JOSH GREEN, M.D.

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA





STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621 HONOLULU, HAWAII 96809

DAWN N.S. CHANG

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE FIRST DEPUTY

CIARA W.K. KAHAHANE DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of DAWN N.S. CHANG Chairperson

Before the House Committee on ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, March 11, 2025 9:00 AM State Capitol, Conference Room 325

In consideration of SENATE BILL 588 SENATE DRAFT 2 RELATING TO RENEWABLE ENERGY

Senate Bill (SB) 588 Senate Draft (SD) 2 proposes to authorize certain state government entities to establish a self-certification process for behind-the-meter, customer-sited solar distributed energy resource systems and exempt the systems from the Federal Emergency Management Agency No-Rise/No-Impact declaration requirements under certain circumstances. The Department of Land and Natural Resources (Department) acknowledges the intent of this measure and offers the following comments.

The State and counties are participating communities in the National Flood Insurance Program (NFIP) and are subject to compliance with federal regulations set forth with the National Flood Insurance Act of 1968 (42 U.S.C. §§4001).

The Department expresses serious concern with any proposed measures that are inconsistent with the NFIP participation requirements, which the original draft of SB588 posed.

Pursuant to 44 CFR §60.3, all proposed development encroaching within Special Flood Hazard Areas (SFHA) identified as "A" or "V" type flood zones on the Federal Emergency Management Agency's (FEMA's) Flood Insurance Rate Maps (FIRM) must be reviewed by a community² official for floodplain

¹ See <u>Title 44 of the Code of Federal Regulations (CFR)</u> §59.22

² "Community" means any State or area or political subdivision thereof, or any Indian tribe or authorized tribal organization, or Alaska Native village or authorized native organization, which has authority to adopt and enforce flood plain management regulations for the areas within its jurisdiction. (ref: 44 C.F.R § 59.1)

management compliance, and issued a building and/or development permit **prior** to construction. Additionally, floodplain management regulations mandate community officials to assess all proposed development for substantial improvement³ compliance. FEMA requires the cost of solar and energy storage system be included in the community's substantial improvement assessment.⁴

Any State or county law that is not consistent with the NFIP may jeopardize continued eligibility and participation in the program.⁵ The unintended consequences of program suspension include the following:

- No federal flood insurance can be sold or renewed in non-participating communities. The Federal government requires flood insurance for all buildings located in a SFHA secured with a federally backed loan.
- Certain forms of federal disaster assistance, including mitigation grants, will not be available in the event of a Presidential Disaster Declaration.

Based on the 2023 State of Hawa'i Hazard Mitigation Plan,⁶ only 2.8% of the state is mapped in the SFHA. While this percentage is not an insignificant flood risk, it is a small segment of potential properties that would not be eligible to take advantage of the self-certification process proposed under this measure. SB588 SD2 is a fair compromise of providing an expedited solar permit process while also protecting the state's eligibility and participation in the NFIP.

The Department strongly recommends the amendments in SB588 SD2 pertaining to exclusions of SFHA properties and regulatory floodways be retained.

Mahalo for the opportunity to provide testimony on this measure.

³ "Substantial Improvement" is defined as: "any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the "start of construction" of the improvement. This term includes structures which have incurred "substantial damage," regardless of the actual repair work performed. The term does not, however, include either: (1) Any project for improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions or (2) Any alteration of a "historic structure," provided that the alteration will not preclude the structure's continued designation as a "historic structure."" (ref: 44 C.F.R § 59.1)

⁴ FEMA Publication 213 "Answers to Questions About Substantially Improved (SI)/ Substantially Damaged Buildings (SD)" Improvement. See publication for a list of costs that must be included in included in an SI/SD evaluation (ref: <u>FEMA P213</u>, Question 16)

⁵ See 44 CFR § 59.24

⁶ See Table 4.6-1 (Areas Located in the Special Flood Hazard Area by County), Section 4.6 (Floods) of <u>State of Hawa'i 2023 Hazard Mitigation Plan</u> (August 2023)

Testimony of the Contractors License Board

Before the House Committee on Energy & Environmental Protection

Tuesday, March 11, 2025 9:00 a.m. Conference Room 325 and Videoconference

On the following measure: S.B. 588, SD 2 RELATING TO RENEWABLE ENERGY

Chair Lowen, and Members of the Committee:

My name is Candace Ito, and I am the Executive Officer of the Contractors License Board (Board). The Board opposes this bill.

The purposes of this bill are to: (1) authorize certain government entities to 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.

While the Board does not object to the intent of this bill to lower administrative barriers during the permitting process, the Board believes it should not be done at the risk of consumer safety. The Board has serious concerns because this bill does not exclude commercial scale solar distributed energy resource systems. Commercial and large utility-scale photovoltaic plant projects are complex, and do not appear to be suited to a self-certification permitting process.

