



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:
Web:

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

(808) 451-6648
energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 23, 2024
10:30 AM
State Capitol, Conference Room 211 and Videoconference

In Support of
SB 2677, SD1

RELATING TO ENERGY EFFICIENCY.

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 2677, SD1, which amends Section 196-6.5, Hawai'i Revised Statutes, by transferring the authority over solar water heater variances from the state to the counties. This strategic shift recognizes the benefits of decentralizing decision-making processes, allowing counties to tailor solutions to their unique circumstances and fostering increased community engagement.

Transferring solar water heater variance decision-making to the counties capitalizes on the localized expertise present in each jurisdiction. County departments possess an in-depth understanding of the unique environmental, economic, and infrastructural characteristics that define their regions. This localized knowledge is invaluable in assessing the feasibility and impact of solar water heater installations, ensuring that decisions are informed by on-the-ground insights.

Counties, when granted the authority over solar water heater variances, gain the flexibility to design and implement tailored solutions that align with their specific energy goals and priorities. This flexibility allows for the development of policies that address the varying challenges and opportunities that are present and unique in the different

counties, promoting a more effective and targeted approach to processing solar water heater variances.

Empowering counties with the responsibility of managing solar water heater variances can enhance community engagement and representation. Local governments are more accessible to residents, facilitating meaningful public input and discourse. This inclusive approach ensures that decisions regarding variances are made with a thorough understanding of the concerns and preferences of the communities directly affected.

County-level management of solar water heater variances has the potential to streamline decision-making processes and will decentralize and reduce the bureaucratic complexities as well as promote a more agile and responsive system. The shift in management will benefit both applicants and local communities.

Counties that have control over solar water heater variances can adapt more swiftly to evolving technologies and changing circumstances. This adaptability is crucial in the dynamic field of energy efficiency, where innovations and advancements may occur rapidly. Local control enables counties to stay at the forefront of developments and update policies to reflect the latest technological, economic, and environmental considerations.

The bill also gives the counties the ability to assess a processing fee which will help recoup some of the costs associated with implementing the solar water heater variance program.

HSEO has comments on two of the gas tankless water heater amendments.

Amendment (7) on page 3, lines 1-2, requires a home to be located in a low- or moderate-income district. While HSEO agrees with this amendment in concept, there needs to be a clear metric to determine whether the home is in a low- or moderate-income district.

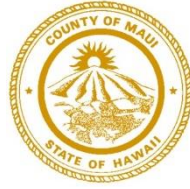
Amendment (8) on page 3, lines 3-4, requires a home be in a community facing the highest risk of wildfires identified by the State. In communities facing the highest risk of wildfires, the installation of gas tankless water heaters that rely on propane or natural gas as a fuel source is questionable since it may add risk to public safety.

HSEO urges the committee to support the transfer of authority over solar water heater variances from the state to the counties as proposed in SB 2677, SD1. This shift promotes efficiency, community engagement, and the ability to craft policies that are appropriate and better suited to the diverse needs of individual counties.

Thank you for the opportunity to testify.

RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.maucounty.gov

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

FROM: Richard T. Bissen, Jr., Mayor
Kate L.K. Blystone, Acting Planning Director

DATE: February 22, 2024

SUBJECT: **OPPOSITION OF SB2677, SD1, RELATING TO ENERGY EFFICIENCY**

Thank you for the opportunity to testify in OPPOSITION of this important measure. The Act transfers responsibility for issuing variances for solar water heater systems that do not meet established state standards from the “chief energy officer of the Hawaii state energy office” to the “appropriate county authority having jurisdiction over building permits.”

We OPPOSE this measure for the following reasons:

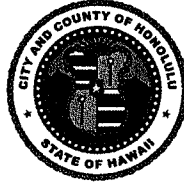
While it should be the responsibility of the local county to process variance applications for projects governed by its own ordinances, in this case, variance applications would be processed by the county utilizing standards established in Hawaii Revised Statutes. The Planning Department believes that the responsibility for the issuance of a variance against state standards should reside with the state. Importantly, the county may not have the expertise to evaluate the acceptance of variance applications based upon the standards identified under section (a). Further, the processing timeframes established in section (b) are not sufficient for the county to provide public notification and conduct a public hearing before its Board of Variances and Appeals.

For the foregoing reasons, we OPPOSE this measure.

DEPARTMENT OF PLANNING AND PERMITTING
KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041 • WEB: honolulu.gov/dpp

RICK BLANGIARDI
MAYOR
MEIA



DAWN TAKEUCHI APUNA
DIRECTOR
PO'O

JIRO A. SUMADA
DEPUTY DIRECTOR
HOPE PO'O

February 23, 2024

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Ways & Means
Hawai'i State Senate
Hawai'i State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Subject: Senate Bill No. 2677, SD 1
Relating to Energy Efficiency

Dear Chair Dela Cruz and Committee Members:

The Department of Planning and Permitting (DPP) **opposes** Senate Bill No. 2677, SD 1, which would amend the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits. This Bill also would require that the fees be deposited into the appropriate county operating fund.

We commend the Hawai'i State Energy Office on its continued efforts to meet the State's clean energy goal and we encourage collaboration with the solar industries and Hawaiian Electric Co. to incentivize clean energy installations. Although the solar water heater initiative is well intended to encourage incorporating clean energy in new home construction, processing the variances will impose an undue burden on our already strained staff, and it will increase the time it takes to issue building permits.

