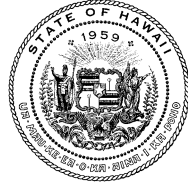


DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

RONA M. SUZUKI
DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

To: The Honorable Donovan M. Dela Cruz, Chair;
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair;
and Members of the Senate Committee on Ways and Means;

From: Rona M. Suzuki, Director
Department of Taxation

Re: S.B. 3036, S.D. 1, Relating to Renewable Energy Technologies Tax Credits

Date: Thursday, February 20, 2020

Time: 10:35 P.M.

Place: Conference Room 211, State Capitol

The Department of Taxation (Department) appreciates the intent of S.B. 3036, S.D. 1, and offers the following comments.

S.B. 3036, S.D. 1, amends section 235-12.5, Hawaii Revised Statutes (HRS), which governs the Renewable Energy Technologies Income Tax Credit (RETTTC). It amends the credit for solar energy systems so that notwithstanding any laws or subsequent amendments to the contrary, a power purchase agreement (PPA) approved by the Public Utilities Commission (PUC) prior to December 31, 2019 will be locked into the existing credit structure and shall continue to receive thirty-five per cent of the actual cost or the applicable cap amount of \$500,000 per solar energy system in which each system has a total output capacity of at least one thousand kilowatts per system of direct current for commercial property, whichever is less. The measure is effective upon approval.

The Department notes that the joint Committee on Energy, Economic Development, and Tourism and Commerce, Consumer Protection, and Health amended the previous version of this measure to add clarifying language to subsection (k). Although the Department appreciates the effort to bring clarity to administration of the RETTTC, the Department notes that as written, this change to subsection (k) would modify the entirety of the statute to restrict **all** RETTTC projects, not just commercial-grade solar energy projects contemplated by the changes to subsection (a). The intent behind the amendment is unclear; however, if the intent is to limit the general availability of the RETTTC after a certain date, but allow for certain projects to continue to claim the RETTTC for a specified time after the general repeal, the Department suggests amending subsection (k) as follows:

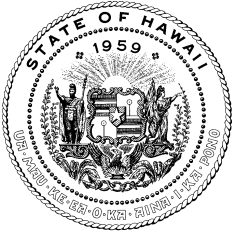
(k) This section shall apply to eligible renewable energy technology systems that are installed and placed in service on or after July 1, 2009~~[-]~~ but before January 1, 20XX; provided that the credit under this section shall be available for a solar energy

system project on commercial property if the:

- (1) Project has a power purchase agreement that is approved by a decision or order by the public utilities commission or has filed with, or is pending approval from, the public utilities commission prior to December 31, 2019; and
- (2) Solar energy system project is installed and placed in service on or before December 31, 20XX."

Finally, the Department notes that allowing certain taxpayers to claim a past version of the credit essentially means that Department must administer two versions of the credit. Even if a small number of taxpayers would qualify for the grandfathering, the Department would need to maintain the previous version of the credit like it does with any other credit. As such, the Department respectfully requests that the grandfathering provision in section 235-12.5(a)(1), HRS, be amended so that the project is required to be installed and placed in service no more than two years after any amendment or general repeal of section 235-12.5, HRS, becomes effective.

Thank you for the opportunity to provide comments.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5TH Floor, Honolulu, HI 96813 | energy.hawaii.gov

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

(808) 587-3807

Testimony of **SCOTT J. GLENN, Chief Energy Officer**

before the
SENATE COMMITTEE ON WAYS AND MEANS
Thursday, February 20, 2020
10:35 AM
State Capitol, Conference Room 211

Comments in consideration of **SB 3036, SD1** **RELATING TO RENEWABLE ENERGY TECHNOLOGIES TAX CREDITS.**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee, the Hawaii State Energy Office (HSEO) provides comments on SB 3036, SD1, which amends Hawaii Revised Statutes (HRS), Section 235-12.5, subsection (a) to protect the availability of the tax credit for solar energy projects that have received approval from the Public Utilities Commission prior to December 31, 2019, and amends subsection (k) to limit the tax credit under HRS Section 235-12.5 to those projects which have either received approval from, filed with, or are pending approval from the Public Utilities Commission prior to December 31, 2019.

The HSEO defers to appropriate agencies regarding administration of the provisions contained in this bill.

HSEO notes that there have been several bills this session that propose to phase out or discontinue the renewable energy technologies income tax credit for commercial-scale projects, and appreciates the several approaches proposed to mitigate the potentially negative disruption caused by uncertainty of tax credits available for projects currently under development.

HSEO agrees with the approach taken on page 4, lines 1-11, to avoid disruption of projects that are under contract to provide power at fixed prices, that included calculations based on the tax credit, under the competitive bidding framework.

However, HSEO is concerned that the proposed amendment to subsection (k), on page 5, lines 8-13, may eliminate tax credit eligibility more broadly than intended.

Thank you for the opportunity to testify.



183 Pinana St., Kailua, HI 96734 • 808-262-1285 • info@350Hawaii.org

To: The Senate Committee on Ways and Means
From: Brodie Lockard, Founder, 350Hawaii.org
Date: Thursday, February 20, 2020, 10:35am

In support of SB 3036 SD1

Aloha Chair Dela Cruz and members,

350Hawaii's 6,000 members support SB 3036 SD1.

Investors and developers of renewable energy projects need to know what tax credits they can expect while their projects are awaiting completion. Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects.

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. The more we can do to encourages them, the better off the State and its citizens will be.

Brodie Lockard
Founder, 350Hawaii.org

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Grandfather Certain Renewable Energy Technologies Tax Credits

BILL NUMBER: SB 3036, SD-1

INTRODUCED BY: Senate Committees on Energy, Economic Development, and Tourism and Commerce, Consumer Protection, and Health

EXECUTIVE SUMMARY: Provides that notwithstanding any law to the contrary or subsequent amendments to existing state renewable energy investment tax credits, a power purchase agreement approved by the public utilities commission prior to 12/31/2019 shall receive thirty-five per cent of the actual cost or up to the applicable cap amount of \$500,000 per solar energy system.

