

DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



ISAAC W. CHOY
DIRECTOR OF TAXATION

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
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To: The Honorable Glenn Wakai, Chair;
The Honorable Bennette E. Misalucha, Vice Chair;
and Members of the Senate Committee on Energy, Economic Development,
& Tourism

From: Isaac W. Choy, Director
Department of Taxation

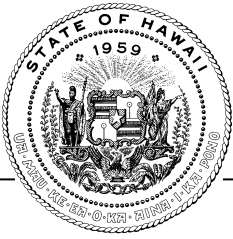
Date: February 5, 2021
Time: 3:00 P.M.
Place: Via Videoconference, Hawaii State Capitol

Re: S.B. 1237, Relating to Taxation

The Department of Taxation (Department) offers the following comments regarding S.B. 1237 for your consideration.

S.B. 1237 amends section 235-12.5, Hawaii Revised Statutes (HRS), which governs the renewable energy technologies income tax credit (RETITC). The proposed bill would amend the credit by reducing the applicable cap amounts allowed to qualified taxpayers by 50 percent. The 50% decrease on caps applies to credits for all solar energy systems and all wind-powered energy systems, whether on single-family residential property, multi-family residential property, and commercial property. The measure is effective upon approval and applies to taxable years beginning after December 31, 2020.

The Department is able to administer this measure as currently written. Thank you for the opportunity to provide comments.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Friday, February 5, 2021
3:00 PM
State Capitol, Conference Room 224

Comments in consideration of
SB 1237
RELATING TO TAXATION.

Chair Wakai, Vice Chair Misalucha, and Members of the Committee, the Hawaii State Energy Office (HSEO) offers comments on SB 1237, which would reduce by half the renewable energy technologies income tax credit cap amounts, beginning after December 31, 2020.

HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, energy resiliency, and clean transportation to help achieve a resilient decarbonized economy. Incentives have proven to be an effective mechanism to achieve these goals. A change of this degree could cause a significant disruption in the industry and for homeowners and businesses looking to reduce their expenses at this challenging time.

HSEO also notes that the proposed start date is retroactive to January first of this year. A retroactive change of this type would not allow the difference to be factored into existing agreements or contracts and could cause customer prices to increase.

Therefore, if the Legislature proceeds with this measure, HSEO recommends changing the effective date to one that is after the bill takes effect. HSEO defers to the Department of Taxation on the bill's implementation.

Thank you for the opportunity to testify.



DAVID Y. IGE
GOVERNOR

GWEN S. YAMAMOTO LAU
EXECUTIVE DIRECTOR

HAWAII GREEN INFRASTRUCTURE AUTHORITY

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
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Testimony of
Gwen Yamamoto Lau
Executive Director
before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Friday, February 5, 2021
Time: 3:00 P.M.
State Capitol, Conference Room No. 224

In consideration of
SENATE BILL NO. 1237
RELATING TO TAXATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism:

Thank you for the opportunity to offer comments on Senate Bill 1237, relating to taxation. This bill proposes to reduce the applicable cap amount of credit for each eligible renewable energy technology system, per section 235-12.5, Hawaii Revised Statutes, by half.

It is understandable, given the state's current fiscal crisis, to seek opportunities to decrease incentives, such as the solar tax credit. However, it is equally important, because of the state's current economic situation, to leverage fiscal policy tools, such as the solar tax credit, to spur continued and increased investments in green infrastructure, which will support our construction industry, stimulate economic recovery and drive higher paying green jobs, while working to lower the cost of energy for our underserved ratepayers and achieve the state's clean energy goals.

Additionally, it typically takes at least six months for a solar PV system to be installed and placed in service after the solar contractor has been issued a notice to proceed for GEMS financing. A retroactive start date of January 2021 will negatively impact our low and moderate-income households and small businesses, who were relying on the tax credits as part of their financial decision to invest in the solar systems.

HGIA defers to the Department of Taxation on implementation.

Thank you for this opportunity to provide comments for SB 1237.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Decrease Cap Amounts for Renewable Energy Technologies Credit

BILL NUMBER: SB 1237; HB 1173

INTRODUCED BY: SB by WAKAI; HB by QUINLAN, LUKE

EXECUTIVE SUMMARY: Reduces the cap amounts of the renewable energy technologies income tax credit.

SYNOPSIS: Amends section 235-12.5, HRS, to halve the per-system cap amounts for solar heating, other solar (photovoltaic, for example), and wind energy systems.

EFFECTIVE DATE: Upon approval.

STAFF COMMENTS: The tax system is there to raise revenue to keep the government moving. Using the tax system to shape social policy merely throws the revenue raising system out of whack, making the system less than reliable as there is no way to determine how many taxpayers will avail themselves of the credit and in what amount.

Furthermore, tax credits are nothing more than the expenditure of public dollars, but out the back door. If, in fact, these dollars were subject to the appropriation process, would taxpayers be as generous about the expenditure of these funds when our kids are roasting in the public school classrooms, there isn't enough money for social service programs, or our state hospitals are on the verge of collapse?

For these reasons, we believe the bill is a step in the right direction. Section 235-12.5, HRS, can be traced back to Act 207, SLH 2003. The argument that the industry is a fledgling industry still needing mother's milk vaporized years ago. This bill would help to wean the industry away from credits and toward economic survival in the marketplace.

Digested 2/2/2021



**Hawaiian
Electric**

**TESTIMONY BEFORE THE SENATE
COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**

S.B. 1237

Relating to Taxation

Friday, February 5, 2021
3:00 p.m., Agenda Item #5
State Capitol, Conference Room 414

Ian Morikawa
Manager, Customer Energy Resources Programs
Hawaiian Electric Company

Chair Wakai, Vice Chair Misalucha, and Members of the Committee,

My name is Ian Morikawa and I am testifying on behalf of Hawaiian Electric Company with comments on S.B. 1237, Relating to Taxation and respectfully request consideration **in opposition to reducing the tax credit for commercial properties in S.B. 1237. Hawaiian Electric takes no position on the reduction of the tax credit for residential properties in S.B. 1237.**

S.B. 1237 proposes changes to Hawaii Revised Statutes (HRS) Section 235-12.5 to amend the renewable energy technologies income tax credit amounts for solar water heater systems, other solar energy systems, and wind energy systems for single-family residential property, multi-family residential property and commercial property.

S.B. 1237 proposes amending subsection (b)(2)(C) to HRS Section 235-12.5, which would reduce the solar energy system cap amount for commercial property from \$500,000 to \$250,000 per system beginning after December 31, 2020. Hawaiian Electric opposes a reduction of the tax credit for utility scale projects with power purchase agreements approved by the Public Utilities Commission that will benefit all customers. Hawaiian Electric opposes such a change because 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. Reducing the tax credit for new commercial projects will raise the cost of energy for our customers, primarily impacting those who do not have rooftop solar. To this end, Hawaiian Electric supports tax credits for solar projects dedicated to helping customers with low to moderate incomes.

Hawaiian Electric is currently working on developing these types of programs through, for example, its Community Based Renewable Energy Program.

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 customer's electric bills. If the tax credit were to be reduced 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 condos or rental units the ability to benefit from the low-cost renewable energy.

S.B. 1237 also proposes amending subsection (b)(2)(A) and (b)(2)(B) to HRS Section 235-12.5, which would reduce the solar energy system cap amount for single-family residential property from \$5,000 to \$2,500 per system and multi-family residential property from \$350 to \$175 per unit per system beginning after December 31, 2020.

At this time, Hawaiian Electric takes no position on whether the tax credit for residential systems should be reduced. The segment of our customers who have generally benefited from this tax credit are homeowners who are financially able to invest in a rooftop solar system. Moreover, residential income tax credits were intended to spur early adoption in a nascent industry, but they have arguably served their

purpose now that we are leading the nation in customer adoption of rooftop solar. In the current environment of a State budget shortfall due to COVID-19, the Company recognizes that it may be prudent to decrease this tax credit that benefits customers with a relatively higher income demographic. That said, the Company is relying heavily on customer-sited renewable energy to reach our 100 percent clean energy goals by 2045, and views renewable energy as a catalyst to economic recovery from COVID-19. Thus, the current amount of tax credit may have a stronger incentive for customers to invest in private rooftop solar, which then supports the local solar industry, provides jobs, supports our economy, and advances our renewable energy goals. For these reasons, at this time, Hawaiian Electric defers to the Legislature to more holistically weigh competing budgetary priorities during this economic climate and takes no position on the residential tax credit.

Accordingly, Hawaiian Electric **opposes reducing the tax credit for commercial properties and takes no position on the reduction of the tax credit for residential properties in S.B. 1237.** Thank you for this opportunity to testify.



TESTIMONY OPPOSING SB 1237

**To be considered by the Senate Committee on Energy, Economic Development and Tourism
February 5, 2021 at 3:00 PM**

Aloha Chair Wakai, Vice Chair Misalucha and Members of the Committee:

Tesla appreciates the opportunity to submit this testimony in opposition to SB 1237, which cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. We respectfully ask that you defer any action on this bill.

We appreciate the difficult decisions you have to make in this budget climate. However, by dramatically reducing the value of the tax credit in a single step, the bill threatens to disrupt an entire industry that employs thousands of people in meaningful work advancing key state policy goals. This could have the unintended effect of exacerbating an already challenging fiscal outlook.