We suggest removing the added language for the counties to issue variances and amend HRS 196-65.5 to allow the usage of common alternatives: solar water heater system, heat pump, tankless gas water heater, and electric water heater with photovoltaic primary power and dwelling electrical service secondary power, as follows:


"§196-6.5 Solar water heater system required for new single-family residential construction. (a) On or after January 1, 2010, no building permit shall be issued for a new single-family dwelling that does not include a solar water heater system, heat pump, tankless gas water heater, or electric water heater with photovoltaic primary power and dwelling electrical service secondary power that meets the standards established pursuant to

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Ways & Means
Hawai'i State Senate
Senate Bill No. 2677, SD 1
February 24, 2024
Page 2

section 269-44, unless the chief energy officer of the Hawaii state energy office approves a variance."

Thank you for the opportunity to testify.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Dawn Takeuchi Apuna', with a long horizontal flourish extending to the right.

Dawn Takeuchi Apuna
Director

SB-2677-SD-1

Submitted on: 2/18/2024 5:21:47 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Susan B Roberts Emery	Testifying for Green Party of Hawai'i	Oppose	Written Testimony Only

Comments:

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

On behalf of the Green Party of Hawai'i, we strongly **OPPOSE SB2677, especially the SD1 amendments** added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with. Win, Win- Hawai'i Gas, Lose, Lose- People/ Planet

The Solar Water Heater Mandate applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable.

Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future!

The variance process has become effective in recent years under the Hawaii State Energy Office and does not warrant change. Solar hot water is one of the most cost effective ways to save money on your electric bill. We know that gas-powered water heaters are more polluting and more costly than solar alternatives !

The previous Committee that heard this measure accepted Hawaii Gas' factually inaccurate testimony and incorporated it into the current version of this measure. Let's be clear. These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case.

Green Party of Hawai'i asks the Ways and Means Committee to oppose SB2677 SD1

Mahalo,

Susan RobertsEmery

Co Chair GPH

SB-2677-SD-1

Submitted on: 2/19/2024 9:19:32 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
laurel brier	Testifying for Kauai Climate Action Coalition	Oppose	Written Testimony Only

Comments:

This is a gift to the gas company, not the people or the planet. Please kill this bill



SENATE COMMITTEE ON WAYS AND MEANS

February 23, 2024 at 10:30 AM
Room 211, Decision Making Only

TESTIMONY IN OPPOSITION OF SB 2677 SD1

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committees:

Blue Planet Foundation **opposes SB 2677 SD1**, a measure to amend the Hawai'i solar water heater law and transfer the variance approval process from the Hawai'i State Energy Office to the respective county permitting department. We also oppose amendments made in the SD1 to broaden the variance criteria for installing a gas water heater.

Blue Planet Foundation is a Hawai'i-based nonprofit organization committed to help Hawai'i cut its carbon emissions and avoid the worst impacts of climate change. Through our advocacy for renewable energy, energy efficiency, and clean transportation, we seek to make our communities stronger, our energy more secure, our environment healthier, and our economy more robust.

In 2008, Hawai'i codified HRS § 196-6.5 to ensure that the vast majority of new single-family homes come equipped with a solar water heating system, which is a foundation block in building Hawaii's clean energy future. A solar water system is the most basic renewable energy device to harness the clean energy from the sun and provides the greatest energy savings per dollar for reducing residential energy demand.

Blue Planet believes that the application process for variances from the solar water heater law should remain under the management of the Hawai'i State Energy Office. The HSEO is the most appropriate reviewer for these variances and **this proposal would add administrative burden to our already backlogged county permitting offices**. Additionally, if counties are allowed to approve variance applications and set their own county-specific procedures and standards for granting variances, this would further delay permitting and add confusion to the process.

Furthermore, we oppose amendments made in the SD1 that would allow for homeowners and developers to install a gas water heater based on an overly broad set of criteria. **Fossil gas water heaters should only be allowed under limited circumstances, which already exist under HRS § 196-6.5**. The homes that we build today will be with us for decades—it is critical that they have the capacity to be 100% powered by renewable energy and not be saddled with soon-to-be-outdated fossil fuel systems.

Solar hot water systems have proven to be successful in increasing the efficiency and affordability of new homes built, reducing the high electricity burdens that residents endure, and assisting Hawai'i's transition to clean energy. The variance process has become effective in recent years under the Hawai'i State Energy Office and does not warrant an amendment via SB 2677. We respectfully request the committee hold this measure.

SB-2677-SD-1

Submitted on: 2/21/2024 4:09:50 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
P Kuromoto	Testifying for Solar Help Hawaii	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving us the opportunity to testify in opposition to SB2677 SD1.



To: The Senate Committee on Ways and Means (WAM)
From: Sherry Pollack, Co-Founder, 350Hawaii.org
Date: Friday, February 23, 2024, 10:30am

In strong opposition to of SB2677 SD1

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 opposition to SB2677 SD1** that would amend the solar water heater law. We **especially oppose the SD1 amendments** added which creates harmful loopholes for solar water heater variances.

The Solar Water Heater law applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable. Variances are already provided for and granted when justified and solar doesn't pencil out, including when installing a solar water heater is found not to be cost effective in the context of a life cycle that does not exceed fifteen years. In other words, the current law works and is in the best interests of Hawaii's families.

Solar hot water is one of the most cost-effective ways to save money on your electric bill while at the same time contributing to Hawaii's clean energy goals and the fight against global boiling. **Solar water heating pays for itself many times over during a 20-year lifespan.** Bottom line: Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet.

This measure creates several harmful loopholes, including which entities are allowed to submit the variance application, as well as what justifies for the variance, all of which undermine the intent of this law. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet. We know that **gas-powered water heaters are more polluting and more costly than solar alternatives** and we should have phased them out of new home construction years ago. Studies have shown how **air pollution from gas-fired furnaces, water heaters, and stoves increases rates of respiratory illness, cardiovascular diseases, and premature death.**¹ The fact that one of the new variances is targeted for low-income districts raises serious environmental justice concerns given these health impacts, not to mention that it will hook low-income families to expensive gas bills into the future.

