NEIL ABERCROMBIE GOVERNOR

> RICHARD C. LIM DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of **RICHARD C. LIM Director** Department of Business, Economic Development, and Tourism before the **HOUSE COMMITEE ON ENERGY & ENVIRONMENTAL PROTECTION** Thursday, March 13, 2014 9:00 a m

9:00 a.m. State Capitol, Conference Room 325

in consideration of **SB 2199, SD1 RELATING TO RENEWABLE ENERGY.**

Chair Lee, Vice Chair Thielen, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of SB 2199, SD1, which prohibits the issuance of building permits beginning January 1, 2016, for new residential single-family dwellings that are part of a master tract or part of a bulk application for five single-family dwellings or more without wiring for Level Two electric vehicle (EV) charging systems or 240-volt alternating current charging.

The pre-wiring of a new single family home for an EV charging system is relatively inexpensive compared to the costs of retrofitting the property. Furthermore, pre-wiring would encourage residents of newly constructed homes to purchase and drive EVs which reduce consumption of gasoline and assist our efforts in achieving Hawaii's clean energy goals.

Thank you for the opportunity to offer these comments.

Castle & Cooke Stawai'i

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Harry A. Saunders President

Testimony by Harry Saunders President, Castle & Cooke Hawai'i March 12, 2014

House Committee on **Energy and Environmental Protection**

> March 13, 2014 9:00 p.m. Conference Room 325

> > **Opposed** to:

SB 2199 SD1 MANDATING ELECTRIC VEHICLE CHARGING SYSTEMS FOR ALL NEW SINGLE FAMILY HOMES

Chair Lee, Vice Chair Thielen and Members of the House Committee on Energy and Environmental Protection:

I am Harry Saunders, President of Castle & Cooke Hawai'i. As a major homebuilder in Hawai'i, we are generally opposed to mandates that increase the cost of homes without recognition of consumer/buyer acceptance and needs. Our approach is to "build to the market;" to produce homes that meet market and buyer demands.

Our production homes are designed with many energy saving features. Furthermore, we offer buyers additional energy savings options from which they can select. In this case, an electric vehicle charging station would be an option for an owner to consider if they are driving (or plan to have) an electric vehicle.

Mahalo for your consideration of my testimony. Should you have questions, please feel free to contact us:

Harry Saunders, President Castle & Cooke Hawaiʻi <u>aktsukamoto@castlecooke.com</u> Phone: 548-4884

Bruce Barrett, Executive Vice President - Residential Castle & Cooke Hawai'i <u>barrett@castlecooke.com</u> Phone: 548-3746

Carleton Ching, Vice President – Community and Government Relations Castle & Cooke Hawai'i <u>cching@castlecooke.com</u> Phone: 548-3793



Testimony to the House Committee on Energy and Environmental Protection Thursday, March 13, 2014 at 9:00 A.M. Conference Room 325, State Capitol

RE: SENATE BILL 2199 SD1 RELATING TO RENEWABLE ENERGY

Chair Lee, Vice-Chair Thielen, and members of the Committee:

The Chamber **opposes** SB 2199 SD1, which would prohibit the issuance of building permits beginning 1/1/2016 for new residential single-family dwellings without wiring for electric vehicle (EV) charging systems that provide level two charging or 240-volt alternating current charging.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

Many developers already offer the option (VOLUNTARY) to homeowners to install a conduit and an open spot in the electric box to add a circuit breaker. If a homeowner wants to have a charging station in their garage they would have to have the circuit breaker installed in the box, the wire installed in the conduit, and the plug apparatus specific to the automobile manufacturer.

SB 2199 SD1 would MANDATE the wiring for EV charging systems. Most EV chargers are running 30, 40 or 50 amps, and occasionally 100 amps. The cost to pre-wire a home for an EV charger includes the circuit and the wire to the future charging location. Since wire run is impossible to know ahead of time, \$600 - \$1,000 should be allowed for this cost. However, a 200 amp service is \$1,400 - \$1,800 more than a 100 amp service. This puts EV pre-wire costs at \$600 - \$2,800 per home.