The Board also has concerns regarding the confirmation from the licensed installer that the project will comply with all applicable codes and laws on page 4, lines 1 to 4, and requests that this measure include a requirement for an inspection prior to closing the permit, to ensure the installation is in compliance with all appliable codes and laws.

The Board believes that the self-certification permit process is better suited for residential solar distributed energy resource systems, provided that there is an

Testimony of the Contractors License Board S.B. 588, SD 2 Page 2 of 2

inspection following the completion of the project that deems the installation to be in compliance with all applicable codes and laws.

Thank you for the opportunity to testify on this bill.

Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

MARK B. GLICK CHIEF ENERGY OFFICER

Telephone: (808) 451-6648 Web: energy.hawaii.gov

Testimony of MARK B. GLICK, Chief Energy Officer

before the HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, March 11, 2025 9:00 AM State Capitol, Conference Room 325 and Videoconference

In Support of SB 588, SD2

RELATING TO RENEWABLE ENERGY.

Chair Lowen, Vice Chair Perruso, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports the portion of SB 588, SD2, pertaining to the requirement that County permitting agencies allow self-certification by licensed professionals in order to obtain permits to begin construction on customer-sited solar distributed energy systems.

The bill seeks to address two issues commonly cited as causes of delays in the installation of customer-sited solar systems. Improvements in these areas are urgent, as time is of the essence due to potential reductions of federal tax credits; future cost increases due to tariffs; critical installation to provide backup power for public safety power shutoffs; as well as ongoing concerns over energy security and greenhouse gas emissions.

HSEO acknowledges that individual permitting agencies have taken and are actively taking steps to improve the permitting process for solar photovoltaic and battery installations. HSEO looks forward to working with interested parties on this bill, which is consistent with existing statutory responsibilities of HSEO and of the Chief Energy Officer, including those set forth in Section 196-72 (d):

- (2) Identify, track, and report key performance measures and milestones related to the State's energy and decarbonization goals;
- (3) Provide technical assistance to state and county agencies to assess and implement projects and programs related to energy conservation and efficiency, renewable energy ... and related measures;

And also

(15) Facilitate the efficient, expedited permitting of energy efficiency, renewable energy, clean transportation, and energy resiliency projects.

Regarding the self-certification section of the bill, HSEO notes the efficiency of the concept and looks forward to supporting the authorities having jurisdiction as they evaluate allowing residential and commercial on-site solar distributed energy resource systems to **begin** construction, with the understanding (based on discussions on a similar bill introduced last year) that final compliance review and approval will take place at the time of final inspection by the authority having jurisdiction (i.e. permitting agency).

This bill is consistent with Executive Order No. 25-01 (Accelerating Hawai'i's Transition Toward 100 Percent Renewable Energy) issued by Governor Green on January 27, 2025 that among other things calls for establishing programs for same-day online permit issuance of all single-family residential homes, self-certification permitting for all townhome projects twenty kilowatts and under, and professional self-certification for permitting behind-the-meter customer-sited solar, energy storage, and energy efficiency measures for commercial and multifamily and condominium projects.

Regarding the FEMA portion of the bill, HSEO has heard of this approach in other jurisdictions, ¹ and is willing to work with others on satisfactory language.

Thank you for the opportunity to testify.

¹ Personal communication, <u>SolSmart</u>, 2024; <u>StPeteBeach</u>; <u>PimaCountyArizonaLeasedSystems</u>;

JOSH GREEN, M.D. GOVERNOR SYLVIA LUKE



LEODOLOFF R. ASUNCION, JR. CHAIR

NAOMI U. KUWAYE COMMISSIONER

COLIN A. YOST COMMISSIONER

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Testimony of the Public Utilities Commission

HONOLULU, HAWAII 96813

To the
House Committee on
Energy and Environmental Protection

March 11, 2025 9:00 a.m.

Chair Lowen, Vice Chair Perruso, and Members of the Committee:

Measure: S.B. No. 588, S.D. 2

Title: RELATING TO RENEWABLE ENERGY.

Position:

The Public Utilities Commission ("Commission") offers the following comments for consideration.

Comments:

The Commission appreciates the intent of this measure to streamline processes for permitting to promote the production of clean electricity and understands that customersited solar distributed energy resource ("DER") systems play an important role in the State's transition to renewable energy.

