
A BILL FOR AN ACT

RELATING TO ENERGY RESOURCES.

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

1 SECTION 1. Purpose and findings. The legislature finds
2 that independence from fossil fuels is critical for the security
3 and well-being of Hawaii's residents and for the sustainability
4 and vitality of Hawaii's economy. Rising oil costs and
5 increased dependence on foreign oil continue to place Hawaii's
6 families and businesses in a vulnerable position. Continued
7 consumption of fossil fuel will also worsen global warming,
8 which in turn could mean increasing frequency and intensity of
9 storms and rising sea levels in Hawaii. This will cause
10 significant and costly impacts to our island communities as well
11 as to the larger world.

12 The legislature finds that the installation of solar water
13 heaters on new single-family and duplex homes is one of the most
14 cost-effective and efficient ways of moving Hawaii's families
15 off of fossil fuels. A conventional electric water tank
16 accounts for thirty to thirty-five per cent of a household's
17 electric bill. It is estimated that by relying on the sun for
18 ninety per cent of a family's hot water demand, a family could



1 save enough money to pay for the solar water heating system in
2 five to seven years. After the system is paid off, the heating
3 of water is essentially free. In addition to federal tax
4 credits, when the cost of a solar water heater is included in
5 the cost of a mortgage there could also be the added value of
6 tax deductions.

7 For the reasons above, the legislature in 2008 passed Act
8 204 requiring solar water heaters on new single-family homes.
9 However the legislature finds that Act 204 allows variances from
10 this requirement under vague and unjustified circumstances such
11 that the purpose of Act 204 is being thwarted in many instances
12 by the variance that allows tankless gas. Therefore, the
13 legislature finds it is necessary to modify the wording of the
14 law and clarify that the variance allowing tankless gas shall
15 require application by an ultimate occupant of the dwelling unit
16 and only such occupant. If the occupant is not available, then
17 the variance application shall not be accepted for processing
18 and said variance shall not be available.

19 SECTION 2. Section 196-6.5, Hawaii Revised Statutes, is
20 amended to read as follows:

21 **"§196-6.5 Solar water heater system required for new**
22 **single-family residential construction. (a) On or after**



1 January 1, 2010, no building permit shall be issued for a new
2 single-family or duplex dwelling that does not include a solar
3 water heater system that meets the standards established
4 pursuant to section 269-44, unless the [~~coordinator~~] director of
5 the appropriate county permitting agency approves a variance.

6 (b) A variance application shall only be accepted if
7 submitted by an architect or mechanical engineer licensed under
8 chapter 464, who attests that:

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

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

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

19 (4) A demand water heater device approved by Underwriters
20 Laboratories, Inc., is installed; provided that at
21 least one other gas appliance is installed in the
22 dwelling. For the purposes of this paragraph, "demand



1 water heater" means a gas-tankless instantaneous water
2 heater that provides hot water only as it is needed.

3 ~~[(b)]~~ (c) A request for a variance shall be submitted to
4 the ~~[coordinator]~~ director of the appropriate county permitting
5 agency on an application prescribed by the ~~[coordinator]~~ county
6 in which the variance is requested and shall include a
7 description of the location of the property and justification
8 for the approval of a variance using the criteria established in
9 subsection ~~[(a)]~~ (b). A variance shall be deemed approved if
10 not denied within thirty working days after receipt of the
11 variance application. The ~~[coordinator]~~ director of the
12 appropriate county permitting agency shall publicize:

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

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

18 ~~[(e)]~~ (d) The director of ~~[business, economic development,~~
19 ~~and tourism]~~ a county permitting agency may adopt rules pursuant
20 to chapter 91 to impose and collect fees to cover the costs of
21 administering variances under this section. The fees, if any,



1 shall be deposited into the energy security special fund
2 established under section 201-12.8.

3 (e) The legislative body of each county shall set the
4 parameters by which its respective county permitting agency
5 shall approve, disapprove, or approve with conditions any
6 variance application.

7 [~~(d)~~] (f) Nothing in this section shall preclude any
8 county from establishing procedures and standards required to
9 implement this section.

10 [~~(e)~~] (g) Nothing in this section shall preclude
11 participation in any utility demand-side management program or
12 public benefits fee program under part VII of chapter 269."

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

15 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Energy; Solar Water Heater; Conservation; Kauai County Package

Description:

Requires solar water heaters on new duplex buildings. Requires counties to administer applications for a variance from solar water heater requirements for new residential construction.
(SD1)

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