

LATE

Hawaii Solar Energy Association
Serving Hawaii Since 1977

January 28, 2010
3:00PM

Senate
COMITTEE ON ENERGY AND ENVIRONMENT

Mark Duda
President

SB 2233

TESTIMONY IN SUPPORT

Aloha Chair Gabbard, Vice Chair English, and Members of the Committee:

The Hawaii Solar Energy Association supports SB 2233, a measure to change the language of the law concerning uncertainty for agencies to receive funding for energy efficiency improvements from "may" to "shall". This simple but necessary amendment will ensure state agencies continue to receive their budget appropriation for energy expenditures when undertaking energy efficiency improvements and thus will be motivated to undertake the administrative and project management workload associated with these improvements. This amendment will continue to move the state forward towards a clean energy future for Hawaii, and allows all stakeholders to take part in this effort.

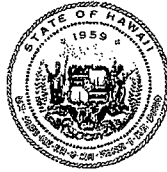
Thank you for the opportunity to testify on this measure.

Mark Duda
President, Hawaii Solar Energy Association

About Hawaii Solar Energy Association

Hawaii Solar Energy Association (HSEA) is comprised of installers, distributors, manufacturers and financiers of solar energy systems, both hot water and PV, most of which are Hawaii based, owned and operated. Our primary goals are: (1) to further solar energy and related arts, sciences and technologies with concern for the ecologic, social and economic fabric of the area; (2) to encourage the widespread utilization of solar equipment as a means of lowering the cost of energy to the American public, to help stabilize our economy, to develop independence from fossil fuel and thereby reduce carbon emissions that contribute to climate change; (3) to establish, foster and advance the usefulness of the members, and their various products and services related to the economic applications of the conversion of solar energy for various useful purposes; and (4) to cooperate in, and contribute toward, the enhancement of widespread understanding of the various applications of solar energy conversion in order to increase their usefulness to society.

LINDA LINGLE
GOVERNOR



LATE

RUSS K. SAITO
Comptroller

SANDRA L. YAHIRO
Deputy Comptroller

**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
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TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
ENERGY AND ENVIRONMENT
ON
January 28, 2010
S.B. No. 2233

RELATING TO ENERGY

Chair Gabbard and members of the Committee, thank you for the opportunity to testify on S.B. No. 2233.

The Department of Accounting and General Services (DAGS) opposes this bill. It will facilitate the implementation of energy savings performance contracting (ESPC) projects that: reduce energy consumption; increase operational efficiencies; and use annual energy savings to pay for 3rd party, municipal lease financing of building improvements that will result in guaranteed annual energy savings by an energy services company (ESCO). In implementing an ESPC project, only as many improvements as can be paid out of the agency's operating budget can be implemented. Thus, it is desirable to have a budget that allows for this,

However, the State's economy and revenue streams will at times dictate that budget cuts are necessary to keep the State solvent. Because of this, the language of Section 36-41(a) should

retain the word "may", and not replace it with the word "shall". The ability of the Administration to reduce spending where necessary in a bad economy must be preserved.

Thank you for the opportunity to testify on this matter.