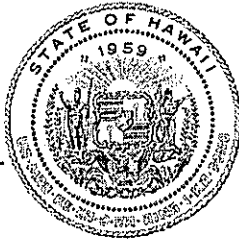


SB 2801

Measure Title: RELATING TO CERTIFICATION OF GAS TANKLESS WATER HEATERS.

Report Title: Solar Water Heating Variances

Description: Requires certification of gas tankless on-demand water heaters from a North American certification organization to include the Canadian Standards Association International; the Air-Conditioning, Heating, and Refrigeration Institute; or the Gas Appliance Manufacturers Association Certification Program, which list certified products and models. Effective July 1, 2014.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
RICHARD C. LIM
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

And

**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT
OPERATIONS AND HOUSING**

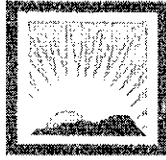
Wednesday, February 5, 2014
2:50 p.m.
State Capitol, Conference Room 016
in consideration of

**SB 2801
RELATING TO CERTIFICATION OF GAS TANKLESS WATER HEATERS.**

Chairs Gabbard and Dela Cruz, Vice Chairs Ruderman and Slom, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) supports this Administration measure to delete reference to the Underwriters Laboratories, Inc., and insert references to a North American certification organization, such as the Canadian Standards Association International; the Air-Conditioning, Heating, and Refrigeration Institute; or the Gas Appliance Manufacturers Association Certification Program. This amendment more accurately assures that gas-tankless water heaters still meet performance requirements recognized by a third party, certification organization. Underwriters Laboratories, Inc., lists manufacturers but not the specific product or model numbers of the gas-tankless water heaters. The organizations above test and evaluate gas-tankless water heaters and list which products and models are certified.

Thank you for the opportunity to provide this testimony.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

Before the Senate Committee on Energy and Environment and the Committee on Economic Development, Government Operations, and Housing
Wednesday, February 5, 2014, 2:50 p.m., Room 016
SB 2801: Relating the Certification of Gas Tankless Water Heaters

Aloha Chair Gabbard, Vice-Chair Ruderman, Senator Dela Cruz, Vice-Chair Slom and members of the Senate Committees on Energy and Environment and Economic Development, Government Operations, and Housing,

On behalf of the Hawaii Solar Energy Association (HSEA), I would like to testify in support for SB 2801, which requires certification of gas tankless on-demand water heaters from a North American certification organization to include the Canadian Standards Association International; the Air-Conditioning, Heating, and Refrigeration Institute, or the Gas Alliance manufacturers Association certification Program which list certified products and models. HSEA is a non-profit trade organization that has been advocating for solar energy since 1977, with an emphasis on residential distributed generation and commercial for both solar hot water (SHW) and photovoltaics (PV). We currently represent 79 companies, which employ thousands of local employees working in the solar industry. With 37 years of advocacy behind us, HSEA's goal is to work for a sustainable energy future for all of Hawaii.

Solar hot water heaters have proven to be beneficial in a number of ways. First, for the average electric bill, 30-35% of the bill goes to pay for the heating of water, and for a family of three or more the payback for the solar hot water heater is approximately 2 years, depending upon use. After that, the owner pays nothing to heat water as the solar hot water heater will continue to work for years to come. In addition, solar hot water does not need grid access as it does not produce electricity and therefore can be installed without waits or costly upgrade costs. The cost savings is especially true for those living in duplexes, who might find paying their rising and unpredictable electric bill especially onerous.

Yet, the exemption to allow for a tankless gas water heater is frequently used, and this bill addresses this issue in that it ensures that the exemption and product is based upon an informed choice about the tankless water heater. As currently written, the law requires that the specifications and performance of the tankless water heater be approved by Underwriter Laboratories, Inc., but Underwriter Labs may not have specific information on all tankless products. This amendment would therefore provide the consumer with more information and allow for a more informed choice should the customer wish to opt-out of installing solar hot water.

Thank you for the opportunity to testify
Leslie Cole-Brooks
Executive Director, HSEA