

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT GOVERNOR



Hawaii Green Infrastructure Authority

An Agency of the State of Hawaii

JAMES KUNANE TOKIOKA
CHAIR

GWEN S YAMAMOTO LAU
EXECUTIVE DIRECTOR

Testimony of
Gwen Yamamoto Lau
Executive Director
Hawai'i Green Infrastructure Authority
before the
SENATE COMMITTEE ON WAYS AND MEANS
Friday, April 5, 2024, 10:20 AM
State Capitol, Conference Room 211
in consideration of
House Bill No. 2372, HD1, SD1
RELATING TO THE SOLAR ENERGY STORAGE LOAN PROGRAM

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to testify on HB 2372, HD1, SD1 relating to the solar energy storage loan program. The Hawai'i Green Infrastructure Authority (HGIA) **strongly supports** this bill which clarifies part III in Act 164, SLH 2023 as it pertains to the appropriation for the solar energy storage loan program.

Thanks to the support and approval of last year's Legislature, the \$50.0 million was released by Governor in December 2023, to finance the installation of solar+storage systems for ALICE households. Unfortunately, a proviso was not included in the budget bill (Act 164, SHL 2023) to deposit the funds into HGIA's Clean Energy & Energy Efficiency Revolving Loan Fund. This bill proposes to make this correction, enabling loan repayments to revolve and be recycled and reinvested to help more ALICE families over the next twenty-one years to 2045. Equally important is this is currently the Authority's only funding source that allows energy storage or battery financing. Pairing batteries with solar increases resiliency for our disadvantaged households and communities.

The Authority currently has 1,062 ALICE households requesting solar + storage financing. At an average cost of \$50,000 each, this represents some \$53.1 million in loans.

Additionally, HGIA submitted an application with the EPA under the Solar for All grant opportunity in October 2023. While we are still awaiting award announcements, in this application, HGIA proposed leveraging said federal funds with \$38 million of state funds.

Thank you for this opportunity to provide comments and testify in strong support of HB 2372, HD1, SD1.



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
Leah Laramee
Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

Before the Senate Committees on
WAYS AND MEANS

Friday April 5, 2024
10:20 AM
State Capitol, Via Videoconference, Conference Room 221

In support of
House Bill 2372, HD1, SD1
RELATING TO THE SOLAR ENERGY STORAGE LOAN PROGRAM.

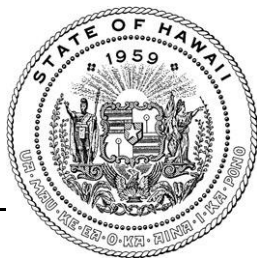
HB 2372, HD1, SD1 Clarifies part III of Act 164, Session Laws of Hawaii 2023, as it pertains to the appropriation for the Solar Energy Storage Loan Program. **The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this bill.**

The Commission is a multi-jurisdictional effort between 20 different State and county departments, and Legislative committees. Rooftop solar is a key component in reaching our legislated climate goals. If approved, this will move the \$50 million in general funds approved by the Legislature last year into HGIA's special fund so that repayments can be recycled, re-lent and re-invested into more Solar + Storage systems for ALICE households. With the highest energy costs and ambitious climate goals this is a win win for the state and it's communities.

Mahalo for the opportunity to testify in support of this measure.

Co-Chairs:
Chair, DLNR
Director, OPSD

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WAL
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawai'i DP
Director, Kaua'i DP
The Adjutant General
Manager, CZM



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

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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Statement of
JAMES KUNANE TOKIOKA
Director

Department of Business, Economic Development & Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS

Friday, April 5, 2024
10:20 AM

State Capitol, Conference Room 211

LATE

In consideration of
HB 2372, HD1, SD1
RELATING TO THE SOLAR ENERGY STORAGE LOAN PROGRAM.

Chair Dela Cruz, Vice Chair Moriwaki and members of the Committee.