The retroactive nature of SB 1237 unfairly penalizes hundreds of Tesla customers who made the financial decision to invest in solar energy in reliance on state law. Through no fault of their own and with no notice, SB 1237 could undermine the economics of their good faith investment decisions. At the very least, we respectfully ask that you apply this bill prospectively should it move forward.

In past years, Tesla has supported a compromise proposal that would gradually step down the tax credit to zero over a 10+ year period. This would give the industry and customers adequate notice and allow all stakeholders to plan for the eventual elimination of the credit in a fair and rational manner. We respectfully ask that you consider this again.



Email: communications@ulupono.com

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, & TOURISM
Friday, February 5, 2021 — 3:00 p.m.

Ulupono Initiative offers comments on SB 1237, Relating to Taxation.

Dear Chair Wakai and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono offers comments on SB 1237, which reduces the cap amounts of the Renewable Energy Technologies Income Tax Credit (RETITC) by half for each eligible renewable energy technology system defined by Section 235-12.5.

Ulupono recognizes that the legislature is facing many difficult decisions this year to balance the budget as a result of the economic crisis created by COVID-19. It is also fair to acknowledge the significant progress that distributed energy resources (DER), specifically rooftop solar, has made in Hawai'i since 2014. However, several considerations should be noted prior to considering cutting the RETITC, effective January 1, 2021.

First, Ulupono does not believe it is reasonable to eliminate the RETITC this year. This action may jeopardize bringing additional renewable energy onto the electric system, as many residents have likely already relied upon the RETITC to purchase a renewable energy system or will do so prior to the end of this legislative session. Therefore, if the legislature intends to move forward with SB 1237, Ulupono recommends that it take effect at a future date, no earlier than July 1, 2021.

Second, although Ulupono is supportive of an eventual reduction of the RETITC, the legislature should be cognizant of the economic benefits provided by the clean energy sector and how it can assist in rebuilding our economy. Ulupono believes it may be an oversight to phase out the RETITC at a time when activity generated by the clean energy sector will likely provide additional tax revenue, jobs, and energy bill savings for Hawai'i's residents.

Investing in a Sustainable Hawai'i

Last, the Public Utilities Commission (PUC) is in the midst of working with interested stakeholders to implement longer-term program options to replace the interim DER programs (Customer Grid Supply Plus, Customer Self Supply, and Smart Export) which have credit rates set to expire in October 2022. However, as residents continue to invest in solar PV systems, there is a risk that the interim program capacity limits may be reached.¹ If so, many interested customers may discontinue their pursuit to install renewable energy generation as the economic incentives via the RETITC or interim program credit rates will no longer apply to their initial investment. Ulupono would be more comfortable with supporting a phase out of the RETITC once new, longer-term DER programs are approved by the PUC.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

¹See Docket 2019-0323 – Instituting a Proceeding to Investigate Distributed Energy Resources Policies, Letter from Hawaiian Electric re Notification regarding Smart Export and Customer Grid Supply Plus Program Capacities at 2, filed January 29, 2021. “With regards to the CGS+ program, the Company is providing notice that O’ahu has reached the 90% threshold for conditionally approved applications...Hawai’i Island is at 61%, Maui County is at 68% of their respective CGS+ program caps. With regard to Smart Export, Hawai’i Island is at 63%, Maui County is at 62% and O’ahu is at 54% of its respective Smart Export cap for conditionally approved applications.”



SIERRA CLUB OF HAWAI'I

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

February 5, 2021 3:00 PM Room 225

In **OPPOSITION** of **SB 1237**: Relating to Taxation

Aloha Chair Wakai, Vice Chair Misalucha, and members of the committee,

On behalf of our 27,000 members and supporters, the Sierra Club of Hawai'i **opposes SB 1237**, which proposes to immediately cut the state's Renewable Energy Income Tax Credit by 50%.

The Hawai'i Legislature will need to make difficult decisions to address Hawai'i's current and projected budget shortfalls amidst the COVID-19 pandemic. While COVID-19 relief and response funding remains the top priority, we urge you to also be working to save as many jobs as possible while supporting a more sustainable, equitable economic future in the long-term.

One of the sustainable, long term actions we need is to preserve Hawai'i's solar tax credit. The current solar tax credit not only makes installing solar systems on homes and local business affordable, it also lowers everyone's electricity bills, supports thousands of local solar jobs in our communities, and provides tax revenue to the state.

While Hawai'i's tourism-based economy continues to struggle, we need to look at diversified industries that can be preserved and expanded to fill unemployment gaps. The solar industry is just that—70% of the solar companies in Hawai'i are locally owned and operated, employing over 4,000 installers, contractors, sales representatives, electricians, and many others in good paying, sustainable jobs.¹ If solar becomes unaffordable, the industry itself would dissolve at a critical time in the climate crisis and thousands of jobs would be lost.

The tax credit provides cost-savings to consumers:

The Hawai'i Energy Tax Credit allows individuals to claim an income tax credit of as much as 35% of the cost of equipment and installation of a residential photovoltaic (PV) system or solar hot water heater. The tax credit for a PV system is currently capped at \$5,000 per "5 kW

¹ US Department of Energy, Hawaii Energy and Employment Report, 2020:
<https://static1.squarespace.com/static/5a98cf80ec4eb7c5cd928c61/t/5e78139de08d1b666d1ed07e/1584927646547/Hawaii-2020.pdf>

system” and the tax credit for solar hot water systems is capped at \$2,250. We oppose reducing this credit.

The tax credit has helped drop the average electricity bill in Hawai‘i by 20% for all ratepayers from 2011-2018², not just those who benefited from the tax credit themselves. In our current economic landscape, Hawai‘i's residents are looking to save as much money each month as they can.

The state benefits from the solar tax credit:

Studies show that for each solar tax credit dollar spent, the state receives \$1.97-\$2.67 dollars in additional tax revenues³—meaning that the state makes \$137 million from a \$70-million-a-year expenditure.

Hawai‘i also has the ambitious goal of being 100% renewable energy powered by 2045. The Hawaiian Electric Company acknowledges that rooftop solar is essential to reach that goal.⁴ Eliminating the state's tax credit would not only cripple our local solar industry, but severely limit Hawai‘i's ability to reach our clean energy goals.

Why preserve the tax credit now, when the state is looking at major budget cuts?

Hawai‘i needs a diversified economy more than ever. Relying on industries such as tourism are not sustainable—for our people or environment—and we now see how fragile a tourism-based economy can be. Supporting other industries, like the local solar industry, can help diversify our workforce and will likely be a growing industry as we track closer toward 100% renewable energy sources. The Solar Foundation estimates that for every megawatt of residential solar installed, 38.7 jobs are created.⁵

It is also safe to assume that once a tax credit is reduced, it is unlikely to be re-implemented in the future. The cost of solar has been dropping, which means that installs which were not feasible are becoming feasible. Reducing the tax credit now adversely impacts low-middle income residents who have so far been unable to afford a solar PV or a solar hot water system.

It is critical to keep the renewable energy income tax credit available, as is, to incentivize clean energy and bolster the solar industry through the COVID-19 crisis. **Please hold SB 1237.**

² Hawaii State Energy Office, Hawaii Energy Facts and Figures, July 2019:
https://energy.hawaii.gov/wp-content/uploads/2019/07/2019-FF_Final.pdf

³ Thomas A. Loudat & Prahlad Kasturi, 2017. "The Economic and Fiscal Impacts of Hawaii's Solar Tax Credit," International Journal of Energy Economics and Policy, Econjournals, vol. 7(1), pages 224-252:
<https://ideas.repec.org/a/eco/journ2/2017-01-24.html>

⁴ SP Global Marketplace Intelligence, "Hawaiian Electric says rooftop solar essential to meet 100% clean energy goal", Feb. 14, 2020:

<https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/hawaiian-electric-says-rooftop-solar-essential-to-meet-100-clean-energy-goal-57108589>

⁵ National Solar Jobs Census 2018, The Solar Foundation:
<https://resources.solarbusinesshub.com/images/reports/206.pdf>



Hawai'i Energy

45 North King Street, Suite 500 • Honolulu, Hawai'i 96817 • HawaiiEnergy.com • P: (808) 839-8880 • F: (808) 441-6068

Before the Senate Committee on Energy, Economic Development, and Tourism
Friday, February 5, 2021, 3:00pm

Testimony Providing Comments on SB1237: Relating to Taxation

Chair Wakai, Vice-Chair Misalucha, and Members of the Committee:

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future. Energy efficiency is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient.

Removing solar tax credits retroactively could cause harm to families who purchased a solar water heater and are counting on the tax credit to help them afford the system. As local families continue to face growing financial hardships, many more will lean on such incentives to help in their decision-making. Any changes to the tax credit should be prospective to minimize any unintended harm.

Thank you for the opportunity to provide comments on Senate Bill 1237.