SYNOPSIS: Amends section 235-12.5(a), HRS, to insert a grandfather clause to provide that notwithstanding any law to the contrary and any subsequent amendments to law, a power purchase agreement approved by a decision and order issued by the public utilities commission prior to December 31, 2019, shall continue to receive thirty-five per cent of the actual cost or \$500,000 per solar energy system in which each system has a total output capacity of at least one thousand kilowatts per system of direct current.

EFFECTIVE DATE: Upon approval.

STAFF COMMENTS: This measure is designed to “grandfather” tax treatment for utility-scale renewable energy projects that were approved by the PUC in 2019 or earlier. Given that such projects take a while to build and the law generally applied is the law in effect when the project is placed into service, measures like this one may be seen as necessary to protect against the risk that the credit amounts or caps will be changed while the project is being constructed.

Digested 2/17/2020



**Testimony to the Committee on Ways and Means
Thursday, February 20, 2020
10:35 AM
Conference Room 211, Hawaii State Capitol
Senate Bill 3036 SD1**

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee,

174 Power Global **strongly supports** SB3036SD1, Relating to Renewable Energy Technologies Tax Credits.

This bill ensures that, notwithstanding any amendments to the existing renewable energy tax credits, previously approved commercial utility-scale renewable energy projects that are currently under development are not to be affected by any subsequent amendments to the existing state law relating to renewable energy technologies tax credit.

We know how essential clean energy is to Hawaii's future, and we are proud to be among the developers that bring these projects to life across the state. We believe we are representative of numerous renewable energy developers who bid into a HECO competitive bidding process overseen by the PUC in 2018-2019 known as RFP 1. Bidders were required to provide binding proposals with energy pricing that incorporated state tax credits that were in place at that time, under the assumption those state tax credits would continue to be available. The current HECO RFP 2 process no longer requires proposals to include energy pricing based on the same assumption.

The legislature understands how important commercial utility-scale renewable energy projects are to the state's stated 2045 clean energy goal and has wisely provided investment tax credits to develop such projects. These and federal renewable energy tax credits are applied to the rates that are contracted with the electric utility and are ultimately reflected in the rates benefitting ratepayers.

The federal tax credits can be locked in at a point in time when the development is at a point of relative surety, for example upon approval by the Public Utilities Commission. However, state law mandates that any tax credit must be applied for upon completion of the project, which often-times may be four, five or more years after the binding pricing was accepted.

This creates a financing exposure for the project. When the legislature considers proposals that change or eliminate renewable energy tax credits, renewable energy projects that are already

Ho'ohana Solar 1 LLC

under development and contracted through a competitive bid process in reliance on the tax credits that were available at the inception of the project are put in serious jeopardy. The same risk is true if the Department of Taxation revises their Administrative Rules.

This unintended consequence creates several unfortunate scenarios: (1) there is a risk that the projects may not be financeable, and therefore, may not be built, (2) ratepayers are denied the benefits originally contracted for and approved by the PUC, (3) the state stands to lose any federal tax credits applied to the project, which are rapidly declining and (4) the state runs a risk of endangering its progress towards its 2045 goal.

Put simply, without those credits, the projects run the risk of not being viable and not bringing those benefits to those who need it most: the ratepayers of Hawaii.

This bill wisely recognizes that peril and preserves those credits already in place for commercial utility-scale properties that were granted a power purchase agreement approved by the Public Utilities Commission and under development prior to December 31, 2019.

This bill ensures that projects can be assured that their financing and construction plans will not be derailed by changes to the tax credits. This certainty clears the way for projects to be delivered to the ratepayers' benefit.

Thank you for the opportunity to testify.

SB-3036-SD-1

Submitted on: 2/18/2020 9:19:31 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Climate Protector	Testifying for Climate Protectors Coalition	Support	No

Comments:

NOTICE OF DECISION MAKING

DATE: Thursday, February 20, 2020

TIME: 10:35 A.M.

Conference Room 211

PLACE: State Capitol

415 South Beretania Street

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means

The Climate Protectors Coalition strongly supports SB3036 SD1!

We are a new group inspired by the Mauna Kea Protectors but focused on reversing

the climate crisis. As a tropical island State, Hawaii will be among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, and rising sea levels. We must do all we can to reduce our carbon footprint and become at least carbon neutral as soon as possible.

This bill is important for development of commercial utility-scale renewables because it would provide developers who have purchased power agreements approved by the

Public Utilities Commission a measure of stability by continuing renewables tax credits. This bill is needed in order to meet our critical goals to combat the climate crisis. Please pass this bill. Mahalo!



Testimony to the Committee on Ways and Means

Thursday, February 20, 2020

10:35 AM

Conference Room 211, Hawaii State Capitol

SB 3036 SD1

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee, Hawaii Clean Power Alliance (HCPA) supports SB3036, relating to Renewable Energy Technologies Tax Credits.

This bill ensures that, notwithstanding any amendments to the existing renewable energy tax credits, previously approved commercial utility-scale renewable energy projects that are currently under development are not to be affected by any subsequent amendments to the existing state law relations to renewable energy technologies tax credit.

The Hawaii Clean Power Alliance is a nonprofit association organized to advance the development and sustainability of clean energy in Hawaii. Our goal is to support the state's policy goal of 100 percent renewable energy by 2045. Our members are utility-scale independent power producers.

Utility-scale renewable energy is critical to meeting the state's clean energy goals because it provides long-term stable costs for those drawing from the grid, thus hedging the volatility associated with the reliance on oil. To drive down costs that are passed on to the ratepayer, developers must assume the risks that are inevitably a part of the permitting, entitlements, and financing for these projects. The more ability we have to manage those risks, the more opportunity we have to deliver the projects at a low rate.

Projects that are underway after approval by the Public Utilities Commission in 2019 (RFP 1), under the guidance of Hawaiian Electric Company and the Public Utilities Commission, reflected rates established with the existing state and federal tax credits built into that pricing. While the federal incentives remain in place and can be locked in as soon as the PPA is approved, the state ITC can only be applied for after the solar farm is placed into service, several years into the future. Changes to those state tax credits and Department of Taxation Administrative Rules threaten the viability of the projects.

This bill wisely recognizes these concerns and preserves the credits already in place for commercial utility-scale properties granted a PPA prior to December 31, 2019.

Please pass SB 3036 SD1.



Thank you for the opportunity to testify.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Redell", written in a cursive style.