Thank you for the opportunity to testify in **strong support** of HB2372, HD1, SD1 which inserts a proviso to Act 164, SLH 2023, specifically addressing the appropriation for the Solar Energy Storage Loan Program. This bill transfers \$50.0 million appropriated in 2023 for the solar energy and storage loan program from general funds to the Hawaii Green Infrastructure Authority's (HGIA) Clean Energy and Energy Efficiency Revolving Loan Fund (CEEERLF).

By directing these funds to the CEEERLF, it ensures a continuous and sustainable source of funding to finance solar and storage installations. This not only addresses the immediate financial challenges faced by almost half of Hawaii's families, but it also creates a long-term solution to support underserved ratepayers. The bill recognizes the urgency of the situation, with approximately 44% of households grappling with disproportionate financial burdens due to rising inflation and electricity costs. Moreover, this provision will enable HGIA to continually leverage these funds by re-lending and re-investing that same public dollar, reaching and benefitting more ALICE families over time.

Thank you for the opportunity to testify in strong support of HB 2372, HD1, SD1.

TESTIMONY OF
LEODOLOFF R. ASUNCION, JR.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

LATE

TO THE
SENATE COMMITTEE ON
WAYS AND MEANS

Friday, April 5, 2024
10:20 a.m.

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

MEASURE: H.B. 2372 HD1 SD1

TITLE: RELATING TO THE SOLAR ENERGY STORAGE LOAN PROGRAM.

DESCRIPTION: Clarifies part III of Act 164, Session Laws of Hawaii 2023, as it pertains to the appropriation for the Solar Energy Storage Loan Program. Takes effect 1/1/2060. (SD1)

POSITION:

The Public Utilities Commission (“Commission”) supports this measure and offers the following comments for consideration.

COMMENTS:

The Commission appreciates the intent of this measure to transfer funds to ensure that the Hawaii Green Infrastructure Authority can expend funds previously approved for a solar and storage financing program low- and moderate-income households.

The Commission recognizes that such programs align with our state’s renewable energy and decarbonization goals, while also aiming to provide equitable opportunities for economically constrained households facing increased financial energy burden to participate in, and benefit from, Hawaii’s clean energy transition.

The Commission suggests removal of the defective date and recommends this bill should become effective upon passage.

Thank you for the opportunity to testify on this measure.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

Testimony of the Hawaii Solar Energy Association (HSEA) Regarding HB2372 HD1 SD1, Relating to the Solar Energy Storage Loan Program, Before the Senate Committee on Ways and Means

Friday, April 5, 2024

Aloha Chair Dela Cruz, Vice Chair Moriwake, and committee members,

The Hawaii Solar Energy Association (HSEA) **supports HB2372 HD1 SD1**, which makes an important clarification to Hawaii Session Laws to enable a Solar Energy Storage Loan Program designed for low-to-moderate income families and frontline communities.

HSEA members include the majority of locally owned and operated renewable energy companies doing business in the state of Hawaii along with leading global cleantech manufacturers and service providers that invest and sell in our market. We employ thousands of residents in diverse green economy jobs that are innovating, designing, and building Hawaii's pathway to a renewable energy future. We advocate for policies that help Hawaii achieve critical climate and resilience goals by enabling residents and businesses to invest in and benefit from the transition to clean energy.

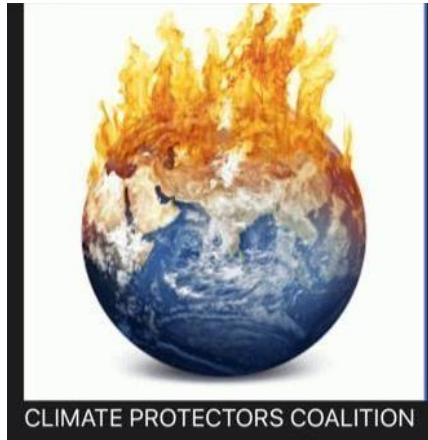
HSEA and its members actively support efforts to remove barriers and increase access to affordable renewable energy. This bill will enable a powerful tool to extend the benefits of distributed, rooftop solar and energy storage to underserved low-to-moderate income and frontline communities that are most impacted by high electricity rates. The Solar Energy Storage Loan Program will greatly enhance Hawaii's resilience, sustainability, and affordability as we decarbonize our economy and transition to clean energy, and allowing the proceeds to "revolve" so that they can be reinvested is a critical adjustment to ensure long term success.

