

TESTIMONY OF HERMINA MORITA  
CHAIR, PUBLIC UTILITIES COMMISSION  
DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE  
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

MARCH 21, 2013  
8:30 a.m.

**MEASURE:** H.C.R No. 99/H.R. No. 76

**TITLE:** Requesting the Public Utilities Commission to Have the Public Benefits Fee Administrator Consider Investing in Marketing and Offering Rebates to Encourage Proper Maintenance of Solar Water Heating Systems

Chair Lee and Members of the Committee:

**DESCRIPTION:**

H.C.R. No. 99 and H.R. No. 76 (collectively "Resolutions") request the Public Utilities Commission ("Commission") 1) to require the Public Benefits Fee Administrator, also known as Hawaii Energy, to consider investing in marketing and the offering of rebates to encourage proper solar water heating ("SWH") system maintenance, and 2) to submit a report to the Legislature prior to the start of the 2014 legislative session on its findings, recommendations, and any proposed legislation.

**POSITION:**

The Commission supports the intent of these Resolutions, but believes they are unnecessary given the ongoing efforts of Hawaii Energy in addressing the issues associated with SWH maintenance. The following comments are offered for the Committee's consideration.

**COMMENTS:**

These proposed Resolutions are not necessary given the Public Benefits Fee Administrator's ongoing evaluation and analysis of its Solar Water Heater Tune-Up Pilot Program ("Pilot Program"). Hawaii Energy conducted its Pilot Program during 2011, servicing 320 participating homeowners. Results from that Pilot Program are

currently being reviewed to justify the Program and its costs, and to make the necessary improvements to a Solar Water Heater Tune-Up Program (“SWH Tune-Up Program”) that is scheduled to commence in July of this year.

To put the potential impact of Hawaii Energy’s SWH Tune-Up Program in context, a study conducted over ten years ago found that 5% of a group of randomly checked SWH systems in Hawaii were inoperable and 9% were found to not be functioning optimally. Extrapolating these numbers would equate to over 9,000 underperforming systems today. Most SWH problems stem from timer and controller problems that cause the solar system to use electric resistance elements to heat water when it could be heated by free solar energy. The potential savings from follow-up maintenance is 9 million kilowatt-hours per year or \$2.9 million in additional energy costs – costs being paid by consumers that can be easily avoided.

As a report back to the 2014 Legislature would only reflect a portion of Hawaii Energy’s Program Year 2013,<sup>1</sup> the Commission recommends that interested legislators refer instead to Hawaii Energy’s annual report for Program Year 2012 for the most currently available information on the planning and status of the SWH Tune-Up Program, which should be available in the latter part of 2013.

Thank you for the opportunity to testify on this measure.

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<sup>1</sup> Hawaii Energy’s Program Year 2013 runs from July 1, 2013 to June 30, 2014.



# Sierra Club Hawai'i Chapter

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## HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

March 21, 2013, 8:30 A.M.  
(*Testimony is 1 page long*)

### TESTIMONY IN SUPPORT OF HCR 99, HR 76

Aloha Chair Tsuji and Members of the Committee:

The Sierra Club of Hawai'i, with over 10,000 members and supporters, **supports** HCR 44, HR 26. This measure asks the Public Utilities Commission to request the Public Benefits Fund Administrator to look at incentivizing the maintenance of solar water heaters.

A solar water system is the most basic renewable energy device to harness the clean energy from the sun. The technology is mature, tested, and works. And yet a solar water system may require maintenance over time, a fact that many consumers may not know. In order to ensure residents are benefiting from a properly maintained solar water system, it may be necessary to look at ways to encourage and incentivize regular maintenance. Even simple marketing of the need for maintenance may be enough to ensure consumers are benefiting from their investment.

Mahalo for the opportunity to testify.

**thielen3 - Charles**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 20, 2013 9:03 AM  
**To:** EEPtestimony  
**Cc:** tabraham08@gmail.com  
**Subject:** Submitted testimony for HCR99 on Mar 21, 2013 08:30AM

**HCR99**

Submitted on: 3/20/2013

Testimony for EEP on Mar 21, 2013 08:30AM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Troy Abraham	Individual	Support	No

Comments: i support passage of this bill to promote clean energy usage in hawaii

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