

SB 383



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

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Statement of
THEODORE E. LIU
Director

Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON ENERGY AND ENVIRONMENT
Tuesday, February 3, 2009
2:45pm
State Capitol, Conference Room 225

in consideration of

SB383
RELATING TO RENEWABLE ENERGY

Chair Gabbard, Vice Chair English, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports of SB383 which requires expedited residential and commercial building permits for any state permit approval process for installation of photovoltaic systems. It also provides for approval by law of permit application if not granted or denied within sixty days for existing structures and within 120 days for new structures.

DBEDT supports expediting renewable energy projects and the use of renewable energy. By accelerating the installation of renewable energy technologies, the State of Hawaii moves closer to our Hawaii Clean Energy Initiative of 70 percent clean energy by 2030. Therefore, we support SB383 which provides that an application for a permit for a photovoltaic energy system shall be deemed approved, if within sixty days of receipt of the application for a permit for an existing structure or one hundred and twenty days for a new structure, the approving agency has

not taken action to grant or deny the application. We believe that the building permit applicant and design professional should bear the responsibility of meeting code requirements.

Thank you for the opportunity to offer these comments.



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SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

February 3, 2009, 2:45 P.M.

TESTIMONY IN OPPOSITION TO SB 383 AS WRITTEN

Chair Gabbard and members of the Committee:

The Sierra Club, Hawai'i Chapter, with over 5000 dues paying members statewide, is opposed to the current version of SB 383, streamlining the permitting process for renewable energy projects. While we greatly appreciate the intent behind the measure – ostensibly to expedite the development of renewable energy sources in Hawai'i – we fear that the solution offered in this measure may be misguided.

First, it has been our experience in tracking clean energy developments in Hawai'i that the environmental disclosure and permitting hurdles are lower on the list than obstacles such as financing, land acquisition, and interconnection agreements with the electric utility. In fact, interconnection agreements seem to be the biggest roadblock. For example, consider the recent Maui windfarm at Kaheawa Pastures. At the public hearing on the conservation district use permit – the main environmental approval that was needed – 33 individuals and organizations testified and all were in support. The interconnection agreement with Maui Electric, however, took years to negotiate, with much frustration on the part of the wind developer.

Second, our existing permitting process protects the environment and the public's right to provide input in the decision making. This usually makes for better siting and development decisions. Given that many of our indigenous energy resources will be harnessed in remote or ecologically sensitive areas, proper permitting and analysis are crucial. Again in the Kaheawa Pastures case, through the existing permitting process an agreement was reached to protect the Nene and other species. But expediting permitting of new renewable energy facilities – particularly those that are located in wild areas – may cause important resource protection measures to be overlooked.

In addition, the recent controversy over the Land Board's actions to lease land in Hamakua for biofuel crops shows the importance of getting public input before rushing to act. Sometimes quick decisions lead to big mistakes.

Third, some of the "renewable energy facilities" as defined in SB 383 may be truly fossil fuel facilities in disguise. A recent proposal to produce biofuel by Kauai Ethanol LLC sought a covered source air permit to burn coal at the facility to convert molasses to ethanol. Are coal facilities the types of projects that we want to give streamlined processing and automatic site approvals to, as allowed in SB 383?

Again, we appreciate the intent behind SB 383, but the measure may create unintended consequences while not addressing the underlying problems of financing, land acquisition and utility interconnection agreements. The Sierra Club would support the establishment of some sort of clean energy siting council to examine the pros and cons of various locations for renewable energy generation statewide. Additionally, we would have no objection to providing "priority handling" for true renewable energy permits and allow such permits to go to the "front of the line" for decision making. We would be happy to work with the Committee and appropriate stakeholders to draft such legislation.

Thank you for the opportunity to testify.

SUNPOWER

Room # 225

2:45 PM

February 3, 2009

Senate Committee on Energy and Environment

SB383

RELATING TO RENEWABLE ENERGY

Chair Gabbard, Vice-Chair English 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 in support of **SB383**.

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 any legislature that will assist in expediting the permitting progress for photovoltaic systems and assist in bringing more solar energy to Hawaii. Thus, SunPower supports SB383.

Mahalo for the opportunity to submit testimony in support.

Mahalo,

Riley Saito



Hawaii Solar Energy Association
Serving Hawaii Since 1977

February 1, 2008

SB383: Testimony in Support

Dear Chair Gabbard, Vice Chair English, and Members of the Committee:

Hawaii Solar Energy Association (HSEA) is comprised of more than 30 installers, distributors, manufacturers and financiers of solar energy systems, both hot water and PV, most of which are Hawaii based, owned and operated. Our 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 comment in support of this measure:

HSEA supports any legislation that will assist in expediting the permitting progress for photovoltaic systems and result in more solar energy generating equipment being deployed in Hawaii. To the extent that it achieves these goals, SB383 will increase jobs and energy security in Hawaii.