¹ <https://coeh.ph.ucla.edu/effects-of-residential-gas-appliances-on-indoor-and-outdoor-air-quality-and-public-health-in-california/>

In addition to creating loopholes to circumvent the intent of this law, this measure would create an unnecessary burden on County planning departments who typically do not have the necessary expertise to properly evaluate variance applications, and as a result, this measure would only serve to add to these already backlogged offices. The application process for variances from the solar water heater law should remain under the management of the Hawaii State Energy Office (HSEO). HSEO is the most appropriate reviewer for these variances with the expertise to do so.

At a time when Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future, this measure, and the loopholes it will create, will only drag us back to the fossil past, and seriously undermine efforts to move us forward with our clean energy goals. The previous Committee that heard this measure accepted Hawaii Gas' factually inaccurate testimony and incorporated it into the current version of the measure. But let's be clear. These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. Period. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case. But the truth is, burning fossil fuels is not 'clean,' nor is it 'cheaper' for consumers or the state, especially with the climate crisis already threatening everything we love. **Instead of creating loopholes designed to perpetuate our dependence on fossil fuels, we should be taking FEMA up on its offer to add clean energy to rebuild facilities after a major disaster with up to 75% reimbursement!** We strongly urge the committee HOLD this misguided measure.

Mahalo for the opportunity to testify.

Sherry Pollack
Co-Founder, 350Hawaii.org



**Testimony to the Committee on Ways and Means
February 23, 2024, 10:30 AM
Conference Room 211 & VIA videoconference
Hawaii State Capitol**

SB 2677 SD1

Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee,

Hawaii Gas **offers comments on SB 2677**, which amends the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county planning department. Requires the fees collected by each county planning department to be deposited into the appropriate county planning department operating fund.

Since 1904, Hawaii Gas has been a pioneer in the gas industry and continues as an industry leader integrating both renewable natural gas (RNG) and hydrogen into our fuel supply and distribution system. Hawaii Gas plays a vital role in Hawaii's energy portfolio by providing clean, reliable, and cost-effective energy to over 70,000 customers on all islands, all of whom depend on the company for health and safety uses such as sanitation, water heating, cooking, drying, showers, and other economy driving commercial and industrial applications. Hawaii Gas continues to look towards new, innovative, and economic ways to incorporate renewable energy sources while also reducing our greenhouse gas emissions.

While solar water heaters have their merits, gas water heaters offer several key advantages that can make them more beneficial, in some circumstances, to many residents in our communities. Recently, Hawaii has been repeatedly reminded of our communities' susceptibility to natural and manmade disasters from floods to lava flows, and most recently wildfires.

Gas water heaters and appliances are relied upon during disaster recoveries not only because they provide consistent and reliable hot water supply without interruption during emergencies, regardless of weather conditions or time of day, but because it can be quickly installed, takes little square footage, does not require electricity, and it can also be affordably installed and maintained for years. Additionally, in high occupancy homes, gas water heaters can instantly and efficiently heat large volumes of water making them more suitable than limited capacity solar water heating tanks. Multigenerational housing is quite common in Hawaii, thus making that capacity vital.

In addition to their reliability and resilience, gas water heaters offer a cost-effective solution for meeting hot water needs post-disaster. For example, in Lahaina, Hawaii Gas was a resilient energy source for businesses, community hubs, and residents when fires devastated the community. In August and September, gas was used by the Lahaina community, providing approximately 9 million meals, over 100,000 showers, and almost 200,000 loads of laundry – all during a critical point in time when the community needed the services.

Hawaii Gas also provided gas for water heating, cooking, and drying for the state's initiative of Kauhale Housing, whose mission is to "create deeply affordable spaces for housing and healing our people through intentional 'kauhale' design and operation." These modest housing units for individual households include shared space for cooking, envisioned as prefabricated homes, or modest, low-cost



individual units. Hawaii Gas has provided these reliable gas resources at Kahauiki Village, Kumuhonua Transitional Living Center, Onemalu Transitional Center, Onelau`ena Emergency Shelter Program and most recently the Ka Malu Ko`olau Kauhale in Kaneohe.

Additionally, we also ask that whatever entity is provided responsibility for accepting and approving variance applications, that the entity(ies) are consistent in their implementation of this process and we would ask that the variance language be amended to remove the requirement that solar water heater variance requests to be submitted concurrently with the building permit application to allow architects, mechanical engineers, homeowners or homebuilders more flexibility in applying for a variance. Often, it is not feasible to specify the gas appliance until after the building permit has been filed.

Please consider removing Section 1 (f).

Thank you for the opportunity to testify.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

Testimony of the Hawaii Solar Energy Association (HSEA) Regarding SB2677 SD1, Relating to Energy Efficiency, Before the Senate Committee on Ways and Means

Friday, February 23, 2024

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

The Hawaii Solar Energy Association (HSEA) **opposes SB2677 SD1**, which seeks to transfer responsibility for approving variances for solar hot water installations from the Hawaii State Energy Office (HSEO) to the counties and expands the eligibility for variances to four (4) new categories.

HSEA members include the majority of locally owned and operated solar and 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 and 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.

The SD1 version upends prior law and is a step in the wrong direction. It creates an ambiguous and overly broad loophole, allowing combustible gas water heaters to replace solar-powered ones in new single-family homes for low-to-moderate income (LMI), off-grid, and wildfire-prone communities. A variance is already provided in statute if certain conditions are met, and while it may seem like a short-term cost saver, it will ultimately burden our most vulnerable communities with higher energy bills tied to volatile and polluting gas. Instant gas heaters rely on a constant supply of fuel to function, and many available models require an electric connection to operate a pilot light. There is no natural, consistent supply of natural gas or propane in the state of Hawaii, but there is a steady supply of solar energy. The SD1 version of the bill increases our dependence on foreign fuels, undermining resilience and depriving people of the proven benefits of clean, renewable, and affordable solar hot water.

