
A BILL FOR AN ACT

RELATING TO ENERGY RESOURCES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that independence from
2 fossil fuels is critical for the security and well being of
3 Hawaii's residents and for the sustainability and vitality of
4 Hawaii's economy. Rising oil costs and increased dependence on
5 foreign oil continue to place Hawaii's families and businesses
6 in a vulnerable position. Continued consumption of fossil fuel
7 will also worsen global warming, which in turn could mean
8 increasing frequency and intensity of storms and rising sea
9 levels in Hawaii. This will cause significant and costly
10 impacts to our island communities as well as to the larger
11 world.

12 The legislature also finds that the installation of solar
13 water heaters on new single-family and duplex homes is one of
14 the most cost-effective and efficient ways of moving Hawaii's
15 families off of fossil fuels. A conventional electric water
16 tank accounts for thirty to thirty-five per cent of a
17 household's electric bill. By relying on the sun for ninety per
18 cent of its hot water demand, a family could save enough money



1 to pay for its solar system in five to seven years. After the
2 system is paid off, the heating of water is essentially free.
3 In addition to federal tax credits, when the cost of a solar
4 water heater is included in the cost of a mortgage there could
5 also be the added value of tax deductions. For the reasons
6 above, in 2008 the legislature passed Act 204, Session Laws of
7 Hawaii 2008, requiring solar water heaters on new single-family
8 homes. However, the legislature further finds that the
9 extraordinary number of variances granted from the solar water
10 heater requirement for tankless gas heaters thwarts the purpose
11 of Act 204.

12 The purpose of this Act is to require a certain type of
13 application for a variance from the solar water heater
14 requirement to be submitted by the ultimate occupant of the
15 dwelling unit, rather than a licensed architect or mechanical
16 engineer.

17 SECTION 2. Section 196-6.5, Hawaii Revised Statutes, is
18 amended to read as follows:

19 **"§196-6.5 Solar water heater system required for new**
20 **single-family residential construction.** (a) On or after
21 January 1, 2010, no building permit shall be issued for a new
22 single-family or duplex dwelling that does not include a solar



1 water heater system that meets the standards established
2 pursuant to section 269-44, unless the coordinator approves a
3 variance~~[-]~~ as provided in subsections (b) or (c).

4 (b) A variance application under this subsection shall
5 only be accepted if submitted by an architect or mechanical
6 engineer licensed under chapter 464, who attests that:

7 (1) Installation is impracticable due to poor solar
8 resource;

9 (2) Installation is cost-prohibitive based upon a life
10 cycle cost-benefit analysis that incorporates the
11 average residential utility bill and the cost of the
12 new solar water heater system with a life cycle that
13 does not exceed fifteen years; or

14 (3) A renewable energy technology system, as defined in
15 section 235-12.5, is substituted for use as the
16 primary energy source for heating ~~[water; or]~~ water.

17 ~~[(4) A]~~ (c) A variance application under this subsection
18 for a demand water heater device approved by Underwriters
19 Laboratories, Inc., ~~[is installed; provided]~~ shall only be
20 accepted if the variance applicant will pay for the energy
21 consumption cost. As part of the application, the applicant
22 shall sign an affidavit stating that the applicant will be the



1 occupant of the new house and has read a flyer issued by the
2 department of business, economic development, and tourism
3 showing the life-cycle cost comparisons of a solar water heater
4 and a tankless gas water heater of equivalent capacities, and
5 that at least one other gas appliance is installed in the
6 dwelling. For the purposes of this [~~paragraph~~] subsection,
7 "demand water heater" means a gas-tankless instantaneous water
8 heater that provides hot water only as it is needed.

9 [~~b~~] (d) A request for a variance shall be submitted to
10 the coordinator on an application prescribed by the coordinator
11 and shall include a description of the location of the property
12 and justification for the approval of a variance using the
13 criteria established in subsection (a). A variance shall be
14 deemed approved if not denied within thirty working days after
15 [~~receipt~~] acceptance of the variance application. The
16 coordinator shall publicize:

- 17 (1) All applications for a variance within seven days
18 after [~~receipt~~] acceptance of the variance
19 application; and
- 20 (2) The disposition of all applications for a variance
21 within seven days of the determination of the variance
22 application.



1 ~~[(e)]~~ (e) The director of business, economic development,
2 and tourism may adopt rules pursuant to chapter 91 to impose and
3 collect fees to cover the costs of administering variances under
4 this section. The fees, if any, shall be deposited into the
5 energy security special fund established under section 201-12.8.

6 ~~[(d)]~~ (f) Nothing in this section shall preclude any
7 county from establishing procedures and standards required to
8 implement this section.

9 ~~[(e)]~~ (g) Nothing in this section shall preclude
10 participation in any utility demand-side management program or
11 public benefits fee program under part VII of chapter 269."

12 SECTION 3. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: Neil D. Mc (BR)



S.B. NO. 2171

Report Title:

Solar Water Heater; Gas; Renewable Energy

Description:

Replaces the requirement that a variance application submitted by an architect or licensed mechanical engineer be accepted under certain conditions with the requirement that a variance application submitted by a new occupant of the house be accepted under certain conditions.

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