Frederick Redell, PE

Executive Director

(949) 701-8249

www.hawaiicleanpoweralliance.org



SanHi

GOVERNMENT STRATEGIES
A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 19, 2020

TO: Senator Donovan Dela Cruz
Chair, Senate Committee on Ways and Means
Submitted Via Capitol Website

FROM: Luis P. Salaveria

RE: **S.B. 3036, S.D.1 Relating to Renewable Energy Technologies Tax Credits**
Hearing Date: Thursday, February 20, 2020 at 10:35 a.m.
Conference Room: 211

Dear Chair Dela Cruz and Members of the Committee on Ways and Means:

We submit this testimony regarding S.B. 3036, S.D.1 Relating to Renewable Energy Technologies Tax Credits on behalf of Innergex Renewables USA, LLC (Innergex). Innergex is an independent renewable power producer which develops, acquires, owns and operates renewable energy utility scale facilities. As a global corporation, Innergex conducts operations in Canada, the United States, France, and Chile.

Innergex supports the intent of this measure. However, we **respectfully request modifying the language** to include projects that have a PPA approved or filed and pending approval before the Public Utilities Commission (PUC). The amendment would read (at page 3, line 19 to page 4, line11) as follows:

- (1) For each solar energy system: thirty-five per cent of the actual cost or the cap amount determined in subsection (b), whichever is less; [ø] provided that, notwithstanding any law to the contrary and any subsequent amendments to this paragraph or to any applicable law, a solar energy system with a power purchase agreement **either** approved by a decision and order issued by the public utilities commission **or filed and pending approval by the public utilities commission** prior to December 31, 2019, shall continue to receive thirty-five per cent of the actual cost or \$500,000 per solar energy system in which each system has a total output capacity of at least one thousand kilowatts per system of direct current for commercial property, whichever is less; or

Innergex was awarded a power purchase agreement (PPA) through Hawaiian Electric Companies first round RFP. The PPA approval by the PUC is pending and in the process of a contested hearing before the PUC. There is also the possibility of an appeal to the PUC decision, further extending the time frame for PUC approval. SanHi and Innergex Renewables USA have been working with all the major utility scale solar developers and we are all in agreement that the amended language is fair and consistent with legislature's pursuit of a clean energy economy.

Thank you very much for the opportunity to testify on this bill.



Hawaiian
Electric

LATE

**TESTIMONY BEFORE THE SENATE COMMITTEE ON
WAYS AND MEANS**

S.B. 3036, SD1

Relating to Renewable Energy Technologies Tax Credits

Thursday, February 20, 2020

10:35 p.m.

State Capitol, Conference Room 211

Rebecca Dayhuff Matsushima
Director, Renewable Acquisition Division
Hawaiian Electric Company, Inc.

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee,

My name is Rebecca Dayhuff Matsushima and I am testifying on behalf of Hawaiian Electric Company, Inc. (Hawaiian Electric) with **comments on S.B. 3036, SD1**, Relating to Renewable Energy Technologies Tax Credits.

S.B. 3036, SD1 proposes to amend Section 235-12.5(a) of the Hawaii Revised Statutes to clarify that, notwithstanding any law to the contrary or subsequent amendments to the state renewable energy tax credit law, a power purchase agreement approved by the Public Utilities Commission (PUC) prior to December 31, 2019 shall receive thirty-five per cent of the actual cost or up to the applicable cap amount of \$500,000 per solar energy system. Per the preamble of the bill, the purpose of this bill is to provide developers of utility scale renewable energy projects with certainty that the currently existing renewable energy tax credit will still apply to projects when they are ultimately completed if they were approved by the PUC prior to December 31, 2019. SD1 amends the language proposed for Subsection (a) of the tax credit statute for greater clarity and additionally proposes an amendment to Subsection (k) that specifies

that the tax credit will only be eligible to projects with a power purchase agreement that is either approved by a decision or order by the PUC or has filed with, or is pending approval from, the PUC prior to December 31, 2019. This language effectively sunsets the tax credit for all projects, including single family, multi-family and commercial property, as of December 31, 2019.

Hawaiian Electric notes that through a PUC-approved first phase of a request for proposals for variable renewable dispatchable generation, Hawaiian Electric executed power purchase agreements for eight utility-scale renewable energy projects (the “Phase 1 Projects”). Seven of these projects would fall within the scope of this bill as amended by SD1, but the language in subsection (a)(1) still excludes one of the projects. If the state renewable energy tax law changes, and these projects are not grandfathered, the success of these projects and the benefits they are expected to provide to customers of Hawaiian Electric may be lost.

Hawaiian Electric therefore supports the overall concept of grandfathering as proposed by S.B. 3036, SD1, as the bill would reduce the risk to these projects and help ensure that the projects receive the tax credits contemplated by the parties involved. These projects were required to pass through the full value of the renewable energy technologies income tax credit to ratepayers in the form of lower power prices. If the projects are unable to claim the tax credit, which they currently cannot secure until after project completion and reaching commercial operations, there is a risk that these projects may become uneconomical, unfinanceable, and ultimately, may not be developed.

Hawaiian Electric supports changing the tax credit law to include a grandfathering provision, but suggests modifications to S.B. 3036, SD1 to (1) ensure

that all Phase 1 Projects are captured by the provision, (2) extend the grandfathering provision to other eligible utility scale projects, and (3) allow adjustments to the tax credit amount while still allowing for possible grandfathering of future projects. As currently drafted, one of the eight Phase 1 Projects would be excluded from the grandfathering provision, as the power purchase agreement for that project has not yet been approved. At a minimum, we believe the grandfathering provision should be revised to include this eighth project and respectfully suggest that the language in Subsection (a) be further amended to be inclusive of “all projects with a power purchase agreement that is either approved by a decision or order by the Public Utilities Commission or has filed with, or is pending approval from, the Commission prior to December 31, 2019”, instead of as currently drafted in subsection (a)(1) to only apply to projects “with a power purchase agreement approved by a decision and order issued by the public utilities commission prior to December 31, 2019.”

It appears that the intent of the proposed revisions to Subsection (k) is to sunset the tax credit and disallow all future eligible renewable energy technology systems from claiming the tax credit. If this is the intent, Hawaiian Electric **opposes** such a change, as the tax credit allows for the procurement of lower cost energy, which is needed if we are to reach our 100% renewable energy goals in a cost-effective manner. Doing away with the tax credit for new projects will raise the cost of energy to our customers, primarily impacting those who do not have rooftop solar.