Thank you for providing the opportunity to testify in **support of HB2372 HD1 SD1**.

Respectfully,

/s/ Rocky Mould

Executive Director



To: The Honorable Chair Donovan Dela Cruz, the Honorable Vice Chair Sharon Moriwaki, and Members of the Committee on Ways and Means.

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: **Hearing HB2372 HD1 SD1 RELATING TO THE SOLAR ENERGY STORAGE SOLAR LOAN PROGRAM**

Hearing: Friday April 5, 2024, 10:20 a.m., decision-making CR211

Aloha Chair Dela Cruz, Vice Chair Sharon Moriwaki, and Members of the Committee on Ways and Means:

The Climate Protectors Hawai'i seek to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate.

Climate Protectors Hawai'i STRONGLY SUPPORTS HB2372 HD1 SD1!

Funding solar energy and storage systems loans through the clean energy and energy efficiency revolving loan fund will benefit Hawaii immensely! It will **increase electric system resiliency for everyone, help Hawaii meet its climate warming carbon negative target by 2045, and enable many owners to participate and reduce their costs of electricity.**

Last year, the Governor funded \$50.0 million for solar+storage financing for ALICE households. Unfortunately, a proviso was not included to move the funds into HGIA's Clean Energy & Energy Efficiency Revolving Loan Fund. **This bill proposes to transfer the funds so that it can revolve, be re-cycled and reinvested to help more ALICE families to 2045.**

This \$50.0 million is currently the **only funding HGIA has to finance energy storage systems**. If this bill does not pass, HGIA will not have the ability to revolve repaid loan capital to finance more PV+Storage systems.

Please pass this bill!

Mahalo for providing the opportunity to testify!

Climate Protectors Hawai'i (by Ted Bohlen)



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS
Friday, April 5, 2024 — 10:20 a.m.

Ulupono Initiative supports HB 2372 HD1 SD1, Relating to the Solar Energy Storage Loan Program.

Dear Chair Dela Cruz 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 the 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 choices, and better management of freshwater resources.

Ulupono supports HB 2372 HD1 SD1, which clarifies part III of Act 164, Session Laws of Hawai'i (SLH) 2023, as it pertains to the appropriation for the Solar Energy Storage Loan Program.

Ulupono supports the State's commitment to generate 100% of its electricity from renewable energy sources by 2045. This bill seeks to ensure that Act 164, SLH 2023, is properly funded to support affordable and accessible solar and energy storage systems for those in the ALICE (Asset Limited, Income Constrained, Employed) population. Finding new ways to increase investment in clean energy is essential to Hawai'i's long-term goals. In December 2023, the Hawai'i State Energy Office published its Hawai'i Pathways to Decarbonization Report, which identifies, among other things, the crucial role that energy efficiency will play as one of the most important actions that can be made to reduce energy demand *before* implementing other measures such as developing new renewable generation, reducing vehicle miles traveled, converting to electric transport, and deploying carbon capture technologies.¹ The report also identifies the significant need for additional renewable energy generation to meet broader economy-wide decarbonization goals. As solar energy is currently about one-half the cost of oil-fired electricity, this population would directly benefit from a program that helps them overcome financial challenges such as high electricity costs and inflation.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

¹ Hawai'i Pathways to Decarbonization, Act 238, Session Laws of Hawai'i 2022, Report to the 2024 Hawai'i State Legislature December 2023. <https://energy.hawaii.gov/wp-content/uploads/2022/10/Act-238-HSEO-Decarbonization-FinalReport-2023.pdf>



To: The Senate Committee on Ways and Means (WAM)
From: Sherry Pollack, 350Hawaii.org
Date: Friday, April 5, 2024, 10:20am

In strong support of HB2372 HD1SD1

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and WAM Committee members;

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org is in **strong support of HB2372 HD1SD1** that clarifies part III of Act 164, Session Laws of Hawai'i 2023, as it pertains to the appropriation for the Solar Energy Storage Loan Program. By directing these funds to the CEEERLF, it ensures a continuous and sustainable source of funding to finance solar and storage installations.

