

SB 2551

LINDA LINGLE  
GOVERNOR



RUSS K. SAITO  
Comptroller

SANDRA L. YAHIRO  
Deputy Comptroller

**STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING  
AND GENERAL SERVICES**

P.O. BOX 119  
HONOLULU, HAWAII 96810-0119

TESTIMONY  
OF  
RUSS K. SAITO, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
SENATE COMMITTEES  
ON  
ENERGY AND ENVIRONMENT  
AND  
TRANSPORTATION, INTERNATIONAL AND INTERGOVERNMENTAL AFFAIRS  
ON  
February 16, 2010

S.B. 2551

RELATING TO NET ZERO ENERGY BUILDING PERMITTING

Chair Gabbard, Chair English, and members of the Committees, thank you for the opportunity to testify on S.B. 2551.

The Department of Accounting and General Services (DAGS) opposes this bill because it is premature. Priority permitting for net zero energy building projects would require that a “net zero energy design” be first adopted in an applicable building code by the State and each of the counties. The code that is about to be adopted by the State Building Code Council is the 2006 International Energy Conservation Code as amended for Hawai‘i. That code does not specify the required net zero energy design. Thus, there is no standard against which to review and approve a building permit, on a priority basis, for a net zero energy building project.

DAGS recommends that if the intent of S.B. 2551 is to promote the implementation of net zero energy design buildings, S.B. 2674 be heard and advanced. This administration bill proposes to have all new single-family residential construction be designed to be a “net zero energy capable design” starting January 1, 2015. S.B. 2674 starts with single family residential construction because the net zero energy design for such construction can be practically achieved by 2015. A net zero energy design for buildings in general will require more analysis.

Thank you for the opportunity to testify on this matter.



COLLEGE OF SOCIAL SCIENCES  
**HAWAII ENERGY POLICY FORUM**  
UNIVERSITY OF HAWAII AT MANOA

Testimony of  
Darren Kimura  
Co-Chair – Energy Efficiency Working Group  
Hawai'i Energy Policy Forum

**Hawai'i Energy Policy Forum**

Ms. Stephanie Ackerman, The Gas Co.  
Mr. Robbie Alm, HECO  
Ms. Amy Asselbayer, Office of US Rep. Neil Abercrombie  
Ms. Madeleine Austin, World Business Academy  
Mr. Warren Bollmeier, Hawai'i Renewable Energy Alliance  
Mr. Carlito Caliboso, PUC (Observer)  
Mr. Albert Chee, Chevron  
Ms. Elizabeth Cole, The Kohala Center  
Mr. Kyle Datta, New Energy Partners  
Ms. Laura Dierenfield, People's Advocacy for Trails Hawai'i (PATH)  
Mr. Mark Duda, HI Solar Energy Asst.  
Sen. Kalani English, Hawai'i State Senate  
Mr. Mitch Ewan, UH HNEI  
Mr. Carl Freedman, Haiku Design & Analysis  
Sen. Mike Gabbard, Hawai'i State Senate  
Mr. Mark Glick, OHA  
Dr. Michael Hamnett, RCUH  
Dr. Robert Harris, Sierra Club  
Mr. William Kaneko, Hawai'i Institute for Public Affairs  
Mr. Darren Kimura, Energy Industries Holdings  
Ms. Kelly King, Sustainable Biodiesel Alliance  
Mr. Mike Kitamura, Office of US Senator Daniel K. Akaka  
Mr. Kai Kobayashi & Victor Reyes, Maui County Energy Office  
Mr. Laurence Lau, State of Hawai'i DOH  
Mr. Allyn Lee, C&C of Honolulu Dept. of Design & Construction  
Dr. Stephen Meder, UH Center of Smart Building & Community Design  
Dr. Sharon Miyashiro, UH College of Social Sciences Public Policy Center  
Rep. Hermina Morita, Hawai'i State House of Representatives  
Mr. Dean Nishina, Div of Consumer Advocacy  
Mr. Tim O'Connell, USDA-Rural Development  
Ms. Melissa Pavlicek, Hawaii Public Policy Advocates  
Mr. Ted Peck, State of Hawai'i DBEDT Strategic Industries Division  
Mr. Randy Perreira, Hawai'i State AFL-CIO  
Dr. Rick Rocheleau, UH HNEI  
Mr. William Rolston, Hawai'i County Dept. of Research & Development  
Mr. Peter Rosegg, HECO  
Mr. Steven Rymsha, KIUC  
Mr. Riley Saito, PowerLight Corporation  
Mr. Glenn Sato, Kaua'i County Office of Economic Development  
Mr. Bill Short, BIA of Hawai'i  
Ms. Joelle Simonpietri, Simonpietri Enterprises LLC  
Mr. H. Ray Starling, Hawai'i Energy Group LLC  
Mr. Lance Tanaka, Tesoro Hawai'i Corp.  
Dr. Don Thomas, UH Center for the Study of Active Volcanoes  
Ms. Maria Tome, State of Hawai'i DBEDT Energy Office  
Mr. Murray Towill, Hawai'i Hotel Association  
Mr. Joshua Wisch, Office US Representative Mazie Hirono  
Mr. Alan Yamamoto, Office US Senator Daniel Inouye

House Committee on Energy and Environmental Protection  
Tuesday, February 16, 2010  
2:45 p.m.  
Conference Room 225

**IN SUPPORT OF SB 2551, Relating to Net Zero Energy Building Permitting**

I am Darren Kimura, Co-Chair of the Energy Efficiency Working Group of the Hawaii Energy Policy Forum ("Forum"). The Forum is comprised of 47 representatives from the electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. We have been meeting since 2002 and have adopted a common vision and mission, and a comprehensive "10 Point Action Plan," which serves as a framework and guide for meeting our preferred energy vision and goals. The Forum strongly supports passage of SB 2551 as it promotes energy efficiency technology development for the State.