Sincerely,
Brian Kealoha
Executive Director
Hawai'i Energy

SB-1237

Submitted on: 2/3/2021 9:19:20 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--|--------------------|--------------------|
| PAUL OREM | Testifying for Photonworks Engineering LLP | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

This will will have devistating impact to the solar industry that is providing jobs and economic recovery to our state. Now is not the time to cut out the legs from the solar industry during a time when our state desprately needs economic growth since most of the other industries are essentially shut down. Retroactive cuts to any law will a incredibly negative impact to **all** of our current and future clients. People have made financial commitments based on assumptions and to change the rules midway is not acceptable.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Paul Orem

CEO - Photonworks Engineering LLP

SB-1237

Submitted on: 2/3/2021 6:37:17 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---|---------------------------|---------------------------|
| laurel brier | Testifying for Kauai Climate Action Coalition | Oppose | No |

Comments:

It is time to ramp up alternatives to fossil fuels and support the local renewable energy industry. Science has spoken and the clock is ticking. We are depending on the legislature for bold actions not stepping back from responsible action. Mahalo



INTER-ISLAND SOLAR SUPPLY
761 AHUA STREET
HONOLULU, HI 96744

February 3, 2021

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach opposes economic growth. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprang into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

THOMAS P. SCHMIDT
VP Business Development
Inter-Island Solar Supply

Kaneohe Resident

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

House Bill 711 liquor tax increase is said to generate over \$60 million dollars in revenue. Lets be creative with these types of bills, rather than punish local homeowners utility saving incentives.

Data shows approximately \$48 million tax credits were allowed in 2017, with over 80% of that going to corporations, and 20% to well deserved homeowners putting their best foot forward in the Legislature's 2018 goal for 100% renewable by 2045. Hawaii has an opportunity to lead the fight against climate change. Bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Worse yet, the idea of homeowners who have financed solar projects with the existing tax credit structure, will be financially devastated.

And what is to happen to the highly funded State financing **GEMS** program? All the positive work and monies by the legislature, Governor, Mayors, and countless others will be negated. Seems like another "One step forward, Two steps backward" problem.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Paul Spencer

SB-1237

Submitted on: 2/3/2021 9:50:30 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------|--------------------------------------|--------------------|--------------------|
| Jason H Marcos | Testifying for Alternate Energy Inc. | Oppose | No |

Comments:

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Jason Marcos

SB-1237

Submitted on: 2/3/2021 10:34:08 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---|---------------------------|---------------------------|
| Anas Anees | Testifying for Greenpath Tewchnologies Inc | Oppose | No |

Comments:

- SB1237 retroactively halves the dollar value cap for all solar projects. Customers who purchase a system (or have already purchased a system) in 2021 are screwed.
- HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% renewable goal. This bill challenges Hawaii's clean energy future and continues our reliance on dirty fossil fuels.
- The average residential bill in Hawaii has dropped by 20% because of rooftop solar and energy efficiency. This is an incredible Hawaii-grown success story. Arbitrarily lowering the tax credit now assures further hardship on those who need rate relief the most.
- The solar industry has been a main driver keeping Hawaii's economy going throughout the COVID pandemic. We employ thousands of local workers in diverse, good paying jobs. Over 70% of the solar industry is locally owned and operated - passing this bill would be devastating to the economic engine keeping Hawaii's economy afloat.
- Multiple studies have shown that the solar tax credit is a net positive investment. For every credit dollar issued the State gets back 2 - 2.5 times its investment. Rather than pull back, the State should show alignment with Federal policy to further invest in combating climate change and stimulate the economy through proven investments.



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John Grandinetti
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grandsolartestimony@gmail.com

Testimony of John Grandinetti
President of
e-mail: grandsolartestimony@gmail.com

In OPPOSITION of SB 1237
RELATING TO GREEN INFRASTRUCTURE

Before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM (EET)
AND
SENATE COMMITTEE ON WAYS AND MEANS (WAM)

Friday, February 3, 2021 3:00 p.m.
State Capitol
415 South Beretania Street

Aloha Senators,

My name is John Grandinetti. I am RME of Grand Solar and a member of the Hawai'i Solar Energy Association. Grand Solar is a Solar installation company working towards 100% Renewable Energy capacity in Hawai'i

I am writing to you today to express my opposition to SB1237 and am asking that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawai'i has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawai'i is what will pull us out of our current pandemic. Please defer SB1237.

Mahalo for taking the time to read this message,

Thank you for allowing me to testify in **OPPOSITION** of **SB 1237**.

John Grandinetti – dig signature

John Grandinetti
President, Grand Solar Inc.
4882-4 Kilauea Ave.
Honolulu, Hawaii 96816
Tel: (808) 737-3536
grandsolartestimony@gmail.com

SB-1237

Submitted on: 2/3/2021 10:45:15 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--|--------------------|--------------------|
| Tom Halmos | Testifying for Photonworks Engineering | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Tom Halmos

February 3, 2021

Hawai'i State Legislature
Regular Session of 2021

Aloha Senators,

I am writing to you today to express my opposition to SB1237 and am asking that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. Our company has already invested tens of thousands of dollars and many months developing projects over the past few years that could be rendered worthless if this bill passes. It has taken years to develop projects such as our community solar projects that we started in 2018 and were finally scheduling to build this year.

Like the Trump solar, steel, aluminum and power electronic tariffs, new laws like SB1237 make difficult projects with single digit margins impossible to move forward. Please do not pull the rug out from under all the underdevelopment projects in Hawaii. Please give us time to make a pivot and allow the market time to reprice itself by giving us at least 12 months of transition time before new laws take effect.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. Please defer SB1237.

Mahalo for taking the time to read this message,

Stephen Gates



President
Neighborhood Power
Direct: 808-268-8090





SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

February 3, 2020, 3:00 p.m.
(*Testimony is 3 pages long*)

TESTIMONY IN OPPOSITION TO SB 1237

Aloha Chair Wakai and Members of the Committee:

Hawaii PV Coalition respectfully OPPOSES SB 1237, cutting the renewable energy tax credit effective January 1, 2021.

This bill is particularly alarming because 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.

Coming out of the COVID pandemic, smart renewable energy policy is critical to economic growth. On a national level, 1 out of 20 new jobs currently arise from the clean energy sector. Here, in Hawaii, nearly 2,500 jobs come out of the solar industry alone currently, and we know this amount can increase. During the last great recession hitting Hawaii, solar activity accounted for over 25% of the total construction activity in the state, generating substantial governmental revenue, economic growth, and substantial savings to Hawaii residents.

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

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.

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 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.*

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 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.

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-1237

Submitted on: 2/3/2021 2:05:09 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|------------------------|---------------------------|---------------------------|
| Neal Martin | Testifying for Generac | Oppose | No |

Comments:

This will have a negative impact in the local economy that has suffered enough. Multiple studies have shown that the solar tax credit is a net positive investment. For every credit dollar issued the State gets back 2 - 2.5 times its investment. Rather than pull back, the State should show alignment with Federal policy to further invest in combating climate change and stimulate the economy through proven investments.

SB-1237

Submitted on: 2/3/2021 3:50:49 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------|------------------------------|--------------------|--------------------|
| Scott Sparkman | Testifying for Mercury Solar | Oppose | No |

Comments:

RE: Testimony Regarding SB 1237...Really?

Dear Senators and the Ways and Means committee:

COVID-19 has certainly been a challenge for our economy here in Hawaii.

Imposing what is suggested in SB1237 is utterly ridiculous if one truly wishes to actually help our economy recover from the economic damage caused by COVID -19.

It has been mathematically proven by individuals with economic doctorates, several times, that the solar tax credit improves our economy by not exporting our fuel dollars out of our economy. This mathematically allows our fuel dollars to remain and be reinvested in our own economy, this income stays and moves through out our economy causing more income for the for the State and the individuals within. Depending on the current value of a barrel of oil it has been mathematically proven that investing in solar via a solar tax credit creates anywhere from a 250% to a 700% return for the State of Hawaii. Math does not lie. The Federal Government just extended the federal solar tax credit as a result of the ECONOMIC damage caused by COVID-19. Why would the State of Hawaii's economic policy be any different than the ENTIRE United States government in an effort to repair its economy from the economic damage caused by COVID-19?

SB 1237 ONLY meets the old adage of: "*throwing the baby out with the bathwater*".

Furthermore the following issues need to be addressed:

- SB1237 retroactively halves the dollar value cap for all solar projects. Customers who purchase a system (or have already purchased a system) in 2021 are screwed.
- HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% renewable goal. This bill challenges Hawaii's clean energy future and continues our reliance on dirty fossil fuels.
- The average residential bill in Hawaii has dropped by 20% because of rooftop solar and energy efficiency. This is an incredible Hawaii-grown success story. Arbitrarily lowering the tax credit now assures further hardship on those who need rate relief the most.
- The solar industry has been a main driver keeping Hawaii's economy going throughout the COVID pandemic. We employ thousands of local workers in diverse, good paying jobs. Over 70% of the solar industry is locally owned and operated - passing this bill would be devastating to the economic engine keeping Hawaii's economy afloat.

For all of the reasons above please oppose this Bill

Sincerely;

Scott Sparkman for Mercury Solar

February 4, 2021

State of Hawaii
Thirty-First Legislature, 2021

Aloha Senators,

I have prepared this correspondence to respectfully express my opposition to S.B. No. 1237.

S.B. No. 1237 reduces the renewable energy technology system cap 50% for all solar projects retroactive to January 1st, 2021. Our company has invested tens of thousands of dollars and many months developing projects over the past few years that could be rendered worthless if this bill passes. It has taken our Company years to develop these projects that met the current 500K cap such as Community Solar Projects that were started in 2018 and are finally scheduled to build in 2021.