The largest procurement of renewable energy in the State’s history is currently ongoing. If developers are eligible for the tax credit, they will be required to pursue and remit the tax credit proceeds they receive to Hawaiian Electric, and Hawaiian Electric would pass such proceeds through to customers directly and without mark-up, resulting

in a reduction to customers' electric bills. If the tax credit were to be eliminated for future projects, these projects would be more costly. We also note that tax credits for utility scale generation allow those that cannot afford rooftop solar or who live in a condo or rent the ability to benefit from low cost renewable energy. However, the proposed amendment to subsection (k) goes further and would include all renewable energy systems including for single family, multi-family and other commercial properties that do not involve a power purchase agreement with the utility.

Sunsetting the tax credit as of December 31, 2019 without a power purchase agreement pending before the PUC makes it unclear as to when the sunset for these residential and other commercial projects would occur. It also leaves a gap of understanding for projects that would have been eligible to claim the tax credits between January 1, 2020 and the effective date of the amendment. In addition, it raises a question as to whether projects that do not require PUC approval will be eligible to claim the tax credit.

With respect to residential solar energy systems, Hawaiian Electric supports a sunset of the tax credits. Since residential income tax credits were intended to spur early adoption in a nascent industry, they have served their purpose now that Hawaii is leading the nation in customer adoption of rooftop solar. Furthermore, to date, the segment of customers who have benefited from this tax credit are generally homeowners who are financially able to invest in a rooftop solar system. In the future, Distributed Energy Resources (DER) initiatives will focus on developing more attractive opportunities to customers who have not been able to readily participate in these offerings to date. State residential tax credits also introduce some risk to the market in that there is the possibility that they could change in any given legislative session, which

causes instability and uncertainty in the Hawaii market. Going forward in the new DER proceeding, rather than relying on residential tax credits, Hawaiian Electric plans to design new offerings that will be (1) economically compelling to customers, (2) factor in the decrease and/or absence of state and federal tax credits, and (3) fair and sustainable for all customers. We therefore support a reasonable sunset date that would allow for homeowners and developers to plan accordingly and provide time to implement proposed new programs. This date should be made clear in a future amendment.

We therefore respectfully suggest that proposed Subsection (a) of Section 235-12.5 of the Hawaii Revised Statutes be revised to align with the federal investment tax credit (ITC) in lieu of the proposed amendment to Subsection (k). Under the federal ITC statute and related regulations, a developer is able to grandfather the tax credit at the credit amount in place at the time the developer spends 5% of the total project cost. This could lead to lower power purchase agreement pricing without locking the State into providing large tax credits indefinitely into the future, as it would provide the Legislature with flexibility to change tax credits applicable to future projects, but still allow a developer to know the amount of tax credits it is eligible to receive.

Thank you for this opportunity to testify.



LATE

TESTIMONY REGARDING SB 3036 SD1

**being heard by the Senate Committee on Ways and Means
on Thursday, February 20, 2020 at 10:35 AM in Room 211**

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee:

Thank you for the opportunity to provide testimony regarding SB 3036 SD1. Absent clarification on its intent and implications, Tesla is currently opposed to this measure. In particular, Tesla is concerned that the language that the bill would add to HRS 235-12.5(k) fundamentally changes the impacts of this bill on the availability of renewable energy income tax credit.

Motivated by the profound threat of climate change, Tesla's mission is to accelerate the world's transition to sustainable energy through the deployment of electric vehicles and sustainable energy products, like battery storage and solar energy systems. Tesla develops projects of all scales, ranging from behind the meter solar and storage projects deployed at individual residences, to multi-megawatt projects that provide power to regional grids. Tesla believes that a range of project types and scales is needed to ensure that an energy system meets the ideal of being clean, reliable, resilient and affordable.

Although SB 3036 was originally conceived exclusively as a means of ensuring that certain utility scale contracts would not be adversely impacted should there be changes to the renewable energy income tax credit, language added subsequent to the joint hearing before the Senate Committees on Energy, Economic Development & Tourism and Commerce, Consumer Protection & Health appears to substantially modify the implications of this bill. Specifically, the language added to HRS 235-12.5 (k) appears to end the tax credit on a going forward basis for all systems except for those utility-scale projects that have a PUC-approved or pending power purchase agreement that predates 2020. To the degree this is the intent of this language, Tesla is strongly opposed to this measure given the adverse implications such a dramatic and sudden change would have on the solar market in Hawaii. If this is not the intent of this language then Tesla asks that this language either be removed or additional clarification be added to the measure to ensure there is no confusion.

A combination of policies, including, though not limited to, the Renewables Portfolio Standard (RPS) and the Renewable Energy Income Tax Credit (REITC) function to support the States' long-term objective of completely eliminating its reliance on fossil fuels. Tesla is concerned that this measure, to the degree it would eliminate the tax credit on a going forward basis, will undermine these efforts by undercutting the economics of rooftop solar. This will in turn lead the state to rely largely on the RPS as the means by which it achieves its renewable energy objectives.

While the large-scale projects the RPS supports certainly have an important role to play in achieving the state's renewable energy objectives, it is important to note that distributed resources, like rooftop solar, offer a number of distinct benefits. Top of mind among these is resiliency. Utility-scale projects, by



virtue of where they interconnect on the utility grid, cannot provide power to end-use customers when transmission or distribution lines are down. They also do not provide customers the ability to manage their energy consumption and bills in the way that local, behind-the-meter resources do. Additionally, localized resources can be further leveraged by aggregating and dispatching them to provide grid services, helping reduce costs on the system by avoiding the need to expand local distribution or transmission capacity in the face of growing demand or distribution system investment needs. Recognizing these varied and distinct benefits, Tesla strongly believes that support for smaller, behind-the-meter resources continues to be warranted.