Hawaii will not be able to reach its carbon reduction goals if we do not enact policies that support these outcomes. 350Hawaii fully supports efforts by the legislature to establish social equity as a foundational principle in the State's efforts to strengthen climate resilience, including low-interest loan programs. Without this program, capital constrained households will be unable to switch to lower, cleaner sources of electricity. Furthermore, as solar energy is currently about one-half the cost of oil-fired electricity, ALICE (Asset Limited, Income Constrained, Employed) households would directly benefit from a program that helps overcome financial challenges such as high electricity costs and inflation.

A Just Transition means leaving no one behind. That includes efforts such as the Solar Energy Storage Loan Program that help to remove barriers and increase access to affordable renewable energy.

Mahalo for the opportunity to testify in **strong support** of this important legislation.

Sherry Pollack
Co-Founder, 350Hawaii.org

SHIFTED ENERGY

643 Ilalo St #203 Honolulu, HI 96813
Telephone: +1.808.664.0053 | Email: info@ShiftedEnergy.com

Committee on Ways and Means: Senator Donovan M. Dela Cruz, Chair and Senator Sharon Y. Moriwaki, Vice Chair

Thank you for the opportunity to testify in strong support of HB2372, HD1 SD1, which inserts a proviso to Act 164, SLH 2023, specifically addressing the appropriation for the Solar Energy Storage Loan Program. This bill transfers \$50.0 million appropriated in 2023 for the solar energy and storage loan program from general funds to the Hawaii Green Infrastructure Authority's (HGIA) Clean Energy and Energy Efficiency Revolving Loan Fund (CEEERLF).

This bill is critical in directing funds to ensure uninterrupted support for solar and storage financing. This not only addresses the immediate financial challenges faced by almost half of Hawaii's families, but it also creates a long-term solution to support underserved ratepayers. The bill recognizes the urgency of the situation, with approximately 44% of households grappling with disproportionate financial burdens due to rising inflation and electricity costs. Moreover, this provision will enable HGIA to continually leverage these funds by re-lending and re-investing that same public dollar, reaching and benefitting more ALICE families over time. Thank you for the opportunity to testify in strong support of HB2372, HD1, SD1.

We are Hawaii founded and headquartered clean energy startup. Our mission as a venture backed software company has been to work in communities that have largely been underserved and overlooked in typical energy financing and programs. We have seen firsthand the energy burden for families who have not qualified for solar an storage financing, and thus are paying astronomically high energy bills. We urge the community to pass this bill which will bring utility bill relief to these Hawaii families.

Thank you for the opportunity to testify in strong support of HB2372.

Forest Frizzell

Co-founder & CEO

Solarize808 Solarize808

Testimony of
Solarize808 Community Partners
L.E.I Foundation, Hui o Hau'ula, and Council for Native Hawaiian Advancement
before the
COMMITTEE ON WAYS AND MEANS
Friday, April 5, 2024 at 10:20 a.m
State Capitol, Conference Room 211
in consideration of
HB 2372, HD1, SD1
RELATING TO THE SOLAR ENERGY STORAGE LOAN PROGRAM.

LATE

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee on Ways and Means:

Thank you for the opportunity to testify and provide comments on HB 2372, HD1, SD1, relating to the Solar Energy Storage Loan Program. The community partners of Solarize808 **support** this bill which would move \$50.0 million in general funds approved by the Legislature under Act 164, Session Laws of Hawaii 2023, into the Hawaii Green Infrastructure Authority's special fund so that repayments can be recycled, re-lent and re-invested into more Solar + Storage systems for ALICE households.