Hawaii is positioned to be a global leader in renewable energy and climate solutions. As stated in S.B. No. 931, renewable energy transformation will help to stabilize and strengthen Hawaii's economy by reducing its dependency on imported and price-volatile fossil fuels, foster innovation and clean energy job growth, and help protect Hawaii's environment by greatly reducing carbon emissions. Bills such as S.B. No. 1237 move Hawaii in an opposite direction, resulting in more reliance on imported, price-volatile fossil fuels that are harmful to our environment.

Together we can be the leader in deploying renewable energy solutions, protecting Hawaii's precious environment, and creating job opportunity growth in the renewable energy sector.

Mahalo for your consideration,

Kimberly Vanderlaan



Chief Financial Officer
Neighborhood Power Corporation

February 3, 2021

Hawaii State Legislature
Regular Session of 2021

Aloha Senators,

I am writing to you today to express my opposition to SB1237 and am asking that you defer this bill.

SB1237 will cut the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. The Company I work for has invested thousands of dollars and years developing projects that could be rendered worthless if this bill passes. Some Community Solar projects that we started in 2018 are finally scheduled to build this year. This same situation occurred a few times over the years with immediate utility program changes and with the former President's solar and steel tariffs. Many of Hawaii's solar companies were unable to continue their business when these immediate changes happened in an industry that works 2 and sometimes 3 years ahead.

Hawaiian businesses have taken a huge hit with COVID-19, we cannot afford to shut down businesses causing even more lost jobs and loss of tax income to Hawaii.

Please do not pull the rug out from under all the "under development" solar projects in Hawaii. Please give us time to make a pivot and allow the market time to reprice itself by giving us at least 12 months of transition time before any new laws take effect.

Hawaii has an opportunity to lead the fight against climate change. Bill SB1237 moves us in the opposite direction, makes us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. Please defer SB1237.

Mahalo for taking the time to read this message.

Leanne Sim



Sr. Project Manager
Neighborhood Power
Direct: 808-866-2901



SB-1237

Submitted on: 2/3/2021 4:10:23 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|------------------------|---------------------------|---------------------------|
| Isidro Villaflor | Testifying for PV Tech | Oppose | No |

Comments:

Aloha,

I strongly oppose SB 1237. As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. This is just not right to retroactively change the tax credit after someone already installed their solar system.

The HI state solar tax credit is an investment for the state of Hawaii that employs thousands of local workers. This investment leads to more money being returned to the state's economy with the jobs saved and with the homeowner's electric bill savings that leads to more spending within our state of HI. In the long run, we get back thousands of dollars more in tax revenue than what we give out in solar tax credits.

Our state has a collective goal to be 100% energy independent through clean energy and this bill would be an obstacle for us reaching this goal.

Hawaii has an opportunity to lead the fight against climate change and global warming which threatens our tourism economy. Short sighted bills like SB1237 move us from our long term goals to be more resilient and more independent in generating our own renewable energy.

Please defer SB1237.

Mahalo for letting me share my testimony,

Sid Villaflor

SB-1237

Submitted on: 2/3/2021 4:01:50 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|-------------------------------------|---------------------------|---------------------------|
| Joti Mangat | Testifying for Rising Sun Solar LLC | Oppose | No |

Comments:

Joti Mangat

Chief Revenue Officer

Rising Sun Solar

Maui, HI

Re: Opposition to SB1237

To whoever it might concern,

I am the founder and CEO (RME) of Rising Sun Solar LLC, a Hawaii renewable energy company headquartered on Maui. My company has installed 50MW+ of residential and commercial PV capacity since we started in 2003 and our customer footprint spans four islands in the state. We employ hundreds of Hawaii taxpayers and their income supports thousands of individuals and families across the state.

I am writing to you today to express my strong opposition to SB1237 and am asking humbly that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

SB1237 would be a devastating blow to a vital economic engine at a time when we need to do everything we can to support the strongest and most resilient aspects of our economy. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. Our industry's performance during COVID has been remarkable, rapidly developing socially distanced protocols, keeping our workers and customers safe, and keeping the solarization of the islands going at a historically fast rate. Further, our projects, and the incentives they provide, drive the cost of living

lower for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

So far, Hawaii has been a national and global leader in the fight against climate change and its regulatory and fiscal framework support desperately needed innovations in technology and operations for the renewable energy industry.

Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

We owe a large part of our industry's success, and that of our community to Hawaii's pro-solar regulation and fiscal policy. It is the most supportive in the US. Our industry is one of few economic opportunities in the STEM industries for local people to develop meaningful careers, decent incomes and create an awesome future for their families and communities.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Sincerely,

Joti Mangat



Green Power Projects LLC
Alan Lennard, Managing Director
P.O. Box 818
Haleiwa, HI 96712
T 808.381-3447 F 808.381-0547
E alan.lennard@greenpowerprojects.com

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Testimony of Alan Lennard
Managing Director of Green Power Projects LLC
e-mail: alan.lennard@greenpowerprojects.com

In OPPOSITION of SB 1237
RELATING TO GREEN INFRASTRUCTURE

Before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM (EET)
AND
SENATE COMMITTEE ON WAYS AND MEANS (WAM)

Friday, February 3, 2021 3:00 p.m.
State Capitol
415 South Beretania Street

Aloha Senators,

My name is Alan Lennard. I am Managing Director Green Power Projects LLC. Green Power Projects is a Solar integration and facilitation company working towards 100% Renewable Energy capacity in Hawai'i

I am writing to you today to express my opposition to SB1237 and am asking that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawai'i has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawai'i is what will pull us out of our current pandemic. Please defer SB1237.

Mahalo for taking the time to read this message,

Thank you for allowing me to testify in **OPPOSITION** of **SB 1237**..

Alan Lennard -dy signature

Alan Lennard
Managing Director
Green Power Projects LLC
P.O. Box 818
Haleiwa, HI 96712-0818

Douglas White
Affordable Solar Contracting
25 B Kilea Place, Wahiawa HI 96786
(808) 623-1115 License # C-20674
Testimony of Douglas White
RME of Affordable Solar Contracting
e-mail: affordable.solar.testimony@gmail.com

In OPPOSITION of SB 1237
RELATING TO GREEN INFRASTRUCTURE

Before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM (EET)
AND
SENATE COMMITTEE ON WAYS AND MEANS (WAM)

Friday, February 3, 2021 3:00 p.m.
State Capitol
415 South Beretania Street

Aloha Senators,

My name is Douglas White. I am RME of Affordable Solar Contracting and a member of the Hawai'i Solar Energy Association. Affordable Solar Contracting is a Solar installation company working towards 100% Renewable Energy capacity in Hawai'i

I am writing to you today to express my opposition to SB1237 and am asking that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

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Continuing to lead and working together to build a better Hawai'i is what will pull us out of our current pandemic. Please defer SB1237.

Mahalo for taking the time to read this message,

Thank you for allowing me to testify in **OPPOSITION** of **SB 1237**.

Douglas White – dig signature

Douglas White
Affordable Solar Contracting
25 B Kilea Place, Wahiawa HI 96786
(808) 623-1115
License # C-20674
e-mail: affordable.solar.testimony@gmail.com



Matias Besasso
Chief Executive Officer & Founder
Rising Sun Solar
Maui, HI

Re: Opposition to SB1237

To whoever it might concern,

I am the founder and CEO (RME) of Rising Sun Solar LLC, a Hawaii renewable energy company headquartered on Maui. My company has installed 50MW+ of residential and commercial PV capacity since we started in 2003 and our customer footprint spans four islands in the state. We employ hundreds of Hawaii taxpayers and their income supports thousands of individuals and families across the state.

I am writing to you today to express my strong opposition to SB1237 and am asking humbly that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

SB1237 would be a devastating blow to a vital economic engine at a time when we need to do everything we can to support the strongest and most resilient aspects of our economy. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. Our industry's performance during COVID has been remarkable, rapidly developing socially distanced protocols, keeping our workers and customers safe, and keeping the solarization of the islands going at a historically fast rate. Further, our projects, and the incentives they provide, drive the cost of living lower for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

So far, Hawaii has been a national and global leader in the fight against climate change and its regulatory and fiscal framework support desperately needed innovations in technology and operations for the renewable energy industry.

Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

We owe a large part of our industry's success, and that of our community to Hawaii's pro-solar regulation and fiscal policy. It is the most supportive in the US. Our industry is one of few economic opportunities in the STEM industries for local people to develop meaningful careers, decent incomes and create an awesome future for their families and communities.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Sincerely,

A handwritten signature in black ink, appearing to be "Matias Besasso", written over a horizontal line.

Matias Besasso, CEO & RME



Hawaii Solar Energy Association
Serving Hawaii Since 1977

**Testimony of The Hawaii Solar Energy Association Regarding SB 1237, Relating to Taxation, Before the
Senate Committee on Energy, Economic Development, and Tourism**

Friday, February 5, 2021

Chair Wakai, Vice-Chair Misalucha, and members of the Committee, my name is Brian Gold and I am the President of the Hawaii Solar Energy Association (HSEA). Our membership includes the majority of locally owned and operated renewable energy companies across all islands.

