

Date: 01/25/2008

Committee: House Education

Department: Education

Person Testifying: Patricia Hamamoto, Superintendent of Education

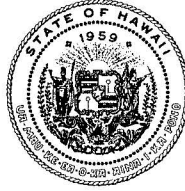
Title of Bill: HB 2281 RELATING TO ALTERNATIVE ENERGY

Purpose of Bill: Appropriates funds for grants for alternative energy utilities on public school campuses.

Department's Position: The Department of Education supports the intent of HB 2281, which is to increase Hawaii's energy self-sufficiency. However, we believe we can achieve this result without legislation. We are about to solicit a request for proposals from private providers to purchase electricity through power purchase agreements. Under the agreement, the private providers would be responsible for installing and maintaining the alternative energy utility on the various school campuses (i.e. photovoltaic panels) and the Department would agree to purchase all power generated by the alternative energy utility at a fixed cost per kilowatt for a fixed period. This would lead to a win-win situation for the Department and the private providers. It would be a win for the private providers as they would be able to sell us electricity and take advantage of the tax credits. It would be a win for the Department as we would be able to purchase power at a fixed agreed upon rate for at least a 10 to 15 year period and the maintenance and repair of these systems would be the responsibility of the private provider.

This is the approach we are planning to take with the Act 96 pilot photovoltaic project. We are confident that we will be able to meet the goals of the pilot project at virtually little cost to the State. Thank you for the opportunity to testify on HB 2281.

H.B. No. 2281
House Committee on Education
Friday, January 25, 2008, 2:00 p.m.



LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR

STATE OF HAWAII
DIVISION OF CONSUMER ADVOCACY
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
P. O. BOX 541
HONOLULU, HAWAII 96809

LAWRENCE M. REIFURTH
DIRECTOR

CATHERINE P. AWAKUNI
EXECUTIVE DIRECTOR

TO THE HOUSE COMMITTEE ON EDUCATION

THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2008

Friday, January 25, 2008
2:00 p.m.

TESTIMONY OF CATHERINE P. AWAKUNI, EXECUTIVE DIRECTOR,
DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND
CONSUMER AFFAIRS TO THE HONORABLE REPRESENTATIVE TAKUMI,
CHAIR AND MEMBERS OF THE COMMITTEE

HOUSE BILL NO. 2281 – RELATING TO ALTERNATIVE ENERGY.

DESCRIPTION:

This measure appropriates funds for grants for alternative energy utilities on public school campuses.

POSITION:

The Division of Consumer Advocacy (“Consumer Advocate”) supports the intent of this measure, which seeks to fund a grant application program for schools to install and use renewable energy devices as learning tools for students, as long as it does not replace or adversely impact priorities as indicated in the Executive Supplemental Budget Request. We defer to the Department of Education as to the amount necessary to meaningfully allow schools to deploy such renewable energy devices.

COMMENTS:

Hawaii has an abundance of renewable energy resources which can and should be used as alternatives to fossil fuels. As the measure notes, renewable energy technologies have been successfully used by schools in Hawaii, and should be utilized more extensively by schools not only for their ability to lessen Hawaii's dependence on imported fossil fuels and decrease the overall system demand on the islands' utilities, but for their ability to teach Hawaii's keiki about energy sustainability, global climate change, stewardship of our land, science, business, and math.

As an aside, I'll note that the use of the word "utilities" is somewhat confusing. Perhaps the bill may be clarified to provide an appropriation to allow schools to purchase "alternative energy devices" or something similar, since commonly the word "utilities" relates to "public utilities," which are regulated by the Hawaii Public Utilities Commission.

Thank you for this opportunity to testify.



1200 Ala Kapuna Street • Honolulu, Hawaii 96819
Tel: (808) 833-2711 • Fax: (808) 839-7106 • Web: www.hsta.org

Roger K. Takabayashi
President

Wil Okabe
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Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON
EDUCATION

RE: HB 2281 – RELATING TO ALTERNATIVE ENERGY.

January 25, 2008

ROGER TAKABAYASHI, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Takumi and Members of the Committee:

The Hawaii State Teachers Association supports HB 2281 which will aid schools in acquiring alternative energy. Currently the Department of Education allocates to individual schools a specific amount of monies to cover electricity costs. Once schools have disbursed the allocation, the remainder of electricity costs falls upon the school.

We believe finding other ways to provide our schools with electricity would be beneficial financially and academically. On the financial side, it would free up monies that may be used to pay the school's electric bill. The monies saved could be directed towards other expenses that may directly benefit the students' learning. Academically, students will be given the opportunity to strengthen their science and math skills.

We urge the committee to pass this bill.

Thank you for the opportunity to testify.