Regarding the transfer of responsibilities to the counties, we have concerns about their current capacity and would recommend that they seek an agreement before passing a law.

Thank you for providing the opportunity to testify in **opposition to SB2677 SD1**.

Respectfully,

/s/ Rocky Mould, Executive Director



LATE

February 22, 2024

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

Comments and Proposed Amendments in Support of SB 2677, S.D. 1, Relating to ENERGY EFFICIENCY (Amends the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits. Requires the fees collected by each county authority having jurisdiction over building permits to be deposited into the appropriate county operating fund. Takes effect 1/1/2060. (SD1))

**Friday, February 23, 2024 at 10:30 a.m.
Conference Room 211, State Capitol & Videoconference.**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies in all counties. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to provide **comments and testimony in support of amendments** to this measure.

SB 2677, S.D. 1. This bill amends the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits; and requires the fees collected by each county authority having jurisdiction over building permits to be deposited into the appropriate county operating fund. It would take effect 1/1/2060.

LURF's Position. LURF and its members support all forms of renewable energy and our members lead the state in renewable energy research, development, installation, generation, and transmission of renewable energy.

Gas has long been Hawaii's lifeline during storms, hurricanes, inclement weather and power outages, and over the past decade Hawaii has been transitioning to many renewable energy resources, including biogas, biomass, biofuels, and hydrogen. Some of these renewable sources are mixed into current gas resources, and research and development indicates that the percentages of renewable gas resources will increase.

Under various circumstances, gas water heaters may be the reasonable and most cost-effective choice for Hawaii Homeowners. Thus, LURF proposes the following amendments to SB 2677, SD1:

1. ALLOW COUNTRIES TO HAVE A LEARNING CURVE. Maui County has objected to this bill because:

- (1) Variance criteria is based on State HRS standards;
- (2) State should be responsible for decisions based on State standards;
- (3) county does not have the expertise to review and make decisions in such variances; and
- (4) the processing timeframes are not sufficient for Maui County to process the variances.
LURF would add
- (5) Unfunded mandate and the counties.

LURF's proposed amendment #1 would keep variance with HSEO, rather than counties (no county expertise with HSEO criteria) however, counties will receive the variance applications and "may" comment if they choose to do so. Instead of a "Cold Turkey" transfer of everything relating to solar variances to the counties, this amendment and process can help the counties build county expertise over a few years.

2. ALLOW FLEXIBILITY FOR LOCAL FAMILIES & HOME BUILDERS TO SUBMIT THE VARIANCE APPLICATIONS WHEN THEY ARE READY. The current bill requires variance request to be filed at the same time as building permit, or the application is **automatically denied**. LURF proposes an amendment to allow flexibility for applicants to submit variance requests when they have made their final decision on the specific appliance model, have made other personal family decisions, and have all their variance paperwork in order. This flexibility will avoid punishing Local families for being late.

Attached is a **red-lined copy the proposed amendments**.

For the reasons set forth above, LURF is in **support of SB 2677, S.D. 1, with the attached proposed amendments** and respectfully requests this Committee's favorable consideration of this measure and the amendments by this Committee.

Thank you for the opportunity to present testimony regarding this matter.

THE SENATE
THIRTY-SECOND LEGISLATURE, 2024
STATE OF HAWAII

S.B. NO. 2677
S.D. 1

A BILL FOR AN ACT

RELATING TO ENERGY EFFICIENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. Section 196-6.5, Hawaii Revised Statutes, is amended to read as follows:

"§196-6.5 Solar water heater system required for new single-family residential construction. (a) On or after January 1, 2010, no building permit shall be issued for a new single-family dwelling that does not include a solar water heater system that meets the standards established pursuant to section 269-44, unless the ~~†chief energy officer of the Hawaii state energy office†~~ ~~[appropriate county authority having jurisdiction over building permits]~~ approves a variance. A variance application shall only be accepted if submitted by an architect or mechanical engineer licensed under chapter 464, or a homeowner or homebuilder on behalf of a future homeowner, who attests that:

- (1) Installation is impracticable due to poor solar resource;

(2) Installation is cost-prohibitive based upon a life cycle cost-benefit analysis that incorporates the average residential utility bill and the cost of the new solar water heater system with a life cycle that does not exceed fifteen years;

(3) A renewable energy technology system, as defined in section 235-12.5, is substituted for use as the primary energy source for heating water; ~~[or]~~

(4) A demand water heater device approved by ~~[Underwriters Laboratories, Inc.,]~~ a nationally recognized testing laboratory is installed; provided that at least one other gas appliance is installed in the dwelling. For the purposes of this paragraph, "demand water heater" means a gas-tankless instantaneous water heater that provides hot water only as it is needed~~[.];~~

(5) A gas tankless water heater is necessary for resilience, reliability, or redundancy to prepare for a natural or manmade disaster or emergency;

(6) The electric grid is not available or cost prohibitive to provision to the home;

(7) The home is located in a low- or moderate-income district; or

(8) The home is in a community facing the highest risk of wildfires identified by the State.

(b) A request for a variance shall be submitted to the ~~{chief energy officer of the Hawaii state energy office}~~ ~~[appropriate county authority having jurisdiction over building permits]~~ on an application prescribed by the ~~{chief energy officer of the Hawaii state energy office}~~ ~~[county authority having jurisdiction over building permits]~~ and shall include a description of the location of the property and justification for the approval of a variance using the criteria established in subsection (a). The appropriate county authority having jurisdiction over building permits shall also receive a copy of the application, and may provide comments. A variance shall

be deemed approved if not denied within thirty working days after receipt of the variance application. The ~~{chief energy officer of the Hawaii state energy office}~~ ~~[appropriate county authority having jurisdiction over building permits]~~ shall publicize:

(1) All applications for a variance within seven days after receipt of the variance application; and

(2) The disposition of all applications for a variance within seven days of the determination of the variance application.