HSEA STRONGLY OPPOSES SB 1237. This measure halves the tax credit dollar value cap for renewable energy projects retroactive to January 1, 2021. That includes community solar projects, affordable housing projects, and individuals in the process of controlling their energy costs right now.

According to HECO's most recent RPS filings, solar currently makes up the vast majority of total renewable generation, with rooftop solar alone making up over 50% of that total. The solar industry in Hawaii employs thousands of local individuals in a diverse set of well-paying jobs including, but not limited to, contractors, designers, electricians, engineers, financiers, installers, salespeople, and service technicians. Our developments help to reduce the high cost of electricity across the State, with rooftop solar and energy efficiency measures like solar water heating systems being the primary driver to an average electric bill savings of over 20% for all ratepayers since 2012.

To emphasize the impact that behind-the-meter resources, like rooftop solar, have on all consumer electric bills we can look to DBEDT's data set tracking average residential rates between 2011 and 2018. The data shows that the average consumer electric bill declined by more than 20% in this time despite the cost of electricity remaining approximately the same. The two biggest developments during this time were increasing scale of rooftop solar deployments and energy efficiency programs. So regardless of whether a HECO customer has a solar system on their roof, they still benefit from every new system that is installed. 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 halve the tax credit cap limits for renewable energy projects in the manner described in SB 1237 then we suggest that this decision is based on facts. Currently, every major stakeholder in Hawaii from HSEA to HECO to the PUC has contended that customer sited distributed generation resources are an essential part of propelling the State to 100% RPS by 2045. Stated another way, all stakeholders assert that our industry needs tools to go faster. Arbitrarily halving the credit caps



Hawaii Solar Energy Association
Serving Hawaii Since 1977

contradicts these parties, weakens our fight against climate change, makes us less resilient, and increases our dependence on imported, expensive, and dirty fossil fuels.

The local renewable energy industry is a true Hawaii-grown success story and we have been a main driver keeping Hawaii's economy going throughout the COVID pandemic. When the COVID pandemic began we deployed a comprehensive COVID19 guidebook to keep our industry workers and their customers safe thus allowing our essential services to stimulate the economy. Increasing investment in areas proven to be net positive investments to the State, like the renewable energy tax credit, will be what is required to rebuild our economy – certainly not the opposite.

We are open to a study that examines the impacts of lowering the dollar cap values on rate payers, the industry, and the State's energy goals. We would be more than willing to lend our expertise by participating. Absent a fact-based approach such as that, we cannot in good faith support this measure in any way.

Respectfully, the HSEA **opposes SB 1237** and we ask the legislature to defer this measure.



Laurence Ponce
Solar Services Hawaii LLP
98-121 Kihale Pl
Aiea, HI 96701
License(s) #C-28234 & #C-26354
(808) 721-3585

Testimony of Laurence Ponce
RME of Solar Services Hawaii
e-mail: solar.services.hi.testimony@gmail.com

In OPPOSITION of SB 1237
RELATING TO GREEN INFRASTRUCTURE

Before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM (EET)
AND
SENATE COMMITTEE ON WAYS AND MEANS (WAM)

Friday, February 3, 2021 3:00 p.m.
State Capitol
415 South Beretania Street

Aloha Senators,

My name is Laurence Ponce. I am RME of Solar Services Hawaii and a Member of the Hawai'i Solar Energy Association. Solar Services Hawaii is a Solar installation company working towards 100% Renewable Energy capacity in Hawai'i

I am writing to you today to express my opposition to SB1237 and am asking that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawai'i has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawai'i is what will pull us out of our current pandemic. Please defer SB1237.

Mahalo for taking the time to read this message,

Thank you for allowing me to testify in **OPPOSITION** of **SB 1237**.

Laurence Ponce – dig signature

Laurence Ponce
Solar Services Hawaii LLP
98-121 Kihale Pl., Aiea, HI 96701
(808) 721-3585
solar.services.hi.testimony@gmail.com



Dear Senators,

I am HR Specialist / Operations Assistant, at a Hawaii renewable energy company headquartered on Maui. My company has installed 50MW+ of residential and commercial PV capacity since we started in 2003 and our customer footprint spans four islands in the state. We employ hundreds of Hawaii taxpayers and their income supports thousands of individuals and families across the state.

I am writing to you today to express my strong opposition to SB1237 and am asking humbly that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

SB1237 would be a devastating blow to a vital economic engine at a time when we need to do everything we can to support the strongest and most resilient aspects of our economy. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. Our industry's performance during COVID has been remarkable, rapidly developing socially distanced protocols, keeping our workers and customers safe, and keeping the solarization of the islands going at a historically fast rate. Further, our projects, and the incentives they provide, drive the cost of living lower for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

So far, Hawaii has been a national and global leader in the fight against climate change and its regulatory and fiscal framework support desperately needed innovations in technology and operations for the renewable energy industry.

Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

We owe a large part of our industry's success, and that of our community to Hawaii's pro-solar regulation and fiscal policy. It is the most supportive in the US. Our industry is one of few economic opportunities in the STEM industries for local people to develop meaningful careers, decent incomes and create an awesome future for their families and communities.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Sincerely,

Angela Danish
HR Specialist / Operations Assistant

269 Papa Pl. Unit 14, Kahului, HI 96732, PO Box 98, Kahului HI 96733 | P (808) 575-2202 | F (808) 575-9878 | risingsunsolar.com

Electrical Contractors License C-28184



Dear Senators,

I am the Procurement Officer, at a Hawaii renewable energy company headquartered on Maui. My company has installed 50MW+ of residential and commercial PV capacity since we started in 2003 and our customer footprint spans four islands in the state. We employ hundreds of Hawaii taxpayers and their income supports thousands of individuals and families across the state.

I am writing to you today to express my strong opposition to SB1237 and am asking humbly that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

SB1237 would be a devastating blow to a vital economic engine at a time when we need to do everything we can to support the strongest and most resilient aspects of our economy. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. Our industry's performance during COVID has been remarkable, rapidly developing socially distanced protocols, keeping our workers and customers safe, and keeping the solarization of the islands going at a historically fast rate. Further, our projects, and the incentives they provide, drive the cost of living lower for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

So far, Hawaii has been a national and global leader in the fight against climate change and its regulatory and fiscal framework support desperately needed innovations in technology and operations for the renewable energy industry.

Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

We owe a large part of our industry's success, and that of our community to Hawaii's pro-solar regulation and fiscal policy. It is the most supportive in the US. Our industry is one of few economic opportunities in the STEM industries for local people to develop meaningful careers, decent incomes and create an awesome future for their families and communities.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Sincerely,

Jaime Hovey
Procurement Officer

269 Papa Pl. Unit 14, Kahului, HI 96732, PO Box 98, Kahului HI 96733 | P (808) 575-2202 | F (808) 575-9878 | risingsunsolar.com

Electrical Contractors License C-28184

SB-1237

Submitted on: 2/4/2021 2:17:32 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Miles | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short-sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Sincerely,

Miles Yoshimoto

Project Developer

Alternate Energy Inc.

96-1276 Waihona Street Unit 114, Pearl City HI 96782 License No. C-26041

Direct 808.221.8027 | Office 808.842.5853 | Fax 808.455.5458

Web www.alternateenergyhawaii.com



To: The Senate Committee on Energy, Economic Development and Tourism
From: Sherry Pollack, Co-Founder, 350Hawaii.org
Date: Friday, February 5, 2021, 3pm

In strong opposition to SB1237

Aloha Chair Wakai, Vice Chair Misalucha, and Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. On behalf of our 6,000 members and supporters, 350Hawaii.org **strongly opposes SB1237 and asks that you defer this bill.**

Solar is one of the most potent tools Hawaii has for reducing our greenhouse gas emissions, and has saved Hawaii residents billions of dollars while reducing the need for dirty, fossil fuels. Solar energy is leading the way in the fight against climate breakdown, and the legislature should be doing everything possible to remove barriers preventing Hawaii's families from installing solar.

SB1237 would undermine our progress towards 100% clean, renewable energy and take us in the wrong direction. Cutting Hawaii's solar tax credit dollar cap in half would be devastating to the economy and harmful to the environment. Tax credits are a tool that helps stimulate the economy, and by cutting the solar tax credit dollar cap, the legislature would effectively be delivering a gut-punch to both those that work in the solar industry in Hawaii, and to families who desperately need lower electricity bills. Now more than ever, we are in a time where we need to save jobs, diversify our economy, and address the climate crisis. SB1237 makes no sense. Period.

We urge you to **defer** this ill-advised bill.

Mahalo for the opportunity to testify.

Sherry Pollack
Co-Founder, 350Hawaii.org

SB-1237

Submitted on: 2/3/2021 11:29:09 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|------------------------------|---|--------------------|--------------------|
| Climate Protectors Coalition | Testifying for Climate Protectors Coalition | Oppose | No |

Comments:

To: The Senate Committee on Energy, Economic Development, and Tourism (EET)

From: Climate Protectors Coalition

Hearing Date: Friday, February 5, 2021, 3:00 pm, by videoconference

In support of HB193 RELATING TO TAXATION

Aloha Chair Wakai, Vice Chair Misalucha and members of the Committee on Energy, Economic Development, and Tourism.

