



Hawaii Solar Energy Association
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TESTIMONY OF THE HAWAII SOLAR ENERGY ASSOCIATION
IN REGARD TO H.B. 2552
RELATING TO RENEWABLE ENERGY
BEFORE THE
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
ON
TUESDAY, FEBRUARY 5, 2008

Chair Morita, Vice-Chair Carroll, my name is Richard Reed and I represent the Hawaii Solar Energy Assn. (HSEA). HSEA supports the passage of H.B. 2507.

H.B. 2552 requires DBEDT to develop a model ordinance for renewable energy projects to facilitate county planning. The bill also provides funding for what appears to be a one year project. It is unclear whether or not current DBEDT staff presently has the time or specific competence to draft the model ordinance.

In recent memory the DBEDT Energy Division has been under funded relative to the many tasks they have been asked to administer. H.B.2505 appropriates funds to hire a renewable energy projects coordinator. H.B. 2507 can be seen as the second piece to the puzzle by bringing some rationality to the various county permitting processes relative to renewable energy installations. In the future, we would hope that facilitator also will be granted the necessary third puzzle piece: the **authority** to simplify and accelerate the permit process per se.

Per our previous testimony on H.B. 2505, we believe that DBEDT's Energy Division is at a crossroads. It must rebuild and reconstitute itself very quickly. The federal funds that have employed the majority of positions in the Division for approximately twenty-eight years will be depleted in four years at the current burn rate.

DBEDT must retain a permanent in-house competence relative to the many institutional and regulatory barriers (codes, ordinances, turf) that impede the rapid deployment of both large and small-scale renewable energy technologies.

Thank you for the opportunity to testify.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
THEODORE E. LIU
Director

Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Tuesday, February 5, 2008

8:45 AM

State Capitol, Conference Room 312

in consideration of

HB 2552
RELATING TO RENEWABLE ENERGY.

Chair Morita, Vice Chair Carroll, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) appreciates the over-all concept of this bill as it includes initiatives supportive of our goals and objectives, but we are concerned about cost implications generated by this proposal. There have been many good ideas introduced this legislative session that support the State's economic development goals. We note, however, that this appropriation was not included in the Executive's Supplemental Budget, and request that this appropriation not displace the priorities contained in that budget.

HB 2552 requires the Department of Business, Economic Development and Tourism (DBEDT) to develop a model ordinance to help the counties plan for development of renewable energy projects. The measure tasks DBEDT with responsibilities that require substantial

regulatory expertise encompassing a wide range of functions currently under the authority of other State and County regulatory agencies. While DBEDT agrees that Hawaii's difficult and lengthy permit process is a barrier to renewable energy project development, and that a model ordinance may be helpful, the implementation of this measure will require substantial additional resources.

Pursuant to SCR 164, Regular Session of 2007, DBEDT conducted a study to create a one-stop permit shop for renewable energy projects. Consistent with that study, a renewable energy facilitator position is provided in the Executive Supplemental Budget to assist developers with the permit approval process and to implement permit facilitation strategies. This important position will provide near-term permit facilitation for developers and the means to work with stakeholders to address possible changes to the state's regulatory regime and assistance such as the model ordinance.

Finally, DBEDT recommends strongly that any effort at improving Hawaii's permitting processes be provided with the appropriate authority and commensurate resources to undertake this difficult task.

Thank you for the opportunity to offer these comments.

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February 4, 2008

TO: Representative Hermina M. Morita
Chair, Committee on Energy & Environmental Protection
Hawaii State Capitol, Room 314
Via Email: EEPTestimony@capitol.hawaii.gov

FROM: Gary M. Slovin

RE: H.B. 2552 – Relating to Renewable Energy
Hearing: Tuesday, February 5, 2008 at 8:45 am

Dear Chair Morita and Members of the Committee on Energy & Environmental Protection:

I am Gary Slovin testifying on behalf of Covanta Energy Group, the operator of the HPOWER, waste-to-energy facility at Campbell Industry Park.

HB 2552 requires the Department of Business, Economic Development, and Tourism to develop a model ordinance for renewable energy projects for adoption by the counties and appropriates funds to develop the model ordinance.

Covanta **supports** the intent of this measure; however, we note the absence of *municipal solid waste* or the words *waste-to-energy* in SECTION 2 (e). Municipal solid waste is an indigenous, replenishable source of energy, and waste-to-energy facilities like HPOWER are one of the very few ways that we have to produce energy without importing fossil fuels. Continuing to recognize Waste-to-Energy as a renewable energy source would be consistent not only with existing Hawaii statute, but also with nearly 30 years of Federal policy. WTE serves not only as a vital part of the municipal solid waste infrastructure, but as a key base load renewable energy source. On average, one ton of waste processed at a WTE facility can generate approximately 520 KWh of electricity, offset a barrel of oil, and reduce one ton of carbon dioxide emissions. WTE has also been identified as a part of the strategy to reduce carbon.

In addition to serving as a valuable source of renewable energy, HPOWER also serves as a reducer of greenhouse gas emissions, as noted by the Environmental

February 4, 2008
Page 2

Protection Agency. Most of this reduction is brought about by preventing the generation of methane when waste is processed at a facility instead of being sent to a landfill. Methane (which is more than 21 times more potent a greenhouse gas than carbon dioxide) is produced by landfills, and is the second largest greenhouse gas in the United States. It is such a potent greenhouse gas that the European Union has placed fees nearing \$100/ton above tip fees on trash going to landfills in an attempt to greatly restrict their use. The EU is meeting the greenhouse gas reduction requirements of the Kyoto protocol by discouraging landfills and increasing WTE and recycling. Moreover, HPOWER's conversion of municipal solid waste to energy has been done in a manner that meets extremely strict environmental standards.

Therefore, Covanta requests that HB 2552 be amended by including "waste to energy" in the definition of "renewable energy" in SECTION 2 (e) of the bill.

With this amendment, Covanta is pleased to offer support for HB 2552.

Thank you very much for this opportunity to submit testimony.