The Commission emphasizes that the safe, reliable operation of Hawaii's island grids are important to everyone. Hawaii's electric grids can only absorb a finite amount of energy during the middle of the day when solar systems are at their maximum output. To increase the amount of solar energy the grid can handle, the State's electric utilities are using a combination of system upgrades and adjusting their operations to bring more renewable energy onto the grid, while still maintaining safe and reliable delivery of electricity to customers. At the same time, owners of solar energy-generating, energy-storing materials, and other renewable energy systems will need to use advanced technologies to help maintain a stable and reliable grid.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LT GOVERNOR



An Agency of the State of Hawaii

JAMES KUNANE TOKIOKA

GWEN S YAMAMOTO LAU EXECUTIVE DIRECTOR

Testimony of Gwen Yamamoto Lau

Executive Director

Hawaii Green Infrastructure Authority before the

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

March 11, 2025, 9:00 AM State Capitol, Conference Room 325 in consideration of

SENATE BILL NO. 588, SD2 RELATING TO RENEWABLE ENERGY

Chair Lowen, Vice Chair Perruso, and Members of the Committee:

Thank you for the opportunity to testify and provide comments on Senate Bill No. 588, SD2 relating to renewable energy. The Hawai'i Green Infrastructure Authority (HGIA) **supports** this bill which authorizes government entities to establish a self-certification process for behind-the-meter, customer-sited solar distributed energy resources, like rooftop solar, and requires them to develop FEMA-accepted guidance for determining when such systems located in floodways do not require No-Rise Certifications.

This bill would promote efficiency in the permitting processes, saving ratepayers and contractors time and money while enabling faster reduction of carbon emissions. Self-certification by licensed professionals would reduce delays and bottlenecks caused by potential staffing and resource shortages in permitting agencies. While county permitting agencies have made major strides in efficiency, properties located in designated floodways continue to require significantly more time for approval, causing ratepayers interested in installing solar to face waittimes between their initial application and actual system installation. The measure within this bill to exempt certain systems from related requirements would remove a significant bottleneck in installation without compromising the overall flood resiliency of rooftop solar structures.

This measure would also remove a potential administrative barrier to the implementation of the Governor's Executive Order 25-01, which accelerates Hawaii's transition toward 100% renewable energy by maximizing distributed solar energy paired with battery storage to low and moderate-income residents with a target of 10,000 installations annually. This measure also aligns with the recommendations of SolSmart, a solar permitting efficiency technical assistance provider which is a partner of both HGIA and the Hawaii State Energy Office.

HGIA defers to the authorities having jurisdiction over the proposed self-certification process regarding its technical implementation.

Thank you for this opportunity to testify and provide comments on Senate Bill No. 588, SD2.



Hawaii Solar Energy Association

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Testimony of the Hawaii Solar Energy Association (HSEA) Regarding SB588 SD2, Relating to Renewable Energy, Before the House Committee on Energy and Environmental Protection

Tuesday, March 11, 2025

Aloha Chair Lowen, Vice Chair Perruso, and committee members,

The Hawaii Solar Energy Association (HSEA) **supports the intent of SB588 SD2** to implement professional self-certification for distributed solar and energy storage systems. However, we have concerns regarding provisions in the SD1 and SD2 that introduce amendments related to permitting in Federal Emergency Management Agency (FEMA) flood zones.

We respectfully offer amendments to **remove references to FEMA flood zones** from the bill and have initiated discussions with the Department of Land and Natural Resources (DLNR) Flood Control and Dam Safety Division to explore a viable path forward. While we appreciate the intent behind these amendments and the constructive engagement by DLNR, the proposed provisions create regulatory and administrative barriers that would impede solar and energy storage deployment—undermining the bill's primary objective of streamlining permitting processes.

Alignment with Governor Green's Executive Order No. 25-01

The original intent of SB588 is consistent with **Governor Green's Executive Order No. 25-01**, issued on January 28, 2025, which directs:

- "All State agencies and authorities responsible for permitting and interconnection within the State [to] work with the electric utilities, counties, and other stakeholders to establish programs and enact policies to expedite these [distributed energy] installations, to include without limitation:
- a. Establishing programs for same-day online permit issuance for all single-family residential homes, self-certification permitting for townhome projects twenty kilowatts and under, and professional self-certification for permitting behind-the-meter customer-sited solar, energy storage, and energy efficiency measures for commercial, multifamily, and condominium projects; and
- b. Excluding properly installed customer-sited distributed energy resource (DER) infrastructure



Hawaii Solar Energy Association

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from valuation calculations and exempting them from No-Rise/No-Impact certifications under FEMA and National Flood Insurance Program guidelines." (emphasis added)¹

The amendments introduced in the **SD1 and SD2** contradict this **Executive Order's** goal of **removing permitting barriers** to accelerate clean energy adoption.

Key Benefits of Streamlining Permitting

1. Accelerating Clean Energy Deployment

Hawaii's **commitment to 100%** renewable energy by 2045 and goal of 50,000 new installations in five years contained in Executive Order No. 25-01 require reducing administrative delays that slow the adoption of solar and energy storage. Permitting self-certification by licensed professionals is a practical, proven approach that cuts red tape while ensuring compliance with health and safety codes.

