

Honolulu, Hawaii

FEB 14 , 2020

RE: H.B. No. 1851  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1851, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GRID-INTERACTIVE WATER HEATER SYSTEMS,"

begs leave to report as follows:

The purpose of this measure is to prohibit the issuance of building permits for new multi-unit dwellings that do not include grid-interactive water heater systems.

Your Committee received testimony in support of this measure from Blue Planet Foundation, Shifted Energy, and Climate Protectors Coalition. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii and Building Industry Association of Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii State Energy Office, Public Utilities Commission, and Bradford White Corporation.

Your Committee finds that requiring the Public Utilities Commission to establish specified standards for grid-interactive water heater systems addresses possible interoperability issues. At the same time, the technology for these water heater systems is still developing. This measure requires the Commission to



establish standards for grid-interactive water heater systems by July 1, 2021.

Your Committee has amended this measure by clarifying that a "grid-interactive water heater system" includes heat pump water heaters.

Your Committee notes that there were concerns that this measure would exacerbate the cost of housing in the State. Should your Committee on Finance consider this measure, your Committee requests that it examine the impact this measure would have on housing costs in the State.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1851, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1851, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROY M. TAKUMI, Chair



