

Honolulu, Hawaii

**FEB 06 2025**

RE: S.B. No. 588  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committees on Energy and Intergovernmental Affairs and Government Operations, to which was referred S.B. No. 588 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize government entities in the State that issue building permits to:

- (1) Establish a self-certification process for behind-the-meter, customer-sited solar distributed energy resource systems; and
- (2) Exempt the systems from the Federal Emergency Management Agency No-Rise/No-Impact declaration requirements under certain circumstances.

Your Committees received testimony in support of this measure from the Hawaii State Energy Office; Photonworks Engineering LLP; Sol-Ark; Sunnova Energy Corporation; Credence Projects LLC; Mālama Solar; Legasea Energy Foundation, Green Power Projects, LLC; Hawaii Solar Energy Association; Alternate Energy Hawaii, Alternate Energy, Inc.; Hawaii Food Industry Association; Grassroot Institute of Hawaii; 350Hawaii; and eight individuals.



Your Committees received comments on this measure from the Department of Land and Natural Resources; Public Utilities Commission; Kaua'i Island Utility Cooperative; and Association of State Floodplain Managers, Inc.

Your Committees find that the State must lower administrative barriers that constrain the deployment of distributed energy resources to encourage the timely build-out of a diverse, resilient, and reliable portfolio of low-cost renewable energy generation and storage assets necessary for the State to achieve a one hundred percent renewable portfolio standard by December 31, 2045. This measure leverages existing technologies to streamline the permitting process for certain solar distributed energy projects, thereby saving ratepayers and contractors time and money while enabling faster reduction of carbon emissions.

According to testimony received by your Committees, the State and its counties are participating communities in the National Flood Insurance Program and are therefore subject to compliance with certain federal regulations set forth in the National Flood Insurance Act. However, the measure, as it is currently written, contains provisions that are inconsistent with these federal regulations. Accordingly, amendments to this measure are needed to address this matter.

Your Committees have amended this measure by:

- (1) Clarifying that all solar distributed energy resource systems subject to permit self-certification shall not be located within a special flood hazard area as identified on the Federal Emergency Management Agency's current Flood Insurance Rate Maps;
- (2) Clarifying that all solar distributed energy resource systems to be exempted shall not be located within a regulatory floodway as identified on the Federal Emergency Management Agency's current Flood Insurance Rate Maps;
- (3) Requiring that the project owner or their agent provide the government entity that issues building permits with a copy of any written notification prepared by the appropriate government entity that the proposed project

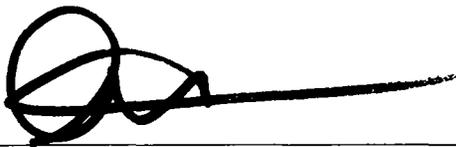


is not required to comply with relevant laws relating to floodplain management;

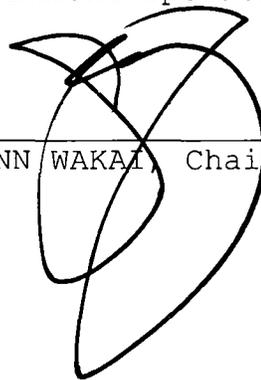
- (4) Requiring each government entity in the State that issues building permits to develop Federal Emergency Management Agency-accepted guidance for determining specific conditions when a No-Rise Certification is not required for a solar distributed energy resource system located in a regulatory floodway;
- (5) Deleting language that would have prevented the value of the solar and storage distributed energy resource system from being included in Federal Emergency Management Agency flood zone valuation calculations;
- (6) Amending section 1 to reflect its amended purpose; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Intergovernmental Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 588, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 588, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on  
behalf of the members of the  
Committees on Energy and  
Intergovernmental Affairs and  
Government Operations,



ANGUS L.K. MCKELVEY, Chair



GLENN WAKAI, Chair