(c) The ~~{director of business, economic development, and tourism}~~ ~~[director of the appropriate county authority having jurisdiction over building permits]~~ may ~~{adopt rules pursuant to chapter 91 to}~~ impose and collect fees to cover the costs of administering variances under this section. The fees, if any, shall be deposited into the ~~{energy security special fund established under section 201-12.8.}~~ ~~[county's appropriate operating fund.]~~

(d) Nothing in this section shall preclude any county from establishing procedures and standards required to implement this section.

(e) Nothing in this section shall preclude participation in any utility demand-side management program or public benefits fee program under part VII of chapter 269.

(f) A solar water heater variance request ~~[shall]~~ may be submitted concurrently with the building permit application. If the building permit application indicates the installation of a solar

water heater and a different water heating technology is installed after the building permit is issued, or any solar water heater variance request is submitted before or after the completion of the new single-family dwelling's construction, a request shall be automatically ~~denied~~ accepted and processed as provided in section (b)."

SECTION 2. Section 201-12.8, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is created within the state treasury an energy security special fund, which shall consist of:

- (1) The portion of the environmental response, energy, and food security tax specified under section 243-3.5;
- (2) Moneys appropriated to the fund by the legislature;
- (3) All interest attributable to investment of money deposited in the fund; and
- (4) Moneys allotted to the fund from other sources~~], including under section 196-6.5].~~"

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on January 1, 2060.



February 23, 2024

LATE

Senator Donovan Dela Cruz
Senate Committee on Ways and Means

RE: SB2677 – Relating to Energy Efficiency
Hearing: Thursday, February 23, 2024, 10:30 a.m.
Position: **IN STRONG OPPOSITION**

Chair Dela Cruz, Vice Chair Moriwake, and members of the committee:

My name is Will Giese. I am the Senior Director of Government Affairs for The Solaray Corporation. Solaray was founded in 1975 and does business in Hawai'i as Inter-Island Solar Supply. Solaray also wholly owns Pacific Panel Cleaners ("PPC"), Generator & Power Systems ("GPS"), both Hawai'i Corporations, SunEarth, Inc., a California Corporation, and Alternate Energy Technologies (AET), a Florida Corporation. SunEarth & AET are domestic manufacturing companies producing American made clean energy products, much of which is installed and operated throughout Hawaii for over 40 years. GPS is the Generac Industrial generator distributor for Hawai'i. Solaray Corp., and its wholly owned subsidiaries, are proudly 100% employee owned.

I am testifying **IN STRONG OPPOSITION of SB2677**, relating to Energy Resiliency.

This bill amends the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits. Requires the fees collected by each county authority having jurisdiction over building permits to be deposited into the appropriate county operating fund. Takes effect 1/1/2060.

COMMENTS

Solar water heaters are an essential part of Hawaii's energy landscape and provide millions of gallons of hot water heated by the sun to thousands of homes and businesses throughout Hawaii each year, while supporting a diverse local installer network. In fact, Hawaii has one of the most successful solar water heating industries in the United States, with almost 1 in 3 single family homes having installed solar water heaters for over 40 years. Because of the abundant solar resources available in the state, Hawaii rightly recognized over 15 years ago that the most cost effective and efficient way to heat water *and* reduce or almost entirely eliminate one of the largest single energy loads in a home was to require solar water heaters as part of all new home construction.

Unfortunately, this law was circumvented by the fossil fuel industry for years in order to install inefficient instant gas heaters, in a state where there is no reliable or readily available supply of natural gas or propane. Up until 2019 the Hawaii State Energy Office, within DBEDT, approved 99.8% of all variance requests, with 94% of them being for gas water heaters.¹ In that same year the court ruled that the state was not following the legislative intent of this law, requiring the state to carefully review every variance request to ascertain whether the request made sense economically in the context of a home mortgage. The result is that, by law and by fact, solar water heaters remain the most cost-effective way to heat water in the state.

SB2677 is a shameless attempt to circumnavigate the progress by both the legislature and clean energy advocates to ensure that the people of Hawaii are not burdened with the volatile pricing and lack of readily available fossil fuels. This law would shift the burden of approving variances from the state to the county, which have no experience in verifying these applications, and as the counties themselves testify would require them to follow standards developed for the state, rather than the county itself.

Other issues with SB26787 include:

- *The counties are overburdened* administratively with issuing permits in a timely or efficient manner. Putting the responsibility on them to issue SHW variances would make the process less efficient, not more.
- *Instant gas heaters are not resilient.* They rely on a constant supply of fuel (gas) to function, and many gas heaters require an electric connection to operate a pilot light. There is no natural, consistent supply of natural gas or propane in the state of Hawaii, but there is an endless supply of solar energy.
- *Solar water heaters require minimal electricity to operate* (most electric load of a typical SHW heater is to circulating pumps, which can be run from solar PV, or to backup electric elements). All other water heaters require a constant supply of electricity or gas to function.
- *Instant gas heaters do not produce hot water where there is no gas*, like during a wildfire or a grid outage. SHW heaters are typically installed with a 80-120 gallon insulated tank, which functions like a battery for hot water storage.
- *SHW are one of the most effective ways to save on energy costs*, and Hawaii has one of the most robust and diverse SHW installer bases in the United States. The costs of a typical SHW heater after rebates and tax credits are comparable to that of other highly efficient water heaters, such as heat pumps, and they last longer (20 years on average

¹ <https://www.civilbeat.org/2019/02/court-ruling-on-water-heaters-will-help-protect-the-climate/>

according to the Department of Energy)². Once they are paid off they require no additional expenses other than O+M.