The Climate Protectors Coalition **supports HB193.**

The Climate Protectors Coalition is a 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, food insecurity, and rising sea levels destroying our shorelines. We must do all we can to reduce our carbon footprint and become at least carbon neutral as soon as possible.

This bill would cut in half the caps for the renewable energy technologies income tax credit. This is a bad idea at a time when Hawaii needs the many jobs in installing solar and other renewable energy technologies, and when scientists say we have only maybe ten years to take actions to reverse the climate crisis. This is not a prudent place and time to seek funds to balance our budget in challenging fiscal circumstances.

The Climate Protectors thank you for the opportunity to testify and urge you to defer this bill. Mahalo!

SB-1237

Submitted on: 2/3/2021 4:48:32 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Susan Tyau | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Susan Tyau

SB-1237

Submitted on: 2/3/2021 9:23:41 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Roy Skaggs | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my extreme **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now. Imagine signing up for a contract, paying for it, and installing it only to be told, "sorry, you don't get what you signed up for afterall! Your Senate leaders decided to cut the tax credit retroactively."

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237**.

Mahalo for taking the time to read this message,

Roy Skaggs

SB-1237

Submitted on: 2/3/2021 9:29:44 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Tiana Naval | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Tiana Naval

SB-1237

Submitted on: 2/3/2021 9:38:43 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|------------------|--------------|--------------------|--------------------|
| Radford Nakamura | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Radford Nakamura

SB-1237

Submitted on: 2/3/2021 9:44:01 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Charles Chacko | Individual | Oppose | No |

Comments:

Aloha

I write in opposition to SB1237 due to the following reasons:

- SB1237 retroactively halves the dollar value cap for all solar projects. Customers who purchase a system (or have already purchased a system) in 2021 are short changed.
- HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% renewable goal. This bill challenges Hawaii's clean energy future and continues our reliance on dirty fossil fuels.
- The average residential bill in Hawaii has dropped by 20% because of rooftop solar and energy efficiency. This is an incredible Hawaii-grown success story. Arbitrarily lowering the tax credit now assures further hardship on those who need rate relief the most.
- The solar industry has been a main driver keeping Hawaii's economy going throughout the COVID pandemic. We employ thousands of local workers in diverse, good paying jobs. Over 70% of the solar industry is locally owned and operated - passing this bill would be devastating to the economic engine keeping Hawaii's economy afloat.
- Multiple studies have shown that the solar tax credit is a net positive investment. For every credit dollar issued the State gets back 2 - 2.5 times its investment. Rather than pull back, the State should show alignment with Federal policy to further invest in combating climate change and stimulate the economy through proven investments.

SB-1237

Submitted on: 2/3/2021 9:53:56 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------|--------------|--------------------|--------------------|
| John Helgesson | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237**.

Mahalo for taking the time to read this message,

John Helgesson

SB-1237

Submitted on: 2/3/2021 10:04:16 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Robles Arca | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Thank you for taking time to read this message.

Rob Arca

SB-1237

Submitted on: 2/3/2021 10:05:17 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Darrel Yamate | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Darrel Yamate

SB-1237

Submitted on: 2/3/2021 10:10:01 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|------------------|--------------|--------------------|--------------------|
| Maricel Calderon | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Maricel Calderon

SB-1237

Submitted on: 2/3/2021 11:13:26 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Mari Oshiro | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. I am one of those workers who has been dedicated to this industry and bettering our communities, economy and environment for nearly 8 years. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Myself and my family rely on my income especially with the hardships that the pandemic has forced on so many others. I fear that if this bill is passed as is, my job will be jeopardized and my family's well being and financial security as well. This will further stress the unemployment department and push the state's deficit past the point of return because so many more people will need support.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time and consideration!

Mari Oshiro

SB-1237

Submitted on: 2/3/2021 11:48:36 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Griff Jurgens | Individual | Oppose | No |

Comments:

Aloha Members,

Mahalo for the hard work all of you do in helping Hawaii become a more sustainable and stable state. I am writing in opposition to SB 1237.

1. HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% renewable goal. This bill challenges Hawaii's clean energy future and continues our reliance on dirty fossil fuels.

2. The solar industry has been a main driver keeping Hawaii's economy going throughout the COVID pandemic. They employ thousands of local workers in diverse, good-paying jobs. Over 70% of the solar industry is locally owned and operated - passing this bill would be devastating to the economic engine keeping Hawaii's economy afloat.

Climate change is real and Hawaii has done an excellent job of recognizing it while trying to create equitable ways to combat it. Bill 1237 would stunt the growth we've made in reaching our goal of 100% clean energy by 2045.

Thank you for your time and consideration,

Griff Jurgens

SB-1237

Submitted on: 2/3/2021 12:00:42 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Jeff Lum | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Jeff Lum

SB-1237

Submitted on: 2/3/2021 12:18:26 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Julian Ritchey | Individual | Oppose | No |

Comments:

- SB1237 retroactively halves the dollar value cap for all solar projects. Customers who purchase a system (or have already purchased a system) in 2021 are screwed. It is completely unfair to anyone who has started the process or installed a system based on the current tax credits available.
- HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% renewable goal. This bill challenges Hawaii's clean energy future and continues our reliance on dirty fossil fuels.
- The average residential bill in Hawaii has dropped by 20% because of rooftop solar and energy efficiency. This is an incredible Hawaii-grown success story. Arbitrarily lowering the tax credit now assures further hardship on those who need rate relief the most.
- The solar industry has been a main driver keeping Hawaii's economy going throughout the COVID pandemic. We employ thousands of local workers in diverse, good paying jobs. Over 70% of the solar industry is locally owned and operated - passing this bill would be devastating to the economic engine keeping Hawaii's economy afloat. The state has already done a lot of things that have severely harmed businesses since Covid really hit the states. Don't make another bad mistake by passing this bill and taking income away from even more families.
- Multiple studies have shown that the solar tax credit is a net positive investment. For every credit dollar issued the State gets back 2 - 2.5 times its investment. Rather than pull back, the State should show alignment with Federal policy to further invest in combating climate change and stimulate the economy through proven investments.

Mahalo,

Julian Ritchey

SB-1237

Submitted on: 2/3/2021 12:43:10 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Thomas Cory | Individual | Oppose | No |

Comments:

To whom it may concern,

I am writing to express my opposition to SB1237 for the following reasons:

- SB1237 retroactively halves the dollar value cap for all solar projects. Customers who purchase a system (or have already purchased a system) in 2021 are out of luck.
- HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% renewable goal. This bill challenges Hawaii's clean energy future and continues our reliance on fossil fuels.
- The average residential bill in Hawaii has dropped by 20% because of rooftop solar and energy efficiency. This is an incredible Hawaii-grown success story. Arbitrarily lowering the tax credit now assures further hardship on those who need rate relief the most.
- The solar industry has been a significant if not one of the largest drivers keeping Hawaii's economy going throughout the COVID pandemic. We employ thousands of local workers in diverse, good paying jobs. Over 70% of the solar industry is locally owned and operated - passing this bill would be devastating to the economic engine keeping Hawaii's economy afloat.
- Multiple studies have shown that the solar tax credit is a net positive investment. For every credit dollar issued the State gets back 2 - 2.5 times its investment. Rather than pull back, the State should show alignment with Federal policy to further invest in combating climate change and stimulate the economy through proven investments.

In short, I am asking you to please oppose this measure.

Much Mahalo,

Thomas H. Cory

SB-1237

Submitted on: 2/3/2021 12:52:06 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|------------------|--------------|--------------------|--------------------|
| Joshua F. Powell | Individual | Oppose | No |

Comments:

Aloha Senators,

I am the CEO of Hawaii’s largest Residential Solar Company.

Hawaii leads the nation in energy storage adoption, community energy resilience and the future of electrical grid management - as a business we are involved in every aspect of this from the individual to the utility. Our leadership in the industry is largely due to the cost of energy in Hawaii and the State’s support in creating policy that has accelerated the energy transformation in Hawaii. RevoluSun has served Hawaii for over a decade and in that time fossil fuel usage in our energy mix has reduced by over 3x and relative energy costs have come down. When we eliminate fossil fuels in our energy mix all of the money that would normally leave Hawaii stays here to strengthen the local economy and support clean energy resources we control.

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach will introduce blunt force trauma to one of the State’s best economic engines at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State’s progress towards its renewable energy goals. We employ thousands of local workers (RevoluSun alone is over 200) in diverse positions and pay them well. The industry sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, solar projects as a whole drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012 — this is the opposite of what many had predicted.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message.

SB-1237

Submitted on: 2/3/2021 12:53:30 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Kevin Holder | Individual | Oppose | No |

Comments:

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

With all of the difficulties, loss and hardship that COVID-19 has brought to the world and our Island community, the Hawaii Solar Industry has weathered the storm and continues to provide substantial financial benefits to the people of Hawaii. The State Tax Incentives are integral to the continued health and vitality of this industry, and the financial benefits to the State far outweigh the costs of the Solar tax incentives.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

The financial stability of Hawaii's Solar Industry will only help the State recover from this tragic pandemic faster. Reducing the State's Tax incentives for renewable energy will only SLOW down our economic recovery! **Please defer SB1237.**

SB-1237

Submitted on: 2/3/2021 1:18:25 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Spencer Toyama | Individual | Oppose | No |

Comments:

I strongly oppose this bill. Economists have a consensus that renewable energy is a net positive to economies, and tax credits that support renewables help to maintain and grow economies. Kneecapping one of the only profitable, growing, and net positive industries will only take us backward.