2. Lowering Costs and Expanding Access

Modernizing the permitting process will reduce project timelines and costs, benefiting both homeowners and businesses, and lower administrative burden. Self-certification by duly licensed design professionals minimizes unnecessary bureaucratic hurdles without sacrificing quality or safety. The installation of newer, more efficient equipment, certified to updated national safety standards, will enhance the resilience of frontline and low-to-moderate income communities.

3. Enhancing Efficiency and Accountability

SB588 SD2 integrates remote inspections and digital tools to **improve the permitting process** while maintaining transparency. Establishing clear timelines for permit approval and closure will enhance accountability across agencies.

4. Boosting Hawaii's Clean Energy Economy

¹ See Governor Green's EXECUTIVE ORDER NO. 25-01 (Accelerating Hawai'i's Transition Toward 100 Percent Renewable Energy) issued on January 28, 2025, pg. 4. Link here: https://governor.hawaii.gov/wp-content/uploads/2025/01/2501085_Executive-Order-No.-25-01.pdf



A streamlined permitting process will **drive job creation, investment, and innovation in Hawaii's renewable energy sector.** By removing unnecessary barriers, SB588 will strengthen the state's clean energy economy.

Proposed Amendments to Remove Most FEMA Provisions

While HSEA supports the **original intent** of **SB588**, we propose amendments to **remove FEMA flood zone references** at this time. This approach will allow for **continued discussions with DLNR and other key stakeholders.**

Additionally, we propose an amendment to clarify that projects must undergo a **final inspection** to ensure compliance with all applicable codes and laws before permit closure.

Our suggested amendments are as follows (<u>note both additions and deletions underlined in red</u> with <u>deletions also stricken</u>):

- (1) The solar distributed energy resource system project is not located on a property within a special flood hazard area as identified on Federal Emergency Management Agency's current Flood Insurance Rate Maps; and
- (1) The government entity receives from the project owner, or agent of the project owner, that the project owner:



- (A) A copy of any written notification prepared by
 the appropriate government entity, in response to
 a request for determination from the project
 owner or agent of the project owner, that the
 proposed project is not required to comply with
 federal, state, or county floodplain management
 development standards, ordinances, codes,
 statutes, rules, or regulations pursuant to the
 requirements of the National Flood Insurance
 Program;
 - (B) A requests for issuance of the permit that

 includes a statement that the owner or agent of
 the owner and is prepared to pay any required
 fees; and
 - (C) Proof of a valid license in the respective field

 for any professional installing the project and

 confirmation that the installation of the project

 will comply with all applicable codes and laws.
- (b) The self-certification process shall allow a project's relevant professionals to conduct permit reviews and inspections using commercially available software and the professionals' approvals shall be accepted without additional documentation; provided that the submitted documentation demonstrates



compliance with all applicable codes and laws. In addition, the self-certification process shall allow a project's relevant design professionals to utilize offline field reports for inspections to ensure faster reviews without added cost or delays.

- (c) If the requirements of subsection (a) and (b) are satisfied, the applicable government entity in the State that issues building permits shall issue the building permit number and close the permit within thirty days after the date that the application was submitted; provided that a final inspection after the completion of the project has deemed the installation to be in compliance with all applicable codes and laws before the closing of the permit.
 - (d) As used in this section:

"Offline field report" means a report that uses photos and videos taken of the project on site and submitted to a permitting authority to allow inspection remotely and asynchronously.

"Solar distributed energy resource system" means an assembly of solar energy-generating or energy-storing materials, or any combined assembly of solar energy-generating and energy-storing materials, and the related infrastructure necessary for its operation.



\$196- Solar distributed energy resource systems;

No-Rise/No-Impact declaration requirements. (a) Any government entity in the State that issues building permits shall exempt behind-the-meter, customer-sited solar distributed energy resource systems from the Federal Emergency Management Agency's No-Rise/No-Impact declaration requirements; provided that the project is not located within a regulatory floodway as identified on the Federal Emergency Management Agency's current Flood Insurance Rate Maps.

- (b) Each government entity in the State that issues

 building permits shall 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 as identified on the Federal Emergency Management

 Agency's current Flood Insurance Rate Maps.
- (c) Notwithstanding subsections (a) and (b), the project owner or agent of the project owner shall:
- (1) Comply with all applicable codes and laws;
- (2) Properly install the system on an already existing structure; and
- (3) Not create additional obstruction within the regulatory floodway."



Hawaii Solar Energy Association

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With these critical amendments, SB588 will facilitate faster, more cost-effective solar and energy storage deployment while maintaining safety and compliance and while discussions regarding permitting FEMA flood zones can proceed.

