

SB 2846

TESTIMONY BEFORE THE SENATE COMMITTEE ON
ENERGY AND ENVIRONMENT

Tuesday, February 5, 2008
3:00 p.m.

Conference Room 414, State Capitol

S. B. No. 2846

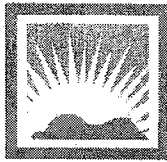
By William A. Bonnet, Vice President
Government and Community Affairs
Hawaiian Electric Company, Inc.

Chair Menor, Vice-Chair Hooser, and Members of the Committee:

My name is Bill Bonnet, testifying on behalf of Hawaiian Electric Company, Inc. and our subsidiary companies, Hawaii Electric Light Company, Inc. and Maui Electric Company, Ltd.

Act 234 requires statewide reduction of green house gases to 1990 levels by the year 2020. Administration of this effort is assigned to the Department of Business Economic Development & Tourism (DBED&T) In addition to its existing duties, DBEDT was given significant additional responsibility as a result of Act 234, but without commensurate staffing and financial resources. SB 2846 is a step in the right direction to equip the Department to handle the task of managing the task force created under Act 234. Given the importance of the work, more resources and support will be needed, and it is hoped that this bill is the precursor of additional support to come.

For these reasons, we support SB 2846 and recommend its passage. Thank you for the opportunity to testify.



LATE TESTIMONY

Hawaii Solar Energy Association
Serving Hawaii Since 1977

TESTIMONY OF THE HAWAII SOLAR ENERGY ASSOCIATION
IN REGARD TO S.B. 2846
RELATING TO GREENHOUSE GAS EMISSIONS REDUCTION
BEFORE THE
SENATE COMMITTEE ON ENERGY & ENVIRONMENT
ON
TUESDAY, FEBRUARY 5, 2008

Chair Menor, Vice-Chair Hooser and members of the committee, my name is Richard Reed and I represent the Hawaii Solar Energy Assn. (HSEA). HSEA supports the passage of S.B. 2846.

S.B. 2846 creates within DBEDT two temporary full time "specialized personnel" to provide professional and technical support to the greenhouse gas emission task force established in 2007 by Act 234.

In recent memory the DBEDT Energy Division has been under funded relative to the many tasks they have been asked to administer. The problems that will be addressed by the task force are intractable. They will not go away in a year and neither should the funding. In my experience it will take the new appointments at least that long simply to come up to speed.

HSEA believes 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.

It is imperative that DBEDT acquire a number of competent full-time staff over the next few years to administer, analyze, and manage the incredibly important transition that is now underway in Hawaii from a fossil to renewable-based economy.

Thank you for the opportunity to testify.

Unlike the Demand-Side Management Programs (DSM) that will be transferring from our electric utilities (with the exception of KIUC) in 2008, the Pay As You Save pilot – which HECO has renamed SolarSaver – will remain under utility company administration. In the current SolarSaver model, the contractor incurs all the upfront costs to install the system. He then awaits a utility company inspection and a check. The success or failure of the proposed PV pilot will depend in large measure on the timeliness of the reimbursement process.

One note for the record: HSEA hopes that the committee will make clear that Pay As You Save either does or does not refer to the specific provisions integral to the trademarked energy efficiency/renewables financing concept known as Pay As You Save® or PAYS®, developed by Harlan Lachman and Paul Cillo of the Energy Efficiency Institute, Inc. The trademark rights to PAYS® are vested in the non-profit organization PAYS America, which headquarters in Boston, MA.

PUC Docket No. 2006-0425, opened in October, 2006, was initiated to examine the issues raised by and contained in Act 240. Central to this investigation – at least in our mind - was whether or not the legislature had intended to require all the provisions of PAYS®, or just some of them. A plain reading of the law would indicate that the legislature did not intend to enact all the PAYS® provisions, yet there is some evidence to support a different interpretation. HSEA requests that the committee's intent and objective in regard to the PAYS® provisions be made explicit as this measure moves forward.

Thank you for the opportunity to testify.