



Hawaii Solar Energy Association
Serving Hawaii Since 1977

Before the House Committee on Consumer Protection & Commerce
 Monday, March 25, 2013, 3:00 p.m., Conference Room 325
 SB 19 SD 1 HD 1: RELATING TO RENEWABLE ENERGY
 (testimony is two pages)

Aloha Chair McKelvey, Vice-Chair Kawakami, and members of the House Committee on Consumer Protection & Commerce,

On behalf of the Hawaii Solar Energy Association (HSEA), I would like to testify **in strong support for SB 19 SD 1 HD 1**, which exempts landlords and lessors who install renewable energy systems on their property from the definition of “public utility.”

Solar is key to our green energy future

Hawaii is dangerously dependent upon imported fossil fuels, and the cost and uncertainty of fossil fuels will only increase. Recent reports have indicated that oil may reach \$180/barrel or more by 2020, and scientists have found that climate change has exacerbated global warming more than they believed, with recent data showing that the Antarctic is warming three times the previously predicted rate. Transforming our electrical grid to a green energy infrastructure will bring both added security and stability to our state’s economy, and also contribute to an overall reduction of greenhouse gasses for everyone.

Both property owners and tenants would benefit if property owners could sell electricity generated from renewable sources

A recent report completed by Harcourt, Brown & Carey for the on-bill financing docket currently before the PUC found that 41% of all Hawaii residents rent. The commercial sector is similarly situated. Only in rare circumstances are renters able to take advantage of renewable energy technology, and under the current definition of “public utility” a landlord who installs renewable energy and sells electricity to tenants on that land would be considered a public utility, no matter how small the installation, or the fact that the energy does not leave the property boundaries. This bill would create an exemption that would allow and encourage landlords who have the means to install renewables, and sell the electricity generated to tenants on the same property. Not only would this benefit tenants and give them the potential to use “clean energy,” but it would also add to the overall value of the property. This bill is a win-win for all, and would include renters in our clean energy future.

Thank you for the opportunity to testify.

Leslie Cole-Brooks
 Executive Director
 Hawaii Solar Energy Association (HSEA members listed below)

AET, LLC
Alternate Energy
Bonterra Solar
C & J Solar Solutions
Conergy
Energy Industries
Dependable Hawaii Express
Ferguson
Giant Solar
Hawaii Energy Connection
Hawaii Island Solar
Hoku Scientific
Island Pacific Energy
Ku'oko'a
Maui Pacific Solar
Pacific Basin
Poncho's Solar
Rheem Manufacturing
Smart Energy Hawaii
SolarWave Hawaii
Sun Earth, Inc.
Talent HR Solutions
Enecsys Micro-inverters

Affordable Solar Contracting
American Electric Company, LLC
Bureau Veritas North America
Coffman Engineers, Inc.
DHX
Enphase
Energy Unlimited, Inc.
Forest City Residential Group
Grand Solar
Hawaii Home Expo & Marbelhaus Trading
Hi-Tech Plumbing
Honeywell Utility Solutions
Island Solar Service
Kyocera Solar Inc.
Mercury Solar
Phoenix Solar
R & R Solar Supply
Schenk's Specialized Services LLC
Solar Services Hawaii
SolarWorld California
Sunetric
WESCODistribution

Allana Buick & Bers
B. Bautista Electrical
Cano Electric
Allen's Plumbing
Dr. Stephen Allen
Energy Industries
EnergyPro Hawaii
Gexpro
Haleakala Solar
Hawaii Electric Company
HNU Energy
Inter-Island Solar Supply
Kheiron Partners
Lumen Solar, LLC
Morikawa & Associates
PhotonWorks Engineering
REC Solar, Inc.
Schlissel & Associates
SolarCity
Sun King
SunHedge
Unirac

LATE

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE
Monday, March 25, 2013, 3:00 p.m.

TESTIMONY IN SUPPORT OF SB 19 RELATING TO RENEWABLE ENERGY

Chair McKelvey, Vice Chair Kawakami, and Members of the Committee:

Green Building LLC is a Maui-based, owned, and operated green building consulting firm specializing in helping homeowners, developers, architects, designers and engineers to design, build, and retrofit high performance, sustainable buildings and homes.

Green Building LLC strongly supports SB 19, which would amend Hawaii Revised Statutes, Chapter 269 to clarify that property owners who install a photovoltaic system or other renewable energy systems on their property can sell power they generate to their tenants without being deemed to be a "public utility" under Chapter 269.

Under the current law, there is no such explicit exclusion for property owners who sell power they generate to their tenants. As a result, there is some ambiguity as to whether such property owners could be considered to be a "public utility" by the Public Utilities Commission. This ambiguity leads owners of shopping centers, apartment buildings, and other commercial properties to either shy away entirely from installing photovoltaic solar systems on their property, or to install much smaller systems that serve only the common areas of the building and not the tenants. As a result, achieving LEED Certification through the US Green Building Council (USGBC) or an Energy Star Rating via the U.S. EPA is made much more difficult for these buildings, thereby limiting their benefit to their owners, tenants, and the state as a whole.

Passing SB 19 and clarifying that property owners will not be deemed to be a public utility solely for selling power they generate to their tenants will further Hawaii's interest in promoting renewable energy. All Hawaii residents' lives are improved by property owners retrofitting their respective buildings to reduce their environmental impact. Many of the commercial properties that would be benefitted from the passage of SB 19 are ideal candidates for photovoltaic solar systems, since they have a large daytime electricity load. The enactment of SB 19 would also benefit tenants by allowing them to share in the electricity savings to the property owner.