Thank you for the opportunity to testify.

Sincerely,

/s/ Rocky Mould

Executive Director

About HSEA

Since 1977, HSEA has been advocating for policies that help Hawaii achieve critical climate, energy security, and resilience goals by enabling residents and businesses to invest in and benefit from the transition to clean energy. These investments provide reliable and affordable power, reducing energy cost burdens and contributing to Hawaii's economic sustainability as we decarbonize our economy and electric grid.

HSEA's membership includes the majority of locally owned and operated solar and energy storage companies doing business in Hawaii, along with leading global cleantech manufacturers and service providers active in our market. Together, we employ thousands of Hawaii residents in diverse green economy jobs that drive innovation, design, and construction of Hawaii's renewable energy infrastructure.

Hawaii is a global leader in renewable energy deployment, particularly in customer-sited rooftop solar and energy storage. Customer-sited rooftop solar accounts for 47% of renewable energy added to grids in Hawaiian Electric service areas (Oahu, Maui County, and the Big Island) and 21% in the Kauai Island Utility Cooperative area. Additionally, Hawaii leads the nation in pairing rooftop solar with battery storage, with 96% of new residential installations including storage. These achievements underscore Hawaii's role as a pioneer in clean energy transformation.



Testimony Before the House Committee on Energy & Environmental Protection

By David Bissell
President and Chief Executive Officer
Kaua'i Island Utility Cooperative
4463 Pahe'e Street, Suite 1, Līhu'e, Hawai'i, 96766-2000

Tuesday, March 11, 2025; 9:00 am Conference Room #325 & Videoconference

Senate Bill No. 588 SD2 - RELATING TO RENEWABLE ENERGY

To the Honorable Chair Nicole E. Lowen, Vice Chair Amy A. Perruso, and Members of the Committee:

Kaua'i Island Utility Cooperative (KIUC) is a not-for-profit utility providing electrical service to more than 34,000 commercial and residential members.

KIUC offers amendments to this measure.

Over the past 10 years, KIUC has significantly increased its renewable generation. In 2010, KIUC's energy mix included 10% renewable. Over the past five years, renewable production on Kaua'i has averaged between 50% and 70%. In addition, since 2019 KIUC has operated the Kaua'i electric grid at 100% renewable for thousands of hours on sunny days. KIUC's renewable mix currently includes biomass, biofuels, hydropower, utility-scale solar, utility-scale paired with battery energy storage systems (BESS), and distributed (rooftop) solar.

Specific to its solar generating capacity, KIUC currently has 119.7 megawatts of total solar generating capacity: roughly 35% of which comes from rooftop solar. The number of rooftop solar systems on Kaua'i has risen from 388 in 2010 to more than 6,500 today. Of that total, 2,100 have batteries. In 2024 KIUC members added 498 new rooftop solar systems with 323 members adding a battery storage component to either new or existing systems.

KIUC's board of directors has set a goal of reaching 100% renewable by 2033, twelve years ahead of the State of Hawai'i mandate. We have identified a viable path to reaching that goal via a combination of additional utility scale solar + BESS projects, projected continued growth in the number of member-owned rooftop solar systems, and expanded use of biofuels.

To ensure that members realize the optimum benefit from PV systems KIUC has created parameters and guidelines which follow established Tariff requirements. Before installing a system, rules established by the Hawai'i Public Utilities Commission require customers to submit an interconnection request application to KIUC for an engineering review. This step is extremely important and ensures that the PV system can be safely and reliably tied into the utility grid and ensures the member understands the rules of the interconnection agreement.

Kauaʻi Island Utility Cooperative SB 588 SD2 Page 2

Occasionally, interconnection request applications are not submitted, and systems are installed without a Notice to Proceed from KIUC. Often these are large systems that have the potential to create grid stability issues. Over the past year, we have worked collaboratively with the County of Kaua'i, and the County is now requiring electrical inspectors to verify a Notice to Proceed issued by KIUC to the property owner/contractor before completing an inspection.

It is important to note that the unique circumstances of each of Hawai'i's distinct island grids must be considered when determining the relative value of customer-sited distributed energy resources. While an island like O'ahu is land-constrained and will presumably need to take advantage of as much rooftop space as possible to reach mandated renewable targets, the same is not true for Kaua'i. KIUC has taken advantage of the availability of tens of thousands of acres of fallow, sub-standard agricultural lands to develop utility-scale solar projects under long-term, fixed-price power purchase agreements. As a result, KIUC's rates went from being the highest in the state to the lowest when Kaua'i hit its peak renewable generating capacity between 2021 and 2024. This is directly attributable to the relatively low cost of solar generated by utility-scale solar projects brought online between 2015 and 2021.