Tesla appreciates that tax credits like the REITC cannot last forever, and that a transition path to reduce and eventually eliminate them may be appropriate. However, any such transition needs to be pursued in a carefully considered manner, recognizing the significance of this policy in facilitating Hawaii's transition to a sustainable future as well as the impacts on the thousands of Hawaiians that make their living designing, deploying and maintaining these systems. It is also important to understand the context within which significant changes to state policies are taking place. For example, in the case of solar, the Federal Investment Tax Credit is currently scheduled to step down as well, dropping from the current 26% level to 22% in 2021. In 2022 the tax credit will drop to a permanent 10% for commercial-owned systems, including utility-scale projects, but will be completely eliminated for customer-owned residential systems. In combination with a change in state level policy, this decline could deliver a devastating one-two punch to the solar industry. Furthermore, rate design remains in flux, and represents a significant unknown in terms of its implications on the solar industry and the state's energy goals more broadly.

Given all of these factors, Tesla is concerned that this measure, by potentially eliminating the tax credit altogether for systems on a going forward basis, does too much too soon. A more considered and thoughtful approach is needed. At a minimum any changes to the REITC should be introduced gradually cognizant of other factors in play that will also impact the solar industry, and, by extension, Hawaii's ability to achieve its clean energy objectives.

Thank you for the opportunity to submit this testimony.



LATE

Hawaii Solar Energy Association
Serving Hawaii Since 1977

**TESTIMONY OF THE HAWAII SOLAR ENERGY ASSOCIATION
IN REGARD TO SB 3036 SD1 RELATING TO RENEWABLE ENERGY
TECHNOLOGIES TAX CREDITS
BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS
ON
THURSDAY, FEBRUARY 20, 2020**

Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the committee, my name is Will Giese, and I am the Executive Director of the Hawaii Solar Energy Association, Inc. (HSEA).

The HSEA was founded in 1977 to further solar energy and related arts, sciences and technologies with concern for the ecologic, social and economic fabric of the Hawaiian Islands. Our membership includes the vast majority of locally owned and operated solar installers, contractors, distributors, manufacturers, and inspectors across all islands.

HSEA OPPOSES SB3036 SD1. This measure clarifies that notwithstanding any law to the contrary or subsequent amendments to existing state renewable energy investment tax credits, a power purchase agreement approved by the public utilities commission prior to 12/31/2019 shall receive thirty-five per cent of the actual cost or \$500,000 per solar energy system. Provides that a project is eligible to receive a tax credit only if a project has a power purchase agreement that is approved by the Public Utilities Commission or is filed with or pending approval by the Commission. (SD1)

As it is written, this measure **completely eliminates the solar tax credit for all solar projects not approved by December 31, 2019.** That includes community solar projects, affordable housing projects, and utility scale solar projects approved after December of last year.

According to HECO's most recent RPS filings, solar currently makes up the vast majority of the total renewable generation on this island, with rooftop solar alone making up 49% of that total. The solar industry in Hawaii employs thousands of local installers, contractors, salespeople, electricians, and many others in good paying, sustainable jobs. In fact, according to the Solar Foundation, the total number of solar related jobs in Hawaii increased by over 17% in 2019 from the previous year.¹ Our developments help to reduce the high cost of electricity all across the state, with rooftop solar and energy efficiency measures such as solar hot water being a primary driver to an over 20% average electric bill reduction since 2012.

¹ <https://www.thesolarfoundation.org/national/>



Hawaii Solar Energy Association
Serving Hawaii Since 1977

The HSEA has generally been in favor of tax credits for energy storage and renewable energy systems as a way for the state to direct customer behavior towards its renewable energy goals. This has been successful, and Hawaii enjoys one of the highest amounts of renewable energy installed per capita than any other state.

It is important to understand the impact that behind-the-meter resources have on the average consumer electric bills. According to DBEDT's own data, the AVERAGE consumer electric bill DECLINE by more than 20% between 2011 and 2018, despite the cost of electricity remaining approximately the same (See Fig 1.). The two biggest clean energy

Table 3: RESIDENTIAL, AVERAGE RATE (\$/KWH)

Year	State Total	Oahu	Hawaii	Kauai	Lanai	Maui	Molokai
2011	\$0.35	\$0.32	\$0.42	\$0.43	\$0.44	\$0.36	\$0.43
2012	\$0.37	\$0.35	\$0.42	\$0.45	\$0.47	\$0.39	\$0.46
2013	\$0.37	\$0.35	\$0.42	\$0.44	\$0.46	\$0.38	\$0.46
2014	\$0.37	\$0.35	\$0.42	\$0.43	\$0.46	\$0.38	\$0.47
2015	\$0.30	\$0.28	\$0.35	\$0.34	\$0.38	\$0.31	\$0.38
2016	\$0.28	\$0.26	\$0.32	\$0.34	\$0.34	\$0.29	\$0.33
2017	\$0.30	\$0.28	\$0.34	\$0.35	\$0.36	\$0.31	\$0.36
2018	\$0.33	\$0.31	\$0.37	\$0.37	\$0.40	\$0.34	\$0.37

Source: State of Hawaii Data Book

Table 4: RESIDENTIAL, AVERAGE MONTHLY BILL

Year	State Total	Oahu	Hawaii	Kauai	Lanai	Maui	Molokai
2011	\$202	\$195	\$218	\$205	\$192	\$219	\$161
2012	\$203	\$197	\$210	\$209	\$192	\$222	\$159
2013	\$189	\$181	\$199	\$205	\$199	\$211	\$153
2014	\$185	\$178	\$192	\$199	\$203	\$206	\$147
2015	\$149	\$141	\$157	\$163	\$159	\$168	\$115
2016	\$135	\$127	\$142	\$163	\$142	\$147	\$102
2017	\$145	\$137	\$154	\$170	\$150	\$157	\$115
2018	\$163	\$155	\$175	\$187	\$179	\$180	\$121

Source: State of Hawaii Data Book

Figure 1Avg. Customer Elec. Rates 2011-2018

developments during this time period were large scale build-outs of rooftop photovoltaics and energy efficiency programs. Regardless of whether a Hawaii electric customer has a solar system, they still benefit from every new system that is placed on the grid. Additionally, technologies like energy storage provide further benefits to grid stability and resilience, utility infrastructure cost savings, and peak shaving.

If the legislature intends to eliminate the tax credit in the manner described in SB3036, we suggest that they find a compelling and fact based reason to do so. Currently, every major energy stakeholder in Hawaii, from the HSEA to HECO to the PUC, has contended in some form or another that customer sighted distributed energy resources are an important and essential part to getting the state to 100% RPS by 2045.

