

**Date:** 02/04/2008

**Committee:** Senate Energy and Environment; Senate Education

**Department:** Education

**Person Testifying:** Patricia Hamamoto, Superintendent of Education

**Title of Bill:** SB 2227 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 (DOE) does not support SB 2227 as we believe we can achieve this result without legislation. The DOE is supportive of increasing Hawaii's energy self-sufficiency. The DOE is 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 SB 2227.