H.B. NO. 225

## A BILL FOR AN ACT

RELATING TO ENERGY RESOURCES.

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

1 SECTION 1. The legislature finds that independence from 2 fossil fuels is critical for the security and wellbeing of 3 Hawaii's residents and for the sustainability and vitality of 4 Hawaii's economy. Rising oil costs and increased dependence on 5 foreign oil continue to place Hawaii's families and businesses 6 in a vulnerable position. Continued consumption of fossil fuel will also worsen global warming, which in turn could mean 7 8 increasing frequency and intensity of storms and rising sea 9 levels in Hawaii. This will cause significant and costly 10 impacts to our island communities as well as to the larger 11 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 cost-effective and efficient ways of moving Hawaii's families 14 15 off of fossil fuels. A conventional electric water tank 16 accounts for thirty to thirty-five per cent of a household's electric bill. It is estimated that by relying on the sun for 17 ninety per cent of its hot water demand, a family could save 18 HB LRB 13-0418.doc 

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1 enough money to pay for the solar system in three to five years. After the system is paid off, the heating of water is 2 3 essentially free. In addition to federal tax credits, when the 4 cost of a solar water heater is included in the cost of a 5 mortgage there could also be the added value of tax deductions. 6 For the reasons above, the legislature in 2008 passed Act 7 204 requiring solar water heaters on new single-family homes. 8 However, the legislature finds that Act 204 allows variances 9 from this requirement under vague and unjustified circumstances 10 such that the purpose of Act 204 is being thwarted in many 11 instances by the variance that allows tankless gas. Therefore, 12 the legislature finds it is necessary to modify the wording of 13 the law and clarify that the variance allowing tankless gas 14 shall require application by an ultimate owner of the dwelling 15 unit and only such owner. If the owner is not available, then the variance application shall not be accepted for processing 16 and the variance shall not be available. 17

18 SECTION 2. Section 196-6.5, Hawaii Revised Statutes, is 19 amended by amending subsection (a) to read as follows:

"(a) On or after January 1, 2010, no building permit shall
be issued for a new single-family <u>or duplex</u> dwelling that does
not include a solar water heater system that meets the standards



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1	established pursuant to section 269-44, unless the coordinator			
2	approves a variance. A variance application shall only be			
3	accepted i	f submitted by an [ <del>architect</del> ] <u>:</u>		
4	(1)	Architect or mechanical engineer licensed under		
5		chapter 464, who attests that:		
6	[ <del>(1)</del> ]	(A) Installation is impracticable due to poor solar		
7		resource;		
8	[ <del>-(2)</del> ]	(B) Installation is cost-prohibitive based upon a life		
9		cycle cost-benefit analysis that incorporates the		
10		average residential utility bill and the cost of		
11		the new solar water heater system with a life		
12		cycle that does not exceed fifteen years; or		
13	[ <del>-(3)</del> -] _	(C)A renewable energy technology system, as defined in		
14		section 235-12.5, is substituted for use as the		
15		primary energy source for heating water; or		
16	[ <del>·(4)</del> ]	(2) Applicant who is responsible for the dwelling		
17		energy consumption cost and who attests that:		
18		(A) The applicant is or will be the owner of the new		
19		dwelling;		
20	-	(B) The applicant has read the "Water Heating Life		
21		Cycle Cost Comparison" issued by the department		



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1		of business, economic development and tourism;
2		and
3	<u>(C)</u>	A demand water heater device approved by
4		Underwriters Laboratories, Inc., is <u>or will be</u>
5		installed; provided that at least one other gas
6		appliance is <u>or will be</u> installed in the
7		dwelling. For the purposes of this paragraph,
8		"demand water heater" means a gas-tankless
9		instantaneous water heater that provides hot
10		water only as it is needed."
11	SECTION 3	. Statutory material to be repealed is bracketed
12	and stricken.	New statutory material is underscored.
13	SECTION 4	. This Act shall take effect upon its approval.
14		INTRODUCED BY: AMfult

By Request

JAN 1 7 2013

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Report Title: Kauai County Package; Solar Water Heating

Description:

Extends solar water heater mandate to new duplexes. Limits a gas variance to an owner who is responsible for the energy consumption costs and who makes certain attestations.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