KIUC recommends that member-owned electric cooperatives be exempted from its provisions, and requests that the proposed amendment to §196-___ be amended as follows (changes highlighted):

"§196- Self-certification; solar projects; energy storage projects. (a) Any government entity in the State that issues building permits in any area of the State served by an investor-owned electric utility shall establish a self-certification process for behind-the-meter, customer-sites solar distributed energy resource systems that deems permit applications approved and allows applications to proceed to build the solar distributed energy resource system immediately; provided that the government entity receives written notice from:..."

Mahalo for the opportunity to comment.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.



1050 Bishop St. PMB 235 | Honolulu, HI 96813 P: 808-533-1292 | e: info@hawaiifood.com

Executive Officers

Maile Miyashiro, C&S Wholesale Grocer, Chair Kit Okimoto, Okimoto Corp., Vice Chair Jayson Watts, Mahi Pono, Secretary/Treasurer Lauren Zirbel, HFIA, Executive Director Paul Kosasa, ABC Stores, Advisor Derek Kurisu, KTA Superstores, Advisor Toby Taniguchi, KTA Superstores, Advisor Joe Carter, Coca-Cola Bottling of Hawaii, Advisor Eddie Asato, Pint Size Hawaii, Advisor Gary Okimoto, Safeway, Immediate Past Chair

TO: Committe on Energy and Environmental Protection FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: March 11, 2025

TIME: 9am

RE: SB588 SD2 Relating to Renewable Energy

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

HFIA is in support of this measure. As this measure notes to encourage the adoption of renewable energy Hawaii must lower the administrative barriers that constrain deployment of residential and commercial-scale distributed energy resources. Furthermore, the permitting review process currently adds substantial time and cost to the adoption of residential solar and energy storage projects and that self-certification by duly licensed design professionals can 2significantly reduce this time, cost, and administrative burden without sacrificing public health and safety.

Allowing self-certification and lowering the administrative barriers to the deployment of energy generation and storage technology has a range of benefits for Hawaii's food systems and our state.

Removes an Unnecessary Roadblock to More Sustainable and Resilient Energy in Hawaii -

In a recent meeting many HFIA members were asked, "How would state incentivized solar and batteries positively impact your business, and/or the food industry in Hawaii? What is the main obstacle preventing you from transitioning to renewable energy for your business?" Overwhelming the answer that received the most votes was, "Simplify permit

zoning approval processing." This reply received more than 6 times as many votes as "Money, credits, incentives." Existing and future tax credits and incentives are an important part of creating a sustainable energy future for our state, but right now what businesses need in order to allow them to make the switch is a less onerous permitting process.

Making Essential Industries More Sustainable Makes Our State More Sustainable

To make progress on our State and national greenhouse reduction goals, it's important to address energy usage in essential industries. Our essential industries are those that are necessary for our residents to live and function. These industries, including the food industry, have certain energy demands that must be met in order for our state to run. If we can meet these energy demands more sustainably our entire state becomes more sustainable.

Make Our Food Industry More Resilient and Our State More Resilient -

All residents in our State rely on the food supply chain to feed them in good times and in times of crisis. Increasing the use of energy generation and storage within our state's food systems means that if the power grid is interrupted during a time of crisis these essential businesses can continue to function. Making the permitting process for energy generation and storage less of an obstacle will allow for increased usage in the food industry. This can be especially beneficial in areas that are more susceptible to disruptions in power supply and transportation routes in times of crisis. Creating a food supply chain that is more energy self-sufficient and resilient should be a priority in order to make mass feeding more feasible and equitable in case of a natural disaster or other crisis.

Streamlining the Permitting Process Can Be Done With Little To No Cost to the State -

Increasing the sustainability and resiliency of our state is a goal we all share. Unfortunately, the current system of permitting for energy generation and storage has created unnecessary obstacles to meeting that goal. Streamlining this process will move the state in the right direction, without costing the state. Creating a streamlined, consistent, permitting process is an efficient way to ensure that all regulations, rules, and safety guidelines are adhered to, and can help relieve some of the backlog in the Counties' overburdened permitting systems. This requires no investment from the State, and will encourage growth in key areas necessary for meeting our de-carbonization and resiliency goals.

We encourage the committee to pass this measure and we thank you for the opportunity to testify.

<u>SB-588-SD-2</u> Submitted on: 3/8/2025 3:18:13 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Climate Protectors Hawaiʻi	Support	Written Testimony Only

Comments:

Climate Protectors Hawai'i STRONGLY SUPPORT SB588 SD2!



HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION Hearing on March 11, 2025, at 9:00 am

SUPPORTING SB 588 SD2

Carbon Cashback Hawaii supports SB 588 SD2 because it will expand solar energy generation, reduce greenhouse gas emissions, and move Hawaii more quickly toward its goal of net negative emissions by 2045.