- At the commercial level SHW heaters are even more cost effective due to the low-income and domestic content adders in Section 48 and are highly effective at providing a low-cost energy savings for low-income housing, as demonstrated in places like California through programs like the California Solar Initiative Thermal program.

While there are limited cases in which solar water heaters do not make sense for the average new home build, buy and large solar water heating is the most cost-effective way for the average home in Hawaii to heat water. This is why there is a variance process, and also why variances should “rarely, if ever” be granted. SB2677 renders this important policy moot and burdens the average home buyer with expensive, polluting, inefficient water heaters with no factual or economic basis for doing so. As a result, we urge the legislature to defer this measure and let the solar water heating law continue to be an effective policy to save money and reduce fossil fuel use across the state.

As a local, employee-owned solar business owned and operated in Hawaii for over 40 years, we again express our **STONG OPPOSITION for SB2677** and urge the committee to defer this measure.

Thank you for your time and consideration,

Will Giese
Senior Director, Government Affairs
The Solaray Corporation

² <https://www.energy.gov/energysaver/solar-water-heaters>

SB-2677-SD-1

Submitted on: 2/18/2024 11:47:21 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Judith A Mick	Individual	Oppose	Written Testimony Only

Comments:

This bill does not support solar energy which is the best answer for Hawaii. Please oppose it's passage, Mahalo Judith Mick Kailua

SB-2677-SD-1

Submitted on: 2/18/2024 5:45:50 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
tlaloc tokuda	Individual	Comments	Written Testimony Only

Comments:

- The Solar Water Heater Mandate applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable. Variances are already provided for and granted when justified and solar doesn't pencil out, including when installing a solar water heater is found not to be cost effective in the context of a life cycle that does not exceed fifteen years. In other words, the current law works and is in the best interests of Hawaii's families.

- In addition to creating loopholes to circumvent the intent of this law, this measure would create an unnecessary burden on County planning departments who typically do not have the necessary expertise to properly evaluate variance applications. At a time when Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future, this measure, and the loopholes it will create, will only serve to drag us back to the past.

- The variance process has become effective in recent years under the Hawaii State Energy Office and does not warrant change. Solar hot water is one of the most cost effective ways to save money on your electric bill while at the same time contributing to the fight against global boiling. We know that gas-powered water heaters are more polluting and more costly than solar alternatives and we should have phased them out of new home construction years ago.

These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. Period. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case. But the truth is, burning fossil fuels is not 'clean,' nor is it 'cheaper' for consumers or the state, especially with the climate crisis already threatening everything we love. I urge the committee to KILL this misguided measure..

MAHALO for your consideration.

tlaloc tokuda

Kailua Kona HI 96740

SB-2677-SD-1

Submitted on: 2/19/2024 8:42:04 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Oppose	Written Testimony Only

Comments:

Hello,

My name is Nanea Lo. I'm born and raised in the Hawaiian Kingdom. I live in Mō'ili'ili. I'm writing in strong OPPOSSITON SB2677, especially the SD1 amendments added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet.

- The Solar Water Heater Mandate applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable. Variances are already provided for and granted when justified and solar doesn't pencil out, including when installing a solar water heater is found not to be cost effective in the context of a life cycle that does not exceed fifteen years. In other words, the current law works and is in the best interests of Hawaii's families.

- In addition to creating loopholes to circumvent the intent of this law, this measure would create an unnecessary burden on County planning departments who typically do not have the necessary expertise to properly evaluate variance applications. At a time when Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future, this measure, and the loopholes it will create, will only serve to drag us back to the past.

- The variance process has become effective in recent years under the Hawaii State Energy Office and does not warrant change. Solar hot water is one of the most cost effective ways to save money on your electric bill while at the same time contributing to the fight against global boiling. We know that gas-powered water heaters are more polluting and more costly than solar alternatives and we should have phased them out of new home construction years ago.

- The previous Committee that heard this measure accepted Hawaii Gas' factually inaccurate testimony and incorporated it into the current version of this measure. Let's be clear. These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. Period. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case. But the truth is, burning fossil fuels is

not 'clean,' nor is it 'cheaper' for consumers or the state, especially with the climate crisis already threatening everything we love. I urge the committee to **HOLD** this misguided measure.

Oppose SB2677 SD1.

me ke aloha 'āina,

Nanea Lo

SB-2677-SD-1

Submitted on: 2/19/2024 9:50:51 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Georgia L Hoopes	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB2677, especially the SD1 amendments added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet.

- The Solar Water Heater Mandate applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable. Variances are already provided for and granted when justified and solar doesn't pencil out, including when installing a solar water heater is found not to be cost effective in the context of a life cycle that does not exceed fifteen years. In other words, the current law works and is in the best interests of Hawaii's families.

- In addition to creating loopholes to circumvent the intent of this law, this measure would create an unnecessary burden on County planning departments who typically do not have the necessary expertise to properly evaluate variance applications. At a time when Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future, this measure, and the loopholes it will create, will only serve to drag us back to the past.

- The variance process has become effective in recent years under the Hawaii State Energy Office and does not warrant change. Solar hot water is one of the most cost effective ways to save money on your electric bill while at the same time contributing to the fight against global boiling. We know that gas-powered water heaters are more polluting and more costly than solar alternatives and we should have phased them out of new home construction years ago.

- The previous Committee that heard this measure accepted Hawaii Gas' factually inaccurate testimony and incorporated it into the current version of this measure. Let's be clear. These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. Period. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case. But the truth is, burning fossil fuels is not 'clean,' nor is it 'cheaper' for consumers or the state, especially with the climate crisis already threatening everything we love. I urge the committee to HOLD this misguided measure.