We also note that SB 19 includes appropriate safeguards to protect tenants – specifically, the new exception would only apply where the electricity rate charged to the tenant by the property owner is fixed in advance and is part of the lease agreement between the property owner and the tenant, and the electricity rate must be lower than the rate charged by the utility.

Property owners should not be deemed a "public utility" solely for selling power they themselves generate on their property to tenants on that property. SB 19 would ensure that these property owners are not considered a public utility and would allow them to participate in Hawaii's clean energy initiatives. We support SB 19 and urge you to pass it as drafted. Thank you for the opportunity to provide this testimony.

Sincerely,

Alex de Roode
Director of Business Development & Sustainability
Green Building LLC

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 24, 2013 9:01 PM
To: CPCtestimony
Cc: mh@interpac.net
Subject: Submitted testimony for SB19 on Mar 25, 2013 15:00PM



SB19

Submitted on: 3/24/2013

Testimony for CPC on Mar 25, 2013 15:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Cory Harden	Individual	Support	No

Comments: This bill will enable us to really get going on renewable energy!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 24, 2013 10:02 PM
To: CPCtestimony
Cc: maguinger@hawaii.rr.com
Subject: Submitted testimony for SB19 on Mar 25, 2013 15:00PM



SB19

Submitted on: 3/24/2013

Testimony for CPC on Mar 25, 2013 15:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Mary a. Guinger	Individual	Support	Yes

Comments: This bill will bring the availability to more people in Hawaii and decreasing global warming. Solar power brings both health to Hawaii and prosperity allowing more money being added for consumer goods.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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LATE

March 24, 2013

House Committee on Consumer Protection and Commerce

Public Hearing: March 25, 2013, 3:00pm, Room 325

Re: SB 19 SD1 HD1, Relating to Renewable Energy

Dear Chair McKelvey, and Vice Chair Kawakami,

I am writing in support of Senate Bill 19.

I am an individual working in the renewable energy industry for three years. Through my daily interactions with members of the community interested in renewable energy opportunities, many landlords have expressed interest in solar systems for their properties.

Passing SB 19 in to law will make it explicit to owners of shopping centers, apartment buildings, warehouse centers, and other commercial properties with tenants, that they can generate on site renewable energy and sell it to their tenants without risk of being deemed a public utility. Further, SB 19 protects the tenants who purchase this clean energy from being charged a rate higher than the utility's current rate. This Bill should NOT include the restriction of requiring a single meter and single connection, as it is unnecessary to ensure the landlord does not use utility lines.

The passing of this Bill will benefit both landlords and tenants, and move Hawaii closer to its clean energy goals.

Thank you for considering my comments in support of this Bill,

Steven Mazur
(808) 469-5022
steven.mazur@gmail.com
59-625A Ke Iki Road
Haleiwa, HI 96712

kawakami2 - Rise

From: CPN Testimony
Sent: Monday, March 25, 2013 9:24 AM
To: CPCtestimony
Subject: FW: SB19 SD1 HD1-



From: Richard Ha [mailto:richard@hamakuasprings.com]
Sent: Sunday, March 24, 2013 4:10 PM
To: CPN Testimony
Subject: FW: SB19 SD1 HD1-

Conference Room 325
Consumer Protection & Commerce
Time: 3:00 pm
03-25-03

SB19 SD1 HD1

Aloha Chair McKelvey and Vice Chair Kawakami ;

I am in strong support of SB 19 but request a clarification on the term—transportation-rights of way. To be clear it includes roads.

Does the “transportation rights-of-way” that is in the SB19 language below, Include a road that happens to have a TMK? Can you clarify the language so it clearly includes a road? Hamakua Springs has developed a small hydro electric generator on one of our properties, using electric power poles we bring the electricity across contiguous properties that we own until we go under a single lane county road to another property we own where our packing house is located and where our electric meter is. HELCO tells us that we cannot hook up because we crossed a road that happens to have a TMK because it was dedicated to the county several years ago.

We really need to hook up so we can save on and stabilize our electricity bill. Energy prices have quadrupled in the last 10 years. This is one of the reasons why UHERO found that the ag sector is shrinking relative to the rest of the economy. Farmers are not making money. There are lots and lots of young people wanting to go into farming. But, they cannot if they cannot make money.

The situation on renewable energy will likely come up again and again. In Hawaii there are numerous streams running parallel to each other, instead of flowing into one great river like the Mississippi. That is why our situation is likely not unique. Bill SB19 will help small farmers stay in business if they can take advantage of the energy in the rivers.

Food security involves farmers farming. If the farmers make money, the farmers will farm. Bill SB 19, if it allows power to run across a road, will help farmers make money.

Mahalo

Richard Ha

President
Hamakua Springs Country Farms

Cell 960 1057

(N) Any person who:

- (i) Owns, controls, operates, or manages a renewable energy system that is located on such person's property; and
- (ii) Provides, sells, or transmits the power generated from that renewable energy system to an electric utility or to a lessee or tenant on the person's property where the renewable energy system is located and in which the owner or lessor and the tenant are served by the same utility meter and service connection; provided that, for purposes of this subparagraph, a person's property shall include all contiguous property controlled by such person by fee ownership or by lease, sublease, easement, or other means of property control without regard to interruptions in contiguity caused by easements, **transportation rights-of-way,** and utility rights-of-way; provided further that the rate schedule charged to the lessee or tenant for the power generated by the renewable energy system shall under no circumstances be greater than the rate charged per kilowatt hour by the electric utility and shall be established for the duration of the lease and that the lease agreement entered into by the lessee or tenant reflects such rate schedule and provides disclosure

that the rate shall under no circumstances be greater than the rate charged by the electric utility. Any disputes concerning the requirements of this provision shall be resolved pursuant to the provisions of the lease agreement or chapter 521, if applicable.