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Senator Mike Gabbard, Chair
Senator J. Kalani English, Vice Chair
Senate Energy and Environment Committee

United States Green Building Council Hawaii Chapter, Green Schools Committee

Thursday, February 3 2011

Testimony in support for the intent of SB 1197, Relating to Energy and Environment
(Testimony is 2 pages)

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

The United States Green Building Council's (USGBC) mission is to transform the way buildings and communities are designed, built and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life.

We support the intent of SB1197 requiring the incorporation of alternative energy sources into construction of, and major renovation to, schools and state facilities for which planning begins on or after July 1, 2011.

As an island state 90% of our energy comes through fossil fuels shipped from thousands of miles away. This is not sustainable or cost effective. Despite the general cost premiums associated with alternative energy, at least for solar, cost per kW is becoming competitive with our existing energy generation sources as new technologies and economies of scale reduce its cost.

Although we support SB1197 in concept, there are a number of issues we would like to see addressed in the bill:

1. Will the State's energy utility companies have the resources and capacity available to control the inconsistent energy production and consumption waves that often are associated with solar and wind? The amount of energy being put into the electricity grid is heavily influenced by the type of weather we have. A partially cloudy day or unusual wind pattern in various parts of the island could cause unexpected demands on to the electrical grid. This is of special concern with more rural islands and would need to be addressed if the bill is passed.

2. The Department of Education has already begun to implement solar Power Purchasing Agreements (PPA) at Kaimuki, Aiea, Waianae, and Kahuku High Schools¹ with Hawaii Pacific Solar, LLC and an RFP for a new classroom complex at Lanai High and Elementary School. This has been a popular option for the DOE because they do not have to pay up front for the equipment. In this arrangement, the companies install and maintain the equipment while the state pays for the electricity generated by the alternative energy system at a consistent cost rate lower than standard utility costs. But if the DOE chooses this route, there are upfront costs needed to acquire such agreements through existing procurement laws. We recommend that this bill provide funds to assist the DOE to conduct requests for proposals (RFPs) per standing procurement laws.
3. Not every environment is created equally. This bill states that every project over \$1,000,000 shall include alternative energy sources addressing at least 10% of the building's energy use in the project. The DOE should be able to transfer its 10% requirement to another school if a suitable location on the building or campus cannot be found, so that where ever it is ultimately installed it will be producing energy at an optimal level. This would ensure that the money expended for alternative energy is maximized.
4. In the past the business community has approached the DOE with offers to install alternative energies at schools but because of complications from the DOE's end the deals fell through. If money is an issue for the DOE, engaging these groups and providing the administrative support to designate schools as "Alternative Energy Ready" for the sake of streamlining a process with interested groups could be a win-win situation for all.

Thank you for this opportunity to offer these comments for your consideration and the opportunity to provide testimony in support of SB1197.

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<http://www.hcps.k12.hi.us/STATE/COMM/DOEPRESS.NSF/a1d7af052e94dd120a2561f7000a037c/9faaf8208820e360a25771f0070fd0d?OpenDocument>