Solarize808 is a campaign for affordable, accessible, and locally generated rooftop and community solar led by Ko'olauloa and Wai'anae community organizations. It is open to all O'ahu residents. We are composed of a network of energy experts and trustworthy community leaders, and we aim to harness the power of accurate and transparent information to provide a one-stop-shop for everything solar, while lowering energy costs and educating our communities.

This bill would supplement HGIA's ability to provide much needed capital for solar+storage systems for households who are energy burdened, underserved, or unable to access solar financing. Allowing for greater recycling, re-lending, and reinvestment of funds for affordable, accessible green capital is a key step to furthering Solarize808's vision of greater energy sustainability, affordability, and sovereignty in Hawaii.

Thank you for this opportunity to testify and provide comments on HB 2372, HD1, SD1.

COUNCIL for
NATIVE HAWAIIAN
ADVANCEMENT



LATE

HB-2372-SD-1

Submitted on: 4/4/2024 8:15:01 PM

Testimony for WAM on 4/5/2024 10:20:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeffrey Kaemmerlen	Testifying for Sunspears Energy	Support	Written Testimony Only

Comments:

To whom it may concern,

I am writing in support of this bill as a small business owner and renewable energy project developer based in Hawaii. This loan program has been instrumental in supporting the growth of our business which has created a number of new jobs in the local community. The HGIA fund is one of the few mechanisms available that removes barriers to making clean energy affordable to a broader group of customers. It's also one of the financing mechanisms that supports local contractors who are usually small businesses such as ours which employ local residents. Many of the 'institutional' financing resources come from out of state and will often push the employment that is associated with developing these clean energy projects out of state and in some cases outside of the country. All solar projects now require a battery storage component, so the HGIA fund is instrumental for Hawaii to achieve our clean energy goals.

Thank you for your consideration,

Jeffrey Kaemmerlen
Owner
Sunspear Energy

HB-2372-SD-1

Submitted on: 4/3/2024 1:29:31 PM

Testimony for WAM on 4/5/2024 10:20:00 AM

Submitted By	Organization	Testifier Position	Testify
Isidro Villaflor	Testifying for PV Tech	Support	Written Testimony Only

Comments:

Aloha Chairperson and Committe,

We have worked with the GEMS program for almost 9 years now and we have personally withnessed how grateful and releived families were when they signed up for the state GEMS program. Previously, getting solar PV was a faraway dream for them because of their financial struggles. These families and many more in underserved communities need this program to continue to be available so that all families, including those that are struggling financially, are able to get their solar PV system. Every dollar saved from paying a high electric bill will go back to the community. We need the repayments to be recycled so that this program will be available for many more underserved families who are reliant on this program to be able to get a solar PV system. We urge you to support this bill so that we don't leave families behin that need our help.

Mahalo.

Sid Villaflor

HB-2372-SD-1

Submitted on: 4/3/2024 4:02:22 PM

Testimony for WAM on 4/5/2024 10:20:00 AM

Submitted By	Organization	Testifier Position	Testify
Evan Weber	Individual	Support	Written Testimony Only

Comments:

Strong support. Let's ensure these funds revolve in HGIA so that they can keep growing and serving local working families in the transition to green energy — and make the legislature's investment has a strong ROI!

HB-2372-SD-1

Submitted on: 4/4/2024 9:49:37 AM

Testimony for WAM on 4/5/2024 10:20:00 AM

Submitted By	Organization	Testifier Position	Testify
michael markrich	Individual	Support	Written Testimony Only

Comments:

Aloha, My name is Michael Markrich and I am testifying as an individual. I would like to ask you to support 2372 HB Draft 1. The present system of providing renewable energy to low to middle income households is deeply unfair as most do not have the means to meet the financial requirements. The Solar Energy Storage Loan program working through the GEMS program will make the present system more inclusive and fair.

Mahalo

Michael Markrich