The legislature should be aware that Hawaii already has one of the highest mean home prices in the United States (+/- \$685,000.00). Mandate of this nature, while appearing to encourage wider use of Electric Vehicles comes at a cost of increasing the overall cost to the home buyer. The Market Conditions should provide the incentives for people to switch to electric vehicles.

Thank you for the opportunity to express our views on this matter.



THE VOICE OF THE CONSTRUCTION INDUSTRY

TESTIMONY TO THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION Thursday, March 13, 2014 9:00 a.m. Hawaii State Capitol - ROOM 225

RE: S.B. 2199 S.D. 1, RELATING TO RENEWABLE ENERGY

Dear Chair Lee, Vice-Chair Thielen, and members of the Committee:

My name is Gladys Marrone, Government Relations Director for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-Hawaii is **opposed** to S.B. 2199 S.D. 1, which would prohibit the issuance of building permits beginning 1/1/2016 for new residential single-family dwellings that are part of a master tract or a bulk application for five single-family dwellings or more without dedicated wiring for electric vehicle charging systems that provide level two charging or 240-volt alternating current charging. Allows county permitting agencies to waive the wiring requirement for new single-family dwellings under certain circumstances.

Many of our developers already offer the option to homeowners for a conduit and an open spot in the electric box to add a circuit breaker. If a homeowner wants to have a charging station in their garage they would have to have the circuit breaker installed in the box, the wire installed in the conduit, and the plug apparatus specific to the automobile manufacturer. However, some developers offer an EV charging station as an option to the homebuyer.

However, S.B. 2199 S.D. 1 would mandate the wiring for EV charging systems. Most EV chargers are running 30, 40 or 50 amps, and occasionally 100 amps. The cost to pre-wire a home for an EV charger includes the circuit and the wire to the future charging location. Since wire run is impossible to know ahead of time, \$600 -\$1,000 should be allowed for this cost. However, a 200 amp service is \$1,400 -\$1,800 more than a 100 amp service. This puts EV pre-wire costs at \$600 - \$2,800 per home.

Additionally, technology changes in the blink of any eye. Just last month, Toyota announced they are starting tests on wireless charging for electric cars (attached). *"This technology would eliminate the need for physically plugging in an electric car or a hybrid."* So, if a homeowner decides that, after 10 years after they move into their new home, they want, and are able, to purchase an EV, we highly doubt this mandated wiring would still be usable with the future technology. Why make the homeowner pay for something they can't use or don't want? Perhaps a financial incentive approach to attaining renewable energy goals should be considered; it worked for the PV industry. Having wiring for an EV charger in not incentive to buy

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Honorable Chris Lee, Chair House Committee on Energy and Environmental Protection March 13, 2014 S.B. 2199, S.D. 1 Testimony of BIA-Hawaii

an EV, but tax breaks when purchasing an EV are incentives.

Finally, mandates only increases the cost of housing for the end user. Oahu is now at a median price of \$685,000 for a single-family home. If the objective of this Legislature is to increase the cost of development in Hawaii and, in turn, further increase the cost of housing to Hawaii's residents, then this type of legislation is appropriate.

We appreciate the opportunity to share with your our views.





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<u>SB2199</u> Submitted on: 3/12/2014 Testimony for EEP on Ma	LATE	Conference Room 32	25
Submitted By	Organization	Testifier Position	Present at Hearing
Greg Thielen	Individual	Oppose	No

Comments: Chair Lee, Vice Chair Thielen and Members of the House Committee on Energy and Environmental Protection. I am writing in opposition to SB2199 SD1. This is another example of legislative action driving up the cost of housing in Hawaii. It also provides negligible benefit as all EV's are capable of being charged from a standard wall outlet. It also ignores other sound environmental options such as clean diesel, gasoline hybrids and hydrogen. It fails to recognize that changing technology will render this legislation obsolete. Most importantly is it penalizes all home buyers and builders that for whatever reason do not want an EV.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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