Hawaii is well suited for using solar panels to generate energy because it is so close to the equator. Hawaii receives strong sunlight throughout the year, and daylight hours don't vary much among the seasons. Government regulations should make it as easy as possible to install rooftop solar as long as safety can be ensured.

This bill removes an unnecessary administrative barrier that delays the start of installing solar panels and battery storage. Allowing self-certification by licensed professionals to start the installation of customer-sited solar distributed energy systems is a practical, proven approach that cuts red tape. Compliance with health and safety codes is ensured because the relevant government agencies retain the authority to grant final approval for projects.

By modernizing the permitting process, this bill reduces project timelines and costs, benefiting homeowners and businesses alike. Self-certification minimizes unnecessary bureaucratic hurdles without sacrificing quality or safety.

For the foregoing reasons, Carbon Cashback Hawaii urges the committee to pass SB 588 SD 2.



To: The House Committee on Energy and Environmental Protection (EEP)

From: Sherry Pollack, 350Hawaii.org Date: Tuesday, March 11, 2025, 9am

In support of SB588 SD2, but with critical amendments

Aloha Chair Lowen, Vice Chair Perruso, and members of the EEP committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org is **in support of the intent of SB588 SD2**, and fully supports the **criticial amendments offered by HSEA**. These amendments **remove references to FEMA flood zones**. While the intent of these provisions is appreciated, they introduce unnecessary regulatory and administrative barriers that could impede solar and energy storage deployment. HSEA's suggested amendments will help to streamline solar and energy storage deployment, *without* **compromising on maintaining safety and compliance**. Additionally, we support including EV charging infrastructure in its definition of "solar distributed energy resource system" to ensure charging equipment is included in streamlined permitting improvements. Addressing these permitting issues is essential if Hawaii is to achieve its decarbonization goals, reduce costs for residents, and become more resilient.

Bottom line: Rooftop solar and energy storage projects that don't expand the footprint of existing structures should not need the same scrutiny as new build and more complex projects in floodways. If a duly licensed design professional certifies that a solar project's plans are compliant with all applicable laws and codes, the project should not be delayed from proceeding to construction. The final compliance review and approval can occur at inspection. This will speed up the overall process and significantly enhance current efforts at the municipal level.

With the highest electrical rates in the country and the impacts of climate change already being felt, we need to move forward on smart solutions that will help to stimulate our economy and make us more resilient. The current system for processing permits in federally designated flood zones is untenable and a detriment to Hawaii achieving our clean energy goals. This measure, with the critical amendments noted, will remove unnecessary barriers and move us to the clean-energy economy we need.

Mahalo for the opportunity to testify on this very important legislation.

Sherry Pollack Co-Founder, 350Hawaii.org GRASSROOT INSTITUTE OF HAWAII

1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

March 11, 2025, 9 a.m.

Hawaii State Capitol

Conference Room 325 and Videoconference

To: House Committee Energy and Environmental Protection Rep. Nicole Lowen, Chair Rep. Amy Perruso, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: SB588 SD2 — RELATING TO RENEWABLE ENERGY

Aloha Chair Lowen, Vice-Chair Perruso and other members of the Committee,

The Grassroot Institute of Hawaii **supports** <u>SB588 SD2</u>, which would require that each county establish a self-certification process for the approval of certain solar energy systems and change certain flood zone rules for solar energy systems.

Self-certification programs allow qualified architects and engineers to approve permits without review from county building departments. Mandating that self-certification be an option for individuals looking to install solar panels on their homes or businesses would streamline the process.

As Grassroot identified in its 2024 report "Seven low-cost ways to speed up permitting in Hawaii," solar applications often make up a large part of county building permit reviews. According to the report:

Obtaining building permits to install new solar panels and solar-plus-storage systems can be a lengthy process. This is due in part to the sheer volume of building permits filed for solar panels. In Hawai'i County, for example, almost one-third of permits issued between November 2024 and March 2024 — about 1,300 — were for residential solar panels. During that time, Hawai'i County had an average approval time of 33 days for residential solar projects, provided the permits were not returned to the applicants for corrections. Non-residential solar permits had a 45-day average approval time.¹

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¹ Jonathan Helton, "Seven low-cost ways to speed up permitting in Hawaii," Grassroot Institute of Hawaii, October 2024, p. 7.

Honolulu County already offers a self-certification process and an online permitting tool for solar panels; however, the county's implementation has hit a few snags and is not yet as fast as it could be. Still, Honolulu has been issuing solar permits faster than other building permits.

For example, between July 1, 2023, and June 30, 2024, 47% of the Honolulu permits issued were tagged as "solar" or "solarPVinstallation." The wait time for these permits, from application to issuance, averaged 38 days, compared to 239 for all other Honolulu permits.²

The Honolulu City Council adopted a self-certification process for solar projects in 2024,³ so the other counties will have a model to follow if this bill, SB588, advances.

