

Honolulu, Hawaii

February 9, 2018

RE: H.B. No. 2109
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2109 entitled:

"A BILL FOR AN ACT RELATING TO SOLAR WATER HEATERS,"

begs leave to report as follows:

The purpose of this measure is to protect consumers from being forced to pay unnecessary high costs for water heating. This measure limits the circumstances under which an application may be granted for a variance from the solar water heater mandate for new residential construction based on substitution of a demand water heater and its higher operating cost for homeowners for the required solar water heater and its cheaper cost to homeowners. Specifically, this measure specifies additional criteria for allowable demand water heaters and requires that an application for such a variance:

- (1) Be signed by the owner-occupant, who will be responsible for paying the cost of energy to heat water in the residence; and
- (2) Include an attestation by a licensed architect or mechanical engineer that installation of a renewable energy technology system would be impracticable and cost-prohibitive.



The Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Life of the Land, United Plant Faith & Science Initiative, 350Hawaii.org, Sierra Club of Hawaii, Blue Planet Foundation, Hawaii Solar Energy Association, Hawaii Energy, Ulupono Initiative, We Are One, Inc., and many concerned individuals supported this measure. The Department of Business, Economic Development and Tourism and Hawaii Gas provided comments.

Your Committee has amended this measure by:

- (1) Deleting existing statutory language that allowed for a variance based upon impracticality of installation or substitution of a demand water heater;
- (2) Deleting the proposed new statutory requirements for applications for a variance;
- (3) Allowing variances only when solar water heaters are not cost-effective; and
- (4) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2109, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2109, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



CHRIS LEE, Chair