SB-1237

Submitted on: 2/3/2021 1:45:53 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Aaron Bourget | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237**.

Mahalo for taking the time to read this message,

Sincerely,

Aaron Bourget

SB-1237

Submitted on: 2/3/2021 1:46:08 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| david hill | Individual | Oppose | No |

Comments:

I oppose SB1237 as it is a thinly veiled attempt by our electric utility to hinder additional solar production. Our legislature talks big about reducing our fossil fuel dependence, but this law would only lead severely hindering that goal. This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. Solar employs thousands of local workers in diverse positions and pays them well. Solar projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Its time to put the need of home owners and small business over greedy Utilities and corporations.

SB-1237

Submitted on: 2/3/2021 2:13:44 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Faith Texeira | Individual | Oppose | No |

Comments:

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for your consideration.

SB-1237

Submitted on: 2/3/2021 3:29:02 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Ross Kutsunai | Individual | Oppose | No |

Comments:

Dear Senators,

I am very concerned for the attempt to reduce the renewable Solar tax credit being considered. We need to keep focused on renewable energy for the state of Hawaii. We must reduce our dependence on limited and polluting fossil fuels which impact our fragile environment. There are many things to consider regarding the benefits of the renewable solar tax credits:

- SB1237 retroactively halves the dollar value cap for all solar projects. Customers who purchase a system (or have already purchased a system) in 2021 are screwed.
- HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% renewable goal. This bill challenges Hawaii's clean energy future and continues our reliance on dirty fossil fuels.
- The average residential bill in Hawaii has dropped by 20% because of rooftop solar and energy efficiency. This is an incredible Hawaii-grown success story. Arbitrarily lowering the tax credit now assures further hardship on those who need rate relief the most.
- The solar industry has been a main driver keeping Hawaii's economy going throughout the COVID pandemic. We employ thousands of local workers in diverse, good paying jobs. Over 70% of the solar industry is locally owned and operated - passing this bill would be devastating to the economic engine keeping Hawaii's economy afloat.
- Multiple studies have shown that the solar tax credit is a net positive investment. For every credit dollar issued the State gets back 2 - 2.5 times its investment. Rather than pull back, the State should show alignment with Federal policy to further invest in combating climate change and stimulate the economy through proven investments.

Please do not support the bill as it will negatively affect the renewable solar efforts, the customers who have already committed to and/or have already had systems installed this year. The bill also cancels the positive impacts the industry returns to the local economy.

Thank you for your support against the bill. 1/4

Ross M. Kutsunai

SB-1237

Submitted on: 2/3/2021 4:21:15 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Colin A. Yost | Individual | Oppose | No |

Comments:

Aloha honorable Chair and members of the Committee,

I testify in strong opposition to SB1237. There are many clear reasons to continue supporting the state's solar energy tax credits at their current level, including:

- cutting them would not benefit the state's bottom line. Several studies have demonstrated that solar tax credits produce a net fiscal benefit to Hawaii. Those who say otherwise are not sufficiently considering, among other things, the benefits of companion federal incentives that flow into our state with each built project, the broad ripple effects of a thriving industry on our economy or the local reinvestment of energy savings by solar customers over 20+ years. Cutting the credits will in fact have a negative effect on the state budget, because slowing down the solar industry will reduce its net contributions to the state.

- The Climate Crisis is real, and if we don't aggressively move away from fossil fuels (and continue our international leadership role in this area), the negative effects of a warmer climate on Hawaii will make COVID-19 look like a picnic. The combined threats of rising temperatures and humidity, more frequent hurricanes, coral reef and fish population death, and long-term reduction in tourism (because Hawaii will no longer be a paradise), are extremely serious. A growing, diverse solar industry is obviously part of the solution. Slowing it down is exactly the wrong policy and contradicts our state renewable energy and carbon neutral mandates.

- The Biden Administration is explicit about its support for solar and Building Back Better in part with high-technology, clean energy jobs. New and financially beneficial programs relating to energy storage, distributed power generation and solar are very likely to be federal law in the near future. If Hawaii handicaps its local solar industry, it will be poorly positioned to take advantage of these opportunities.

Thank you for the opportunity to testify.

Colin Yost

SB-1237

Submitted on: 2/3/2021 4:24:06 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Richard Kutaka | Individual | Oppose | No |

Comments:

Aloha Senators,

Please do not pass SB1237, Renewable Energy Technologies; Income Tax Credits.

Renewable energy technology in Hawaii can help Hawaii's economic growth, reduce Hawaii's dependence on imported oil and keep jobs in the process.

Governer Ige's energy plan was to work with all relevant parties and to execute policies and programs to develop clean energy industries in Hawaii. How can we promote clean energy when tax incentives are being cut?

Please be a leader for Hawaii and support renewable energy technology in Hawaii.

Please defer SB1237.

Mahalo,

Richard Kutaka

rkutaka@gmail.com

SB-1237

Submitted on: 2/3/2021 5:29:06 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Dyson Chee | Individual | Oppose | No |

Comments:

Aloha Chair Wakai, Vice-chair Misalucha, and members of the EET Committee,

My name is Dyson Chee and I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. We sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep our workers and customers safe allowing our essential services to stimulate the economy. Further, our projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Mahalo for taking the time to read this message,

Dyson Chee

SB-1237

Submitted on: 2/3/2021 5:48:38 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Sasha Nitta | Individual | Oppose | No |

Comments:

Aloha Senator Wakai and committee members of EET,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. This industry employs thousands of local workers in diverse positions and pays them well. Revolusun, for example, sprung into action when COVID hit, deploying a comprehensive COVID19 guidebook to keep their workers and customers safe allowing their essential services to stimulate the economy. Further, their projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Thank you for your time and consideration,

Sasha Nitta

SB-1237

Submitted on: 2/3/2021 5:59:30 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Randall Watanabe | Individual | Oppose | No |

Comments:

Aloha Senators,

I am writing to you in opposition of SB1237.

I am opposed to this bill for environmental reasons, but I would also be personally affected in a major way by this bill.

I have been trying to get PV installed on our single family home since last year, but due to issues with our roof and delays from the contractor, it is only now moving forward and we have finally obtained permits and reroofed our home at significant expense to accomodate new panels.

The entire PV installation, including reroofing, will consume the majority of our savings, which we were anticipating to be recouped via electricity savings and tax credits over time. This was no small decision that we made and one that was difficult considering we are a middle income family of five.

Should this bill become law, our finances will be rocked at a time when everyone is struggling. While I think it is a mistake to do it at all, if the credits must be reduced, then I would suggest having it take effect at a later date so that those of us directly impacted by it can plan accordingly and not be taken by surprise.

Thank you for your time,

Randall Watanabe

SB-1237

Submitted on: 2/3/2021 6:06:58 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Brodie Lockard | Individual | Oppose | No |

Comments:

I oppose SB 1237.

SB-1237

Submitted on: 2/3/2021 10:03:06 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Chiem Me | Individual | Oppose | No |

Comments:

Please do not withdraw the solar tax credit so abruptly. We are right in the middle of finishing our solar system and were expecting to be able to collect the tax credit. It's grossly unfair to dangle a financial carrot in front of residents, then retrospectively pull it with no warning, especially in these times. Please set a timeline that allows direct projects to finish up -- perhaps May. Thank you.

Dear Senators,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach will certainly hurt the economic recovery at a time when we need to boost the economy with more investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. The solar industry employs thousands of local workers in diverse positions and pay them well. Rooftop solar panels and energy efficiency like solar hot water have reduced household electric bills and contribute to reduce emission of carbon dioxide.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. **Please defer SB1237.**

Thank you for taking the time to read this message,

Gilbert Romano

SB-1237

Submitted on: 2/4/2021 12:09:38 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Alex De Leo | Individual | Oppose | No |

Comments:

This bill makes rooftop solar and solar hot water heater systems more unaffordable for our residents and decimates our local solar industry at a time where we need to save jobs, diversify our economy, and address the climate crisis. HECO's own models demonstrate that every rooftop is needed to reach Hawaii's 100% clean energy goal. This bill challenges Hawaii's clean energy future and continues our reliance on dirty fossil fuels. Hawaii has an opportunity to lead the fight against climate change and be a model for the rest of the US. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported and expensive fossil fuels.

Thank you,

Alex De Leo

SB-1237

Submitted on: 2/4/2021 10:09:16 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Bonnie Self | Individual | Oppose | No |

Comments:

Aloha Senator Wakai and committee members of EET,

I am writing to you today to express my opposition to SB1237 and am asking that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

This approach is blunt force trauma to an economic engine at a time when we need to be stitching our economy back together with proven investments. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. Solar employs thousands of local workers in diverse positions and pays them well. Solar projects drive bill reduction for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

Hawaii has an opportunity to lead the fight against climate change. Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. Please defer SB1237.

Mahalo,

Bonnie Self

SB-1237

Submitted on: 2/4/2021 10:14:28 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Rayne Kauhi | Individual | Oppose | No |

Comments:

It's No Fair! 2020 devastated many people including my household that lost the Tax Credit due to the COVID Restrictions.