We are also open to a study that examines the impacts of stepping down or removing the tax credit on rate payers, the industry, and the state's energy goals and would be more than willing to provide its expertise in this manner. Absent that, we cannot in good faith support this measure in any way.

Respectfully, the HSEA **opposes SB3036 SD1**, and we ask the legislature to defer this measure.



Hawaii Solar Energy Association

Serving Hawaii Since 1977

Thank you for the opportunity to testify.



SIERRA CLUB OF HAWAI'I

LATE

SENATE COMMITTEE ON WAYS AND MEANS

February 20, 2020 10:35 AM Room 211

In **OPPOSITION** of **SB3036 SD1**: Relating to Renewable Energy Technologies Tax Credits

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **opposes SB3036 SD1**, because it appears to totally eliminate the solar tax credit for any project not filed with or approved by the Public Utilities Commission prior to 2019.

While the intent of SB3036 is to ensure that utility-scale projects that were approved prior to 2019 would continue to be eligible for the renewable energy tax credit if changes to the tax credit were made, the language added to Section 2, subsection (k) in the previous committee appears to **slash Hawai'i's renewable energy tax credit to zero after 2019, drastically eliminating any and all future solar projects—including utility scale, affordable and multi-family housing, or rooftop solar projects—to be eligible for a tax credit.**

While prudently reducing Hawai'i's renewable energy tax credit over time may be reasonable, eliminating the tax credit for all projects after 2019 would significantly slow progress towards our ambitious 100% clean energy by 2045 goals. These tax credits help us reach our renewable portfolio standards (RPS). Furthermore, completely eliminating the renewable energy tax credit could inevitably affect the PUC's ability to enforce HRS §269-92.

HRS §269-92 Renewable portfolio standards¹:

(c) If the public utilities commission determines that an electric utility company failed to meet the renewable portfolio standard, after a hearing in accordance with chapter 91, the utility shall be subject to penalties to be established by the public utilities commission; provided that if the commission determines that the electric utility company is unable to meet the renewable portfolio standards due to reasons beyond the reasonable control of an electric utility, as set forth in subsection (d), the commission, in its discretion, may waive in whole or in part any otherwise applicable penalties.

¹See: https://www.capitol.hawaii.gov/hrscurrent/Vol05_Ch0261-0319/HRS0269/HRS_0269-0092.htm

(d) Events or circumstances that are outside of an electric utility company's reasonable control may include, to the extent the event or circumstance could not be reasonably foreseen and ameliorated:

- (1) Weather-related damage;
- (2) Natural disasters;
- (3) Mechanical or resource failure;
- (4) Failure of renewable electrical energy producers to meet contractual obligations to the electric utility company;
- (5) Labor strikes or lockouts;
- (6) Actions of governmental authorities that adversely affect the generation, transmission, or distribution of renewable electrical energy under contract to an electric utility company;
- (7) Inability to acquire sufficient renewable electrical energy due to lapsing of tax credits related to renewable energy development;
- (8) Inability to obtain permits or land use approvals for renewable electrical energy projects;
- (9) Inability to acquire sufficient cost-effective renewable electrical energy;
- (10) Inability to acquire sufficient renewable electrical energy to meet the renewable portfolio standard goals beyond 2030 in a manner that is beneficial to Hawaii's economy in relation to comparable fossil fuel resources;
- (11) Substantial limitations, restrictions, or prohibitions on utility renewable electrical energy projects; and
- (12) Other events and circumstances of a similar nature. [L 2001, c 272, §3; am L 2004, c 95, §5; am L 2006, c 162, §5; am L 2009, c 155, §3; am L 2015, c 97, §2].

Solar energy coupled with a reasonable renewable energy tax credit is necessary to meet our clean energy goals. If passed, this bill would immediately eliminate the tax credit completely, which we know is not the intent of the bill. For these reasons, we oppose SB3036 SD1 and ask the committee to hold this measure.

Mahalo,



Jodi Malinoski, Policy Advocate



LATE

SENATE COMMITTEE ON WAYS AND MEANS

February 20, 2020, 10:35 a.m.
(*Testimony is 3 pages long*)

TESTIMONY IN OPPOSITION TO SB 3036 SD1

Aloha Chair Dela Cruz and Members of the Committee:

Hawaii PV Coalition respectfully OPPOSES SB 3036 SD1, eliminating the renewable energy tax credit except for projects that were approved by the Public Utilities Commission prior to December 31, 2019.

This bill is particularly alarming because it (1) unconstitutionally tries to prohibit future Legislatures from passing legislation impacting the budget, and (2) it eliminates the tax credit this year, potentially retroactively pulling the credit from residents who relied upon it to purchase a renewable energy system. This type of retroactive legislation is bad policy and potentially exposes the state to unnecessary liability.

Rooftop solar benefits all Hawaii residents. **Since 2011, the average electric bill has dropped by over 15%, largely as a result of the wide-spread deployment of rooftop solar.**¹ In state where the high cost of living is a foremost concern, Hawaii's renewable energy income tax credit is an incredible success story. Hawaii residents, on average, see \$30 to \$40 more in their pocket per month because of rooftop solar.

Adoption of utility-scale renewable energy resources has *not* similarly reduced the cost of living. Despite the overall reduction in the worldwide cost of oil and numerous new wind and utility-scale solar farms, the overall electricity rate — the amount people pay for

¹ See Hawaii Energy Facts & Figures at 5 (July 2019), available at https://energy.hawaii.gov/wp-content/uploads/2019/07/2019-FF_Final.pdf.

electricity — has stayed largely the same since 2011.² Put another way: while utility-scale renewable energy is important to Hawaii’s energy and environmental goals, it has not yet and is unlikely in the near term to decrease the highest electrical rates in the country (more than 2-3 times the national average).

Hawaii’s renewable tax credit has empowered residents to install rooftop solar from Aiea to Wahiawa. ***One in three homes in Hawaii now has rooftop solar.*** It has become ubiquitous. In turn, rooftop solar has become the single largest contributor of renewable energy in Hawaii — nearly 40% of all renewable energy in Hawaii now comes from rooftop solar.