SB 2551 defines "net zero energy building" as one that consumes zero net energy and produces zero carbon emissions; and gives priority handling and processing for state and county permits for such projects.

Net zero energy buildings are as important to reducing carbon emissions and our use of fossil fuels as are renewable energy projects –and they are less expensive and can be brought on line more immediately. This bill is a no-cost incentive that will increase our energy efficient building stock and achieve a cleaner energy future for Hawaii.

Based on the foregoing, the Forum strongly supports SB2551. and respectfully urges passage of the bill.

Thank you for the opportunity to testify.

*This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies or organizations.*



**Hawaii Solar Energy Association**  
*Serving Hawaii Since 1977*

February 16, 2010  
2:45 P.M.

**Senate**  
**COMITTEE ON ENERGY AND ENVIRONMENT**  
**&**  
**COMMITTEE ON TRANSPORTATION,**  
**INTERNATIONAL AND INTERGOVERMENTAL**  
**AFFAIRS**

**Mark Duda**  
President

**SB 2551**

**TESTIMONY IN SUPPORT**

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

SB 2551 defines "net zero energy building" as one that consumes zero net energy and produces zero carbon emissions; and gives priority handling and processing for state and county permits for such projects.

Net zero energy buildings are as important to reducing carbon emissions and our use of fossil fuels as are renewable energy projects. They target current and future energy security and carbon-related challenges by engineering out future problems. In many cases they are less costly than renewable energy projects that achieve the same emissions reduction. Further, most rely on existing technologies and can be rapidly deployed. This bill is a no-cost incentive that will increase our energy efficient building stock and achieve a cleaner energy future for Hawaii.

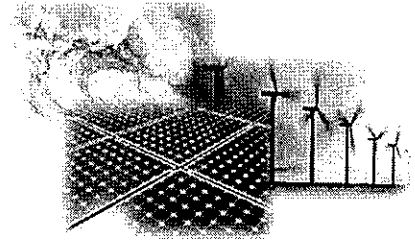
Based on the foregoing, the HSEA strongly supports SB2551 and respectfully urges passage of the bill.

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.*



**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT  
SENATE COMMITTEE ON TRANSPORTATION,  
INTERNATIONAL AND INTERGOVERNMENTAL AFFAIRS**

February 16, 2010, 2:45 P.M. Room 225

(Testimony is 1 page long)

**TESTIMONY IN SUPPORT OF SB 2551, SUGGESTED AMENDMENT**

Chairs Gabbard and English and members of the committees:

The Blue Planet Foundation supports Senate Bill 2551, measure to provide priority processing to net zero energy homes. Priority processing of permits for net zero energy homes—sending them to the front of the permitting line—is an easy, no-cost incentive to encourage more smart energy homes.

A net zero energy home (ZEH) is one that—on balance—generates as much energy as it uses. Some homes in Hawai'i are already ZEH. Blue Planet's "Hawai'i Home Energy Makeover" TV special demonstrated how one home in Kalihi Valley eliminated their energy bill by making energy efficiency improvements and installing photovoltaic energy. More and more homes will be moving toward net zero energy as the clean energy technology improves and the price of fossil-based electricity increases. But even with today's technology, a net zero energy home can provide immediate positive cash flow to the homeowner at today's energy prices when the electricity cost is combined with the mortgage cost.

On O'ahu, there are several ZEHs that have been completed or are being planned. Up to five new ZEH duplexes are being built by Actus Lend Lease at Schofield Barracks, two new and one retrofit ZEH are being built by Forest City, and the Department of Hawaiian Homelands is preparing to break ground on 18 ZEHs for the Kaupuni Village project.

Blue Planet recommends amending the proposed definition of "net zero energy building" to clearly define the length of time over which the net zero energy will be calculated (production minus consumption). Further, while we support zero carbon emissions from homes, the definition may be too narrow, depending on how literally it is construed.

Through this policy, Hawai'i will benefit from a reduction in the projected energy demand with minimal additional costs to the state. Further, this policy should encourage the growth of local energy efficiency and renewable energy capacities in the development and construction industries. Thank you for the opportunity to testify.

**Jeff Mikulina, executive director • [jeff@blueplanetfoundation.org](mailto:jeff@blueplanetfoundation.org)**

55 Merchant Street 17<sup>th</sup> Floor • Honolulu, Hawai'i 96813 • 808-954-6142 • [blueplanetfoundation.org](http://blueplanetfoundation.org)