SB-1237

Submitted on: 2/4/2021 11:13:57 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Ben | Individual | Oppose | No |

Comments:

Aloha,

I purchased a solar PV system with battery backup in 2020 and I am relying on these tax credits for the 2020 tax year. It is unfair to take some tax credit away mid-tax year for already installed systems.

When a homeowner buys a PV system, they also have to pay the 4% sales tax on it. In my case I paid around \$1800 in taxes on my system. Using my system as an example, it means that the current tax credit does not even cover \$5000 of the cost of the system, due to paying \$1800 in sales tax. If you limit the solar pv tax credits to \$2500, then, after subtracting the 4% hawaii sales tax I paid of \$1800, the newly limited solar pv tax credit will only cover \$700 of the cost of my solar pv system. If there was no incentive program, I would have purchased a smaller pv system that did not cover most of my electricity usage. I would not have purchased a battery.

The solar pv tax credit program is an incentive for people to switch to clean renewable electricity to keep our air and seas free of dirty oil and diesel burning pollution. Have you been to the oil and diesel generator electricity plants? Have you smelled the air pollution near them?

When people add solar pv to their homes, it increases the value of their homes, which in turn, increases their property taxes. At least on Big Island. Honolulu County has property tax exemptions for solar installs.

According to Hawaiian Electric (formerly Heco/Helco), the entire state of Hawaii only has 28.4% renewable energy percentage as of 12/31/2019. Data from this website URL <https://www.hawaiianelectric.com/about-us/power-facts>

According to Hawaii State Energy Office, In 2014, The Hawaii Clean Energy Initiative (HCEI) renewed Hawaii's commitment to setting bold clean energy goals that include achieving the nation's first-ever 100 percent renewable portfolio standards (RPS) by the year 2045.

<http://energy.hawaii.gov/testbeds-initiatives/hcei>

The state of Hawaii cannot achieve the goal of 100% renewable energy by 2045 if this bill is approved.

Mahalo, Ben.

SB-1237

Submitted on: 2/4/2021 10:42:46 AM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Janet Pappas | Individual | Oppose | No |

Comments:

Dear Legislators,

This is a horribly cruel bill! Just when we thought that, after a long HECO slowdown, rooftop solar could begin to flourish again, and people could start saving money on their energy bills, and we get a President who actually talks about climate change like it's a real thing, and people begin to realize all those floods, fires, hurricanes and rising seas aren't going away, and the city of Honolulu is nearly ready to release a bold Climate Action Plan that dwarfs what the State is doing, the state of Hawaii decides to make it not easier but HARDER and less likely that Hawaii will ever really do the right thing and tackle the climate crisis head-on.

This is not the time to go backwards. The money that you want to cut from the energy tax credits will be ensuring that we no longer pay nearly \$5 billion per year to import fossil fuels. That money moves us closer to a healthier, greener economy. That money will help pay workers who are working in the new field of clean energy. That money will be used to cut greenhouse gas emissions to ensure that our children HAVE a future.

I know the state is woefully short of funds. Every state and most families are in the same boat. But this is our chance to "build back better." Please get creative and find some other means of funding, or decide NOT to fund some other new project, or make another project less fancy. In my opinion, these fully-funded energy tax credits are absolutely necessary for the world we are moving into and they should remain as-is.

Please do not pass this bill.

Thank you for the opportunity to testify.

Sincerely,

Jan Pappas

Aiea, Hawaii

SB-1237

Submitted on: 2/4/2021 2:01:35 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| June Watanabe | Individual | Oppose | No |

Comments:

Aloha Senator Wakai and Committee Members of EET,

We are opposed to SB1237 which cuts the solar tax credit in half for all solar projects retroactive to January 1st, 2021. This bill would discourage people from investing in combating climate change and challenges Hawaii's clean energy future. As photovoltaic and solar hot water systems become more unaffordable for our residents, many jobs and our economy may be adversely affected.

Working together to build a better Hawaii is what will pull us out of our current situation. Please defer SB1237.

Mahalo,

June Watanabe

SB-1237

Submitted on: 2/4/2021 2:34:10 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|------------------|--------------|--------------------|--------------------|
| Crystal Watanabe | Individual | Oppose | No |

Comments:

Aloha Senator Wakai and committee members of EET,

I am writing to you today to express my **opposition to SB1237** and am asking that you **defer this bill**.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

I am among those everyday folks. This bill, if approved, will greatly affect my family's future, as the solar credit cap was a major factor in our careful consideration of the budget we mapped out for our family's investment in our home. With our oldest soon to head to college and another to follow in just two years, a financial blow like this can affect our finances and our children's future.

Please defer SB1237.

Mahalo,

Crystal Watanabe

SB-1237

Submitted on: 2/4/2021 2:45:19 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------|--------------|--------------------|--------------------|
| Martha Visoria | Individual | Oppose | No |

Comments:

Dear Senators,

I am an Executive Manager, at a Hawaii renewable energy company headquartered on Maui. My company has installed 50MW+ of residential and commercial PV capacity since we started in 2003 and our customer footprint spans four islands in the state. We employ hundreds of Hawaii taxpayers and their income supports thousands of individuals and families across the state.

I am writing to you today to express my strong opposition to SB1237 and am asking humbly that you defer this bill.

As written, SB1237 cuts the solar tax credit dollar cap in half for all solar projects retroactive to January 1st, 2021. That includes community solar projects, affordable housing projects, and everyday folks who are choosing to control their own energy costs right now.

SB1237 would be a devastating blow to a vital economic engine at a time when we need to do everything we can to support the strongest and most resilient aspects of our economy. The rooftop solar industry currently makes up over 50% of the State's progress towards its renewable energy goals. We employ thousands of local workers in diverse positions and pay them well. Our industry's performance during COVID has been remarkable, rapidly developing socially distanced protocols, keeping our workers and customers safe, and keeping the solarization of the islands going at a historically fast rate. Further, our projects, and the incentives they provide, drive the cost of living lower for all ratepayers – rooftop solar and energy efficiency like solar hot water have reduced all ratepayer electric bills by over 20% since 2012.

So far, Hawaii has been a national and global leader in the fight against climate change and its regulatory and fiscal framework support desperately needed innovations in technology and operations for the renewable energy industry.

Short sighted bills like SB1237 move us in the opposite direction, make us less resilient, and more reliant on imported, expensive, and dirty fossil fuels.

We owe a large part of our industry's success, and that of our community to Hawaii's pro-solar regulation and fiscal policy. It is the most supportive in the US. Our industry is one of few economic opportunities in the STEM industries for local people to develop meaningful careers, decent incomes and create an awesome future for their families and communities.

Continuing to lead and working together to build a better Hawaii is what will pull us out of our current pandemic. Please defer SB1237.

Sincerely,

Martha Visoria, Executive Manager

LATE

SB-1237

Submitted on: 2/4/2021 9:30:24 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Shannon Matson | Individual | Oppose | No |

Comments:

Aloha Chair and committee members,

Please don't pass this bill. This will hurt our ability meet our clean energy goals. Also right now people are struggling due to COVID and job and income loss and we need to be encouraging tax incentives for solar right now as they will keep the industry going and these incentives will truly allow people to make the switch to alternative energy options that will help us all in the future.

Mahalo,

Shannon Matson

Ola'a on Hawai'i Island

LATE

SB-1237

Submitted on: 2/4/2021 11:41:17 PM

Testimony for EET on 2/5/2021 3:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Donna Von | Individual | Oppose | No |

Comments:

First, this bill would have a detrimental impact on the affordability of solar systems for purchase by Hawaii consumers. Decreased sales due to less affordable solar systems would result in a negative impact on the revenue for local solar companies. If solar systems become less affordable, the solar companies will have fewer systems purchased and the total lost revenue would be much more than the amount of the potential tax credits. This would inevitably result in layoffs of solar company personnel.

This bill could also have a trickle-down negative effect as fewer consumers would be motivated to spend money on roofing in preparation for installation of solar panels.

During our current economy when more jobs are needed due to the increased number of unemployed workers, this bill would NOT create any new jobs. Instead, this bill would only increase the number of laid-off unemployed workers. Fewer solar systems purchased would also result in lower general excise tax collection.

Second, this bill would have a detrimental impact on the state's goal of achieving 100 percent renewable energy generation by 2045. According to the Hawaii State Energy Office's Energy Policy: "The State Administration is determined to achieve its goal of 100 percent renewable energy generation by 2045. Maximizing affordable clean energy is a core strategic goal and provides the most secure foundation for our economy and way of life."

The Energy Policy continues: "In order to find the most beneficial long-term solutions, we must focus on projects that make the best use of land and resources." In my personal opinion, making use of existing rooftop space for solar systems is a very efficient use of our precious land and should be encouraged as much as possible.

Third, it is unfair to retroactively lower the amount of the tax credits because consumers have already signed contracts with solar companies based on the system affordability using the current tax credits.

Please note, the solar tax credits represent only a portion of the total price paid to solar companies. The consumer must pay the full purchase price and then wait until the following year to recoup the tax credits.

Lowering the solar tax credits at this time, when Hawaii needs more jobs and is trying to reach the goal of clean energy, is short sighted and will have a negative impact in the long term. If the legislature would like to add jobs and speed the installation of clean energy, then increase the solar tax credits instead.

Sincerely,

Donna Von