While the renewable energy tax credit could be weaned down over time, such a reduction must be coordinated with Hawaii’s clean energy goals and be fair to the remaining residents who have not yet had a chance to adopt rooftop solar. This is particularly true of multifamily and affordable housing, where equity and fairness principles come into play as new technology comes online to address these types of units.

Despite a great deal of progress, the goals of the renewable energy tax credit remain the same:

Hawaii’s dependence on petroleum for about ninety per cent of its energy needs is more than any other state in the nation. This makes the State extremely vulnerable to any oil embargo, supply disruption, international market dysfunction, and many other factors beyond the control of the State. Furthermore, the continued consumption of conventional petroleum fuel negatively impacts the environment. At the same time, Hawaii has among the most abundant renewable energy resources in the world, in the form of solar, geothermal, wind, biomass, and ocean energy assets.

Act 240 (2006). Further “increased . . . use of renewable energy resources would increase Hawaii’s energy self-sufficiency, achieving broad societal benefits, including increased energy security, resistance to increases in oil prices, environmental sustainability, economic development, and job creation.” *Id.*

Hawaii residents strongly support more rooftop solar. A 2015 SMS poll demonstrated that 77% of Hawaii residents “strongly support” and 20% “somewhat support” more rooftop solar in Hawaii. Only 1 per cent “somewhat oppose” and no one polled “strongly opposed” more rooftop solar. Few issues have ever resulted in such an unanimous concurrence among Hawaii residents.

² In 2011, the average residential rate was \$0.32 per kilowatt hour on Oahu. In 2018, the average residential rate was \$0.31 kWh. *See id.*

Hawaii PV Coalition welcomes a discussion about the future of Hawaii's solar tax credit. Nonetheless, in light of the federal income tax credit step down, and the ambitious nature of Hawaii's clean energy goals, we propose taking this step in conjunction with a broader clean energy plan. We recommend this Committee direct DBEDT to conduct a study on how Hawaii can best achieve its 100% RPS with a nod towards related policy goals such as equity, average bill reduction, job stimulus, and economic development.

Mahalo for the opportunity to submit these comments.

The Hawaii PV Coalition was formed in 2005 to support the greater use and more rapid diffusion of solar electric applications across the state. Working with business owners, homeowners and local and national stakeholders in the PV industry, the Coalition has been active during the state legislative sessions supporting pro-PV and renewable energy bills and helping inform elected representatives about the benefits of Hawaii-based solar electric applications.

SB-3036-SD-1

Submitted on: 2/16/2020 9:20:05 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
tlaloc tokuda	Individual	Support	No

Comments:

Aloha Chair Dela Cruz and members,

I support SB 3036 SD1.

Many condominium, private energy users and government users (eg schools) can benefit from **PPA (Power Purchase Agreement) via third party financeing**. Maui, Big Island and Kauai have recently implemented huge solar project with no cost to taxpayers via **RFP (Request for Proposal)** and **PPA (Power Purchase Agreement)**. All these projects were done using solar tax credits. There is room for lots of big PV projects but the investors need to know they will get their tax credits.

Investors and developers of renewable energy projects need to know what tax credits they can expect while their projects are awaiting completion. Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects.

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. The more we can do to encourages them, the better off the State and its citizens will be.

Mahalo for your consideration,

Tlaloc Tokuda, Kailua Kona 96740

SB-3036-SD-1

Submitted on: 2/16/2020 9:49:06 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Koohan Paik	Individual	Support	No

Comments:

SB-3036-SD-1

Submitted on: 2/16/2020 9:56:10 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dawn Morais Webster Ph.D.	Individual	Support	No

Comments:

Aloha Chair Dela Cruz and members,

Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects. Let's not dampen the enthusiasm of investors and developers.

This bill would eliminate uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. Hawaii needs as many zero-emissions energy projects as possible, especially large ones, to reach true 100% clean energy by 2030 or sooner. 2030 is the date we need to push for, not 2045. Please move this bill forward. Thank you.

SB-3036-SD-1

Submitted on: 2/16/2020 10:19:13 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tadia Rice	Individual	Support	No

Comments:

To: The Senate Committee on Ways and Means

From: Tadia Rice

Date: Thursday, February 20, 2020, 10:35am

In support of SB 3036 SD1

Aloha Chair Dela Cruz and members,

I support SB 3036 SD1.

Investors and developers of renewable energy projects need to know what tax credits they can expect while their projects are awaiting completion. Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects.

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. The more we can do to encourages them, the better off the State and its citizens will be.

Tadia Rice

SB-3036-SD-1

Submitted on: 2/17/2020 8:46:52 AM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
donald erway	Individual	Support	No

Comments:

SB-3036-SD-1

Submitted on: 2/17/2020 9:19:39 AM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
ryan christopher	Individual	Support	No

Comments:

Aloha Chair Dela Cruz and members,

I support SB 3036 SD1.

Investors and developers of renewable energy projects need to know what tax credits they can expect while their projects are awaiting completion. Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects.

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. The more we can do to encourages them, the better off the State and its citizens will be.

Ryan Christopher,

Honokaa HI

SB-3036-SD-1

Submitted on: 2/17/2020 12:24:06 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nanea Lo	Individual	Support	No

Comments:

Hello Chair Dela Cruz and members,

I support SB 3036 SD1.

Investors and developers of renewable energy projects need to know what tax credits they can expect while their projects are awaiting completion. Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects.

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. The more we can do to encourages them, the better off the State and its citizens will be.

me ke aloha 'Ä• ina,

Nanea Lo

SB-3036-SD-1

Submitted on: 2/17/2020 1:49:30 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
william metzger	Individual	Support	No

Comments:

tax credits are essential

SB-3036-SD-1

Submitted on: 2/17/2020 12:33:05 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Laura Gray	Individual	Support	No

Comments:

This bill will ensure that there are good, stable financial reasons to invest in good green energy. People do not feel comfortable investing in infrastructure or products that could lose support from the very next administration. Do we really want to kill green energy in this state? We certainly have been doing that despite the fact that most people here support it.

