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**Hawaii Solar Energy Association**  
*Serving Hawaii Since 1977*

February 5, 2009  
Room 225  
2:45 PM

Senate  
Committee on Energy and Environment  
SB871

Mark Duda  
President

**Testimony in Strong Support of the Intent**

**Chair Gabbard, Vice Chair English and Members of the Committees:**

*Hawaii Solar Energy Association (HSEA) is comprised of more than 30 installers, distributors, manufacturers and financers of solar energy systems, both hot water and PV, most of which are Hawaii based, owned and operated. The organization's primary goals are: (1) to further solar energy and related arts, sciences and technologies with concern for the ecologic, social and economic fabric of the area; (2) to encourage the widespread utilization of solar equipment as a means of lowering the cost of energy to the American public, to help stabilize our economy, to develop independence from fossil fuel and thereby reduce carbon emissions that contribute to climate change; (3) to establish, foster and advance the usefulness of the members, and their various products and services related to the economic applications of the conversion of solar energy for various useful purposes; and (4) to cooperate in, and contribute toward, the enhancement of widespread understanding of the various applications of solar energy conversion in order to increase their usefulness to society.*

*HSEA members manufacture and install the majority of solar water heating systems, and install the majority of solar PV systems in the State of Hawaii. Our comments on this measure are based on this expertise, and our related experience in other renewable energy technologies.*

**HSEA makes the following comments regarding this measure:**

HSEA's member companies are committed to a clean renewable energy future for Hawaii and support efforts to reduce carbon emissions and increase the efficiency of energy use in the state. SB871 is wholly in this spirit and HSEA supports its intent. HSEA is especially interested in pointing out to the Committee the potential value of Part III, Section 10. Because solar photovoltaics are an available, proven, distributed energy generating technology, they can be rapidly deployed and sited on existing structures. It is not an exaggeration to say that, by fixing provisions of the Renewable Energy Technologies Income Tax Credit (RETITC) that currently prevent it from being monetized by investors, the provisions in Part III, Section 10 of SB871 will do more to encourage the adoption of renewable energy in Hawaii between 2009 and 2011 than any other measure the state could adopt. In the process the industry will create jobs and promote economic development in an otherwise challenging period of employment contraction.

# SUNPOWER

Room # 225      2:45 PM      February 5, 2009

## **Senate Committee on Energy and Environment and Committee on Commerce and Consumer Protection**

**SB871                      RELATING TO HAWAII'S CLEAN ENERGY INITIATIVE  
                                    IN ENERGY EFFICIENCY**

### **Chairs Gabbard and Baker and Committee Members:**

Introduction: My name is Riley Saito Senior Manager, Hawaii Projects for the SunPower Systems Corporation. Thank you in advance for accepting these few comments on **SB871**.

SunPower Systems Corporation ("SunPower") has been a member of the Hawaii Energy Policy Forum since it convened in 2003 and a member of the Energy Generation working group for the HCEI over the past year. SunPower is in the business of designing, manufacturing, and delivering the highest efficiency solar electric technology worldwide. One of our latest projects was the 1.2 megawatt La Ola solar farm on Lanai with Castle & Cooke Hawaii.

SunPower supports SB871 and ***strongly supports the proposed amendments in Part III relating to Renewable Energy Income Tax Credits***. The current tax credit policy is restrictive in that the Hawaii tax credit cannot be monetize by investors, to the point that the commercial size photovoltaic installations in the Hawaii has virtually come to a stand still. The current tax credit fails to attract out of state investors to participate in Hawaii PV projects.

The proposed amendment would reopen the market for millions of out of state funding per year. This would provide an immediate economic stimulus to Hawaii and greatly reduce our dependency on fossil fuel imports. Currently, Hawaii's strong reliance on fossil fuels results in billions of dollars being exported out of state for the purchase of fossil fuels from foreign sources which jeopardizes Hawaii's energy security.

Thus, SunPower supports SB871 and urges the committee to pass it out.

Mahalo for the opportunity to submit testimony in support.