SCR 61, SD1

ENCOURAGING SINGLE-FAMILY RESIDENCE BUILDERS AND COUNTIES TO CONSIDER CERTAIN FACTORS THAT WILL FACILITATE INSTALLATION OF PHOTOVOLTAIC SYSTEMS DURING THE CONSTRUCTION AND DEVELOPMENT OF SINGLE-FAMILY RESIDENCES.

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of
Richard C. Lim
Director
Department of Business, Economic Development and Tourism
before the
SENATE COMMITTEE ON
PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS
April 5, 2012
2:40 p.m.
State Capitol, Conference Room 224
in consideration of
SCR 61, SD1

Chair Espero, Vice Chair Kidani, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **supports** SCR 61, SD1, which recognizes the importance of encouraging counties and developers of single-family residences in Hawaii to adopt, whenever practical, design features that would help facilitate the installation of photovoltaic systems on the rooftops of new homes. DBEDT supports the nine design elements listed in SCR 61, SD1, some of which consider the impacts solar installations will have on the structural and electrical integrity of the new home.

We believe, as the price of PV systems continues to fall, the installation of residential PV systems will become increasingly cost effective and will offer new home buyers a practical way of tapping into a clean energy source, thus helping our State reduce its reliance on imported oil.

Thank you for the opportunity to offer these comments.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

Testimony to Senate Committee on Public Safety, Government Operations, and Military Affairs

Thursday, April 5, 2012

2:40p.m.

Capitol Room 224

RE: SCR 61 SD1, Encouraging Single-Family Residence Builders and Counties to Consider Certain Factors That Will Facilitate Installation of Photovoltaic Systems During the Construction and Development of Single-Family Residences

Good morning Chair Espero, Vice-Chair Kidani, and members of the Committee:

My name is Gladys Marrone, Government Relations Director for the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, BIA-Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

While BIA-Hawaii supports the intent behind this resolution, for the reasons that follow, BIA-Hawaii respectfully opposes SCR 61 SD1.

SCR 61 is contrary to the findings of the working group that studied the feasibility of requiring all new single-family residential construction incorporate design elements to make the structure photovoltaic-ready at the time of initial construction. They found that a mandate to incorporate design elements to make structures PV-ready at the time of initial construction could ultimately result in relatively little cost savings.

The photovoltaic (PV) industry has changed in the last 2-3 years. According to a recent discussion with a large PV contractor, as many as 50% of the systems are using "micro inverters" (on roof) and the other 50% may use "central" inverters (on ground), which changes the design criteria. Builders only have a 50% chance of getting it right, due also in part to the tax incentive structure. At this time, it does not make sense to pre-wire for a future PV system of unknown specifications. Reasons may include:

- Builders cannot effectively design PV systems to meet unknown system and occupant requirements (system size & specifications);
- Each home has a different solar orientation;
- Multiple "disconnects" or a single "disconnect" may be required, which can change the pre-wire design (unknown until final system design)
- Multiple "systems" and inverters may used
- The definition of a "system," as related to the tax code, may change
- The inverter can be on the roof or on the ground

The needs of each home must be assessed by a PV professional who considers occupant load, PV budgets, orientation, tax incentives, and the structure. Each household need is not determinable until the homeowners move in.

A single pre-wire design that works for all conditions is difficult to establish based on known criteria and changing technology. Many, or most, pre-wires may go abandoned or unused. Until the industry and the tax code for rebates settles down, all of the potential system variables for a pre-wire that is usable in all cases cannot be accurately predicted, which can result in excessive costs.

BIA-Hawaii supports the Legislature's efforts to pursue renewable energy sources such as geothermal and wind to help Hawaii residents reduce their reliance on foreign oil.

BIA-Hawaii believes the idea behind SCR 61 SD1 is an admirable one, however, we believe it does not, and will not work at the present time. Therefore, BIA-Hawaii respectfully opposes SCR 61 SD1.

Thank you for the opportunity to express our views.