SB-3036-SD-1

Submitted on: 2/17/2020 2:28:45 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Katherine Pomeroy	Individual	Support	No

Comments:

SB-3036-SD-1

Submitted on: 2/17/2020 3:10:32 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Elif Beall	Individual	Support	No

Comments:

To: The Senate Committee on Ways and Means

From: **Elif Beall**

Date: Thursday, February 20, 2020, 10:35am

In support of SB 3036 SD1

Aloha Chair Dela Cruz and members,

I support SB 3036 SD1.

Investors and developers of renewable energy projects need to know what tax credits they can expect while their projects are awaiting completion. Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects.

Renewable energy projects require investors and developers, who only get involved if they make a certain amount of money from the project. Previous tax credit laws have made this amount predictable , and attracted both investors and developers.

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. The more we can do to encourage them, the better off the State and its citizens will be.

Hawaii needs as many zero-emissions energy projects as possible, especially large ones, to reach true 100% clean energy by 2030 or sooner. 2030 is the date we need to push for, not 2045.

Elif Beall

Kilauea, Kauai

SB-3036-SD-1

Submitted on: 2/17/2020 7:05:39 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sherry Pollack	Individual	Support	No

Comments:

SB-3036-SD-1

Submitted on: 2/18/2020 2:08:31 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
nicole tergeoglou	Individual	Support	No

Comments:

SB-3036-SD-1

Submitted on: 2/18/2020 4:10:33 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Pappas	Individual	Support	No

Comments:

Dear Chair Dela Cruz and WAM members,

I strongly support bill SB3036 SD1.

Hawaii needs as many utility-level renewable energy projects as can be funded within the next ten years in order to reach our laudable State goal of 100% renewable energy. But without cost certainty, companies hesitate to initiate startups.

We no longer have time to wait based on the heat, fires, floods and disasters experienced world wide in recent years. SB3036 SD1 guarantees developers and investors a certain amount or percentage of tax credit for each utility-grade renewable energy project. This will alleviate some of the financial uncertainty surrounding new projects and get more projects planned and out the door prior to 2030, a critical milestone in our quest to reduce global warming. A side benefit of more renewable projects is lower energy prices for ratepayers.

The tax credits will be paid back 10 times over in future years. Please support SB3036 HD1.

Thank you,

Jan Pappas

Aiea, Hawaii

SB-3036-SD-1

Submitted on: 2/18/2020 6:44:21 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark K.Wilson III	Individual	Support	No

Comments:

SB-3036-SD-1

Submitted on: 2/18/2020 8:49:20 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Dela Cruz and Members of the Committee on Ways and Means,

I am writing in support of SB3036 SD1.

*This bill would guarantee a certain minimum dollar amount or percentage in a renewable energy tax credit. The guarantee will reassure developers and keep them involved in current projects.

*Guaranteeing a certain tax credit on this specific type of project should make it easier and more financially comfortable for investors and developers to begin and complete future clean energy projects.

*Hawaii needs as many zero-emissions energy projects as possible, especially large ones, to reach true 100% clean energy by 2030 or sooner. 2030 is the date we need to push for, not 2045.

Please support this bill.

Mahalo,

Caroline Kunitake

SB-3036-SD-1

Submitted on: 2/18/2020 9:19:54 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
katherine kazlauskas	Individual	Support	No

Comments:

To: The Senate Committee on Ways and Means

From: **Katherine Kazlauskas**

Date: Thursday, February 20, 2020, 10:35am

In support of SB 3036 SD1

Aloha Chair Dela Cruz and members,

I support SB 3036 SD1.

Investors and developers of renewable energy projects need to know what tax credits they can expect while their projects are awaiting completion. Changes to renewable energy tax credit laws create uncertainty that discourages new renewable energy projects. Developers currently involved in existing projects need to know they can count on a predictable amount to stay involved.

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills. The more we can do to encourage them, the better off the State and its citizens will be.

Hawaii needs as many zero-emissions energy projects as possible, especially large ones, to reach true 100% clean energy by 2030 or sooner. 2030 is the date we need to push for, not 2045.

Mahalo!

Katherine Kazlauskas

SB-3036-SD-1

Submitted on: 2/18/2020 9:32:31 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Nix	Individual	Support	No

Comments:

Aloha All,

Renewable energy projects require investors and developers, who only get involved if they make a certain amount of money from the project. Previous tax credit laws have made this amount predictable , and attracted both investors and developers. Newer laws threaten to change these amounts, which makes investors and developers uneasy about starting new projects.

Dr.John and Debra Nix, Kihei

SB-3036-SD-1

Submitted on: 2/18/2020 9:48:42 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lynn Aaberg	Individual	Support	No

Comments:

Aloha Chair Dela Cruz and Members,

I support SB3036 SD! and urge you to do the same. We need to help fight the climate crisis, and consistent tax credits help with this. Developer and investors need certainty in planning their projects and knowing what their tax credit is, and the tax credit will help lower our carbon emissions by supporting solar projects. Please support this bill!

Mahalo,

Lynn Aaberg

SB-3036-SD-1

Submitted on: 2/18/2020 10:27:01 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lori Nakamura-Higa	Individual	Support	No

Comments:

Aloha! Thank you for the opportunity to testify.

I strongly support SB3036 SD1

Mahalo and kind regards

LATE

SB-3036-SD-1

Submitted on: 2/19/2020 3:57:24 PM

Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Severine Busquet	Individual	Support	No

Comments:

Aloha Chair Dela Cruz and members,

This bill would eliminate that uncertainty and encourage development of more renewable energy projects in Hawaii. These projects are indispensable to meeting Hawaii's zero-emissions goals, and they save consumers significant money on their energy bills.

For this reason, I support SB3036 SD1.

Thanks for your attention

Severine Busquet

Hawaii Kai, Honolulu

LATE

SB-3036-SD-1

Submitted on: 2/19/2020 8:30:45 PM
Testimony for WAM on 2/20/2020 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Noel Morin	Individual	Support	No

Comments:

Aloha Chair Dela Cruz and members,

I am in support **SB 3036 SD1**.

This bill will help ensure that developers continue to invest in renewable energy projects, something that we must continue to aggressively pursue in order to exceed our clean energy goals. (2045 is too far out – we need to strive for 100% sooner.)

SB 3036 SD1 will encourage further expansion of our renewable energy infrastructure by removing the uncertainty around the tax credits that developers can expect for their projects.

Please vote for SB 3036 SD1.

Sincerely,

Noel Morin - Hilo