramseyer versions of the administrative rules for Governor's approval to hold a Public Hearing.

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

**Balance Sheet**  
**As of December 31, 2025**

**ASSETS**

**Current Assets**

Cash in Bank Total	\$ 63,241,851
Certificate of Deposits	5,233,117
Cash in Treasury	423,519
<b>Total Cash</b>	<b>\$ 68,898,487</b>

Investments

<b>Total Cash and Investments</b>	<b>\$ 105,646,950</b>
Other Receivables	887,468

**Total Current Assets**

**Noncurrent Assets**

GEMS Loans Receivable	\$ 66,962,054
General Fund Loans Receivable	17,503,999
Allowance for Loan Losses	(169,795)
HI-CAP Loans Receivable	737,396
Solar for All Loans Receivable	270,435
Capitalized Costs	81,179
<b>Total Noncurrent Assets</b>	<b>\$ 85,385,268</b>

**Total Assets**

**LIABILITIES AND EQUITY**

**Current Liabilities**

Accounts Payable - PUC	\$ 1,669,536
Accrued Expenses	19,067
Other Current Liabilities	25,194,013
<b>Total Current Liabilities</b>	<b>\$ 26,882,616</b>

**Total Noncurrent Liabilities**

**Total Liabilities**

<b>Fund Balance, Beginning 9/30/25 (From last quarterly report)</b>	<b>\$ 161,781,737</b>
FY2025 - Audit adjustments	1,547,191
Net Income (loss) for the Quarter 10/1/25-12/31/25	1,640,013
<b>Fund Balance, Ending</b>	<b>\$ 164,968,941</b>

**Fund Balance, Beginning 7/1/25 Audited**

Net Income (loss) fiscal year-to-date	\$ 162,464,484
FY2025 - Audit Adjustment	2,502,957
	1,500
<b>Fund Balance, Ending</b>	<b>\$ 164,968,941</b>

**TOTAL LIABILITIES AND FUND BALANCE****\$ 191,918,631**

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: October 1, 2025 to December 31, 2025**

**Revenues from Operations**

Investment Interest	\$ 959,085
Interest Income on Loans	782,031
Other Income	68,382
HI-CAP Fees	10,885
HI-CAP Program Revenue	-
Solar + Storage Loan Program Revenue	1,157,408
Solar For All (SFA) Loan Program Revenue	4,224
<b>Total Revenues from Operations</b>	<b>\$ 2,982,015</b>

**Operational Expenditures**

Salaries and Benefits	\$ 360,096
Office and Administrative Expenses	6,281
Bank Fees	18,274
Program Expenses	55,138
<b>Total Operational Expenditures</b>	<b>\$ 439,789</b>

**Less: GEM\$ Servicing Fees****(16,750)****Less: Federal Reimbursements****(64,207)****Net Operational Expenditures****\$ 358,832**

79.277% GEMS	\$ 284,471
20.723% Solar + Storage Funds	74,361

**Revenues Over (Under) Expenditures****\$ 2,623,183****Payments to PUC/PBF**

PUC Repayment - Principal	\$ 665,795
PUC Repayment - Interest	599,567
Net PUC Repayment - Interest	(284,471)
<b>Total PUC Repayment</b>	<b>\$ 980,891</b>

<b>Bad Debt Expense</b>	\$	<b>1,348</b>
<b>Unrealized Gains (Losses)</b>	\$	<b>(931)</b>
<b>Net Change in Fund Balance</b>	\$	<b>1,640,013</b>
 <b>Fund Balance</b>		
<b>Beginning of Period, Unaudited</b>	\$	<b>161,781,737</b>
FY2025 - Audit adjustments		1,547,191
<b>End of Period</b>	\$	<b>164,968,941</b>

## Hawaii Green Infrastructure Authority Revenues and Expenditures

For the Semi-Annual Period: July 1, 2025 to December 31, 2025

<b>Revenues from Operations</b>		
Investment Interest	\$	2,021,937
Interest Income on Loans		1,459,490
Other Income		132,474
HI-CAP Fees		13,742
Solar + Storage Loan Program Revenue		1,157,408
Solar For All Loan Program Revenue		148,112
<b>Total Revenues from Operations</b>	\$	<b>4,933,163</b>
 <b>Operational Expenditures</b>		
Salaries & Benefits	\$	568,386
Office and Administrative Expenses		8,058
Bank Fees		36,022
Program Expenses		287,975
<b>Total Operational Expenditures</b>	\$	<b>900,441</b>
 <b>Less: GEM\$ Servicing Fees</b>	\$	<b>(16,750)</b>
<b>Less: Federal Reimbursements</b>	\$	<b>(64,207)</b>
<b>Net Operational Expenditures</b>	\$	<b>819,484</b>
 79.277% GEMS	\$	649,661
20.723% Solar+Storage Funds	\$	169,823
 <b>Revenues Over (Under) Expenditures</b>	\$	<b>4,113,679</b>
 <b>Payments to PUC/PBF</b>		
PUC Repayment - Principal	\$	1,199,063
PUC Repayment - Interest	\$	1,120,134
Net PUC Repayment - Interest	\$	(649,661)
<b>Total PUC Repayment</b>	\$	<b>470,473</b>
 <b>Bad Debt Expense</b>	\$	<b>(992)</b>
<b>Unrealized Gains (Losses)</b>	\$	<b>57,822</b>
<b>Net Change in Fund Balance</b>	\$	<b>2,502,957</b>

<b>Fund Balance</b>	
<b>Beginning of Period, Audited</b>	\$ 162,464,484
FY2025 - Audit adjustments	1,500
<b>End of Period</b>	\$ 164,968,941

Capital from general funds for Solar+Storage loans, federal funds for Solar for All loans, and federal SSBCI funds for the HI-CAP programs are posted as "revenue" for accounting purposes when earned.

Non-HGIA financed GEM\$ Servicing fees aggregating \$(16,750) during the quarter are subtracted from Total Operational Expenses. Additionally, as federal funds can only be used for specific purposes according to federal guidelines, federal reimbursements are also subtracted from Total Operational Expenses prior to allocating the remaining administrative overhead to GEMS and S&S Fund balances, based on outstanding portfolio balances.

As of 12/31/2025 balances, the allocation is 79.28% GEMS and 20.72% S&S Funds. The PUC repayment aggregates \$1,669,536 and consists of \$1,199,063 in principal and \$470,473 in net interest.

## 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>15</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>16</sup>

The GEMS Program submitted its consumer protection policies in a Program Notification to the Commission on July 1, 2015.<sup>17</sup> No complaints have been received to date regarding GEMS Deployment Partners.

### 4.2 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>18</sup>

The Authority is working with several community solar developers interested in obtaining CBRE financing. HGIA will only be able to finance CBRE projects if it can collect subscription revenues onbill utilizing its GEM\$ Program Charge mechanism.

<sup>15</sup> See "Decision and Order No. 32318," filed in Docket No. 2014-0135 on September 30, 2014, at p. 66.

<sup>16</sup> See "Decision and Order No. 32318," filed in Docket No. 2014-0135 on September 30, 2014, at p. 66.

<sup>17</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>18</sup> See "Decision and Order No. 32318," filed in Docket No. 2014-0135 on September 30, 2014, at p. 60.

#### **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>19</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>20</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>19</sup> See “Decision and Order No. 32318,” filed in Docket No. 2014-0135 on September 30, 2014, at p. 95.

<sup>20</sup> See “Division of Consumer Advocacy’s Statement of Position,” filed in Docket No. 2014-0135 on August 7, 2014, at p. 14.