Georgia Hoopes, Kalaheo

SB-2677-SD-1

Submitted on: 2/19/2024 1:00:32 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Melissa Barker	Individual	Oppose	Written Testimony Only

Comments:

Honorable Members,

Please oppose SB2677 SD1.

Thank you,

Melissa Barker

Kapaa, HI

SB-2677-SD-1

Submitted on: 2/19/2024 2:02:36 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Marsha Hee	Individual	Oppose	Written Testimony Only

Comments:

From: Marsha Hee, Volcano Hawaii 96785 Sen. Dist. 2

I strongly OPPOSE SB2677, **especially the SD1 amendments** added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet.

- The Solar Water Heater Mandate applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable. Variances are already provided for and granted when justified and solar doesn't pencil out, including when installing a solar water heater is found not to be cost effective in the context of a life cycle that does not exceed fifteen years. In other words, the current law works and is in the best interests of Hawaii's families.

- In addition to creating loopholes to circumvent the intent of this law, this measure would create an unnecessary burden on County planning departments who typically do not have the necessary expertise to properly evaluate variance applications. At a time when Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future, this measure, and the loopholes it will create, will only serve to drag us back to the past.

- The variance process has become effective in recent years under the Hawaii State Energy Office and does not warrant change. Solar hot water is one of the most cost effective ways to save money on your electric bill while at the same time contributing to the fight against global boiling. We know that gas-powered water heaters are more polluting and more costly than solar alternatives and we should have phased them out of new home construction years ago.

- The previous Committee that heard this measure accepted Hawaii Gas' factually inaccurate testimony and incorporated it into the current version of this measure. Let's be clear. These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. Period. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case. But the truth is, burning fossil fuels is

not 'clean,' nor is it 'cheaper' for consumers or the state, especially with the climate crisis already threatening everything we love. I urge the committee to **HOLD** this misguided measure.

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SB-2677-SD-1

Submitted on: 2/19/2024 3:48:17 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Lu Kelley	Individual	Oppose	Written Testimony Only

Comments:

Aloha.

I strongly OPPOSE SB2677, **especially the SD1 amendments** added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet.

- The Solar Water Heater Mandate applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable. Variances are already provided for and granted when justified and solar doesn't pencil out, including when installing a solar water heater is found not to be cost effective in the context of a life cycle that does not exceed fifteen years. In other words, the current law works and is in the best interests of Hawaii's families.

- In addition to creating loopholes to circumvent the intent of this law, this measure would create an unnecessary burden on County planning departments who typically do not have the necessary expertise to properly evaluate variance applications. At a time when Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future, this measure, and the loopholes it will create, will only serve to drag us back to the past.

- The variance process has become effective in recent years under the Hawaii State Energy Office and does not warrant change. Solar hot water is one of the most cost effective ways to save money on your electric bill while at the same time contributing to the fight against global boiling. We know that gas-powered water heaters are more polluting and more costly than solar alternatives and we should have phased them out of new home construction years ago.

- The previous Committee that heard this measure accepted Hawaii Gas' factually inaccurate testimony and incorporated it into the current version of this measure. Let's be clear. These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. Period. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case. But the truth is, burning fossil fuels is not

'clean,' nor is it 'cheaper' for consumers or the state, especially with the climate crisis already threatening everything we love. I urge the committee to HOLD this misguided measure.

Do the right thing..Mahalo.

SB-2677-SD-1

Submitted on: 2/20/2024 1:58:16 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cheryl Ho	Individual	Oppose	Written Testimony Only

Comments:

I strongly OPPOSE SB2677, **especially the SD1 amendments** added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet.

The current law works and is in the best interests of Hawaii's families. Additional variances are not needed.

SB-2677-SD-1

Submitted on: 2/20/2024 2:27:11 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary True	Individual	Oppose	Written Testimony Only

Comments:

I strongly OPPOSE SB2677, especially the SD1 amendments added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet.

Thanks for your attention, Mary True, Pepeekeo, 96783

SB-2677-SD-1

Submitted on: 2/20/2024 2:35:43 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Rosie F Davis	Individual	Support	Written Testimony Only

Comments:

Aloha, I support SB2677

Mahalo nui for your support.

Rosie

Iolani Kuoha
P.O. Box 491
Hoolehua, HI 96729

February 20, 2024

To Whom it may Concern:

Re: SB2677
RELATING TO ENERGY EFFICIENCY

I **support** SB2677 which amends the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits. Requires the fees collected by each county authority having jurisdiction over building permits to be deposited into the appropriate county operating fund. Takes effect 1/1/2060. (SD1)

If you have any questions or concerns, please don't hesitate to contact me via email;
kuohaiolani1@gmail.com or mobile at (808)298-9686.

Mahalo,



Iolani Kuoha

Noah Freeman
P.O. Box 491
Hoolehua, HI 96729

February 20, 2024

To Whom it may Concern:

Re: SB2677
RELATING TO ENERGY EFFICIENCY

I **support** SB2677 which amends the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits. Requires the fees collected by each county authority having jurisdiction over building permits to be deposited into the appropriate county operating fund. Takes effect 1/1/2060. (SD1)

If you have any questions or concerns, please don't hesitate to contact me via email; freemansfarm@live.com or mobile at (808)298-9686.

Mahalo,

A handwritten signature in black ink that reads "Noah Freeman". The signature is written in a cursive style and is positioned above a horizontal line.

Noah Freeman

Faith Tuipulotu
P.O. Box
Hoolehua, HI 96729

February 20, 2024

To Whom it may Concern:

Re: SB2677
RELATING TO ENERGY EFFICIENCY

I **support** SB2677 which amends the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits. Requires the fees collected by each county authority having jurisdiction over building permits to be deposited into the appropriate county operating fund. Takes effect 1/1/2060. (SD1)

If you have any questions or concerns, please don't hesitate to contact me via email; auli@hawaii.edu or mobile at (808)298-9686.

Mahalo,

A handwritten signature in cursive script that reads "Faith Tuipulotu".

Faith Tuipulotu

SB-2677-SD-1

Submitted on: 2/21/2024 10:43:41 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Oppose	Written Testimony Only

Comments:

oppose

SB-2677-SD-1

Submitted on: 2/21/2024 4:30:08 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ella Aki	Testifying for Sol-Ark	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in opposition to SB2677 SD1, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Mahalo piha,

Ella Henanipuakea Aki

Sol-Ark Regional Sales Manager, Pacific Islands

SB-2677-SD-1

Submitted on: 2/22/2024 1:33:30 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lori Ann Saunders	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

Lori Ann Saunders

SB-2677-SD-1

Submitted on: 2/22/2024 7:01:40 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Roy Skaggs	Individual	Oppose	Written Testimony Only

Comments:

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

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1!

Roy Skaggs

SB-2677-SD-1

Submitted on: 2/22/2024 7:17:08 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
wei lun lian	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

Weilun Lian

SB-2677-SD-1

Submitted on: 2/22/2024 7:17:51 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kathryn Troyan	Testifying for Alternate Energy Inc.	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in opposition to SB2677 SD1, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

Kathryn Troyan

Alternate Energy Inc. Project Manager

SB-2677-SD-1

Submitted on: 2/22/2024 7:24:28 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Casey Lafuente	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in **opposition to SB2677 SD1**, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

Casey Lafuente

SB-2677-SD-1

Submitted on: 2/22/2024 7:26:05 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Justin Furuta	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

Justin Furuta

SB-2677-SD-1

Submitted on: 2/22/2024 7:29:09 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jim Vasquez	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully, Jim.V.

SB-2677-SD-1

Submitted on: 2/22/2024 7:33:42 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kiana Moku	Individual	Oppose	Written Testimony Only

Comments:

a bad idea to limit the people from using the sun

SB-2677-SD-1

Submitted on: 2/22/2024 7:55:08 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Terri Rhody	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in ***opposition to SB2677 SD1***, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

SB-2677-SD-1

Submitted on: 2/22/2024 8:07:03 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Alexis	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

Alexis Lam Ho

SB-2677-SD-1

Submitted on: 2/22/2024 8:46:38 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeffrey Lum	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

aloha, Jeff Lum

SB-2677-SD-1

Submitted on: 2/22/2024 9:26:32 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Miles	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Sincerely,

Miles Yoshimoto

Project Developer

Alternate Energy Inc.

96-1276 Waihona Street Unit 114

Pearl City HI 96782

SB-2677-SD-1

Submitted on: 2/22/2024 9:32:41 AM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Radford Nakamura	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwake and members of the committee:

I am writing in *opposition to SB2677 SD1*, which seeks to create four new variances in the State's Solar Hot Water law. These variances for installations in low-to-moderate income, off-grid, and wildfire-prone communities such as Lahaina would end up burdening residents with high and volatile gas bills, make them dependent on foreign sources of fuel, and deprive them of the benefits of clean, resilient, affordable, and independent solar powered hot water. I'm also concerned about transferring oversight responsibility to the counties because of apparent capacity issues.

Mahalo for giving me the opportunity to testify in opposition to SB2677 SD1.

Respectfully,

Radford Nakamura

LATE

SB-2677-SD-1

Submitted on: 2/22/2024 3:45:29 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
David Thompson	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. This bill will hurt the citizens.

LATE

SB-2677-SD-1

Submitted on: 2/22/2024 7:12:13 PM

Testimony for WAM on 2/23/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
ANDREW ISODA	Individual	Oppose	Written Testimony Only

Comments:

I strongly OPPOSE SB2677, **especially the SD1 amendments** added which creates harmful loopholes for solar water heater variances. Solar water heaters save consumers money while saving on greenhouse gases --which helps save the planet. Solar water heating pays for itself many times over during a 20-year lifespan. Creating these loopholes is not in the best interests of anyone but Hawaii Gas who suggested these amendments to begin with, and who once again is putting their desire for profit over people and the planet.

- The Solar Water Heater Mandate applies to all new single-family residences. The purpose of this law is to promote the environmental and consumer benefits of solar water heating, with a goal to increase the use of renewable energy to protect the environment, reduce pollution, and make housing more affordable. Variances are already provided for and granted when justified and solar doesn't pencil out, including when installing a solar water heater is found not to be cost effective in the context of a life cycle that does not exceed fifteen years. In other words, the current law works and is in the best interests of Hawaii's families.

- In addition to creating loopholes to circumvent the intent of this law, this measure would create an unnecessary burden on County planning departments who typically do not have the necessary expertise to properly evaluate variance applications. At a time when Hawaii needs to move full speed ahead to a 100% renewable, carbon-free future, this measure, and the loopholes it will create, will only serve to drag us back to the past.

- The variance process has become effective in recent years under the Hawaii State Energy Office and does not warrant change. Solar hot water is one of the most cost effective ways to save money on your electric bill while at the same time contributing to the fight against global boiling. We know that gas-powered water heaters are more polluting and more costly than solar alternatives and we should have phased them out of new home construction years ago.

- The previous Committee that heard this measure accepted Hawaii Gas' factually inaccurate testimony and incorporated it into the current version of this measure. Let's be clear. These amendments are not intended to improve the law. They are about expanding Hawaii Gas' customer base. Period. It is particularly shameful and egregious that Hawaii Gas is exploiting the tragedy that occurred in Lahaina to make their case. But the truth is, burning fossil fuels is not 'clean,' nor is it 'cheaper' for consumers or the state, especially with the climate crisis already threatening everything we love. I urge the committee to HOLD this misguided measure.