SB588 would also exempt solar energy systems from the Federal Emergency Management Agency's No-Rise/No-Impact rules for flood zones, subject to certain limitations.

These flood-zone rules are intended to discourage construction in areas with higher flood risks; however, there is no reason solar panels on a home in a flood zone would increase the home's risk for flooding, so an exemption makes sense.

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

² Calculations performed using: "Building Permits - January 1, 2005 through June 30, 2024," Data.gov, July 13, 2024.

³ Honolulu City and County Ordinance 24-30.

LATE Testimony submitted late may not be considered by the Committee for decision making purposes.

International Brotherhood of Electrical Workers



1935 HAU STREET, 5th Floor ◆ HONOLULU, HI 96819-5003 TELEPHONE (808) 847-5341 ◆ FAX (808) 847-2224

TO: HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION Hearing on Tuesday, March 11, 2025 at 9:00 a.m., Conference Room 325

RE: TESTIMONY IN STRONG OPPOSITION OF SB 588 SD2

Honorable Chair Nicole Lowen, Vice Chair Amy Peruso, and Members of the Committee on Energy and Environmental Protection:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is comprised of over 3,600 men and women working in electrical construction, telecommunications, Spectrum, civil service employees, and educator and faculty associations.

IBEW 1186 STRONGLY OPPOSES this bill which could lead to very serious threats to the life, health, and safety of homeowners, first responders, construction workers, and the general community.

Self-certification/inspection is a recipe for disaster. Allowing contractors to self-inspect their work removes the crucial oversight provided by the county's independent, unbiased inspections. This could lead to substandard installations, faulty wiring, and potential fire hazards, putting homeowners and their families at risk. The self-certification/inspection process also creates fertile ground for corruption. Without proper checks and balances, there is a risk that unscrupulous contractors could cut corners, or falsify reports to maximize profits.

Misrepresentations of system designs and data falsification into a software system could be a real danger. Contractors could submit a design that looks compliant on paper but deviate from it during the actual installation. Having the ability to self-inspect undermines the entire purpose of the county's on-site inspection process, which is to ensure safety and code compliance. Deviations can create hidden dangers that may not be apparent until it's too late.

Code compliance should not be viewed as just a bureaucratic hurdle. It is a critical safety measure. We can appreciate the goals of the proponents of this bill to maximize profits, and we also support a vibrant industry that helps keep our members working; however, bypassing the inspection process cannot be allowed.

City and County of Honolulu has already significantly sped up the permitting process for residential PV systems and other electrical projects by offering an INSTANT ONLINE PERMIT system. Adding an additional software system may only create more confusion.

IBEW 1186 urges this committee to defer this bill, as we **STRONGLY OPPOSE** any effort to circumvent inspections by the counties.

Submitted on: 3/9/2025 3:13:40 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Murray	Individual	Support	Written Testimony Only

Comments:

Aloha House Committee on Energy & Environmental Protection,

I am writing to ask that you please support SB588. Of all the states in the union, Hawaii's equitorial placement and year-round sunshine make it uniquely suitable to embrace renewable solar energy.

Passing SB588 would remove unnecessary bureaucratic hurtles by allowing licensed professionals to self-certify and therefore expidite the installation of customer-sited solar energy systems. Relevant government angencies would retain the authority to grant final approval for projects, thereby ensuring health and safety codes are adhered to, while also reducing project timelines and costs, benefitting homeowners and buisnesses alike.

I therefore ask that you please pass SB588 out of your committee.

Mahalo!

David Murray, Waimanalo

Submitted on: 3/9/2025 4:12:32 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ronald "Ron" Reilly	Individual	Support	Written Testimony Only

Comments:

Support for SB588

Rep. Nicole E. Lowen, Chair, Rep. Amy A. Perruso, Vice Chair, and members of the Committee On Energy & Environmental Protection,

I support SB558 because it will facilitate more efficient permitting of roof-top solar, distributedenergy, home systems, by removing cumbersome, time consuming, permitting regulations.

I am a homeowner with roof-top solar and a battery energy storage system (BESS). I charge my Kia Niro EV with a combination of: 1) daytime solar generation, and 2) stored BESS power.

Only on cloudy days do I need to supplement my home generation and storage with grid power. The EV runs primarily on home-generated solar power. The adds a HELCO benefit of avoiding unnecessary load demand on the HELCO's utility supply.

As Hawaii EV vehicle adoption continues to increase, HELCO will benefit greatly from increased home roof-top solar power generation.

Thank you for supporting SB558.

Ron Reilly, Volcano Village, HI 96785

Submitted on: 3/9/2025 4:59:42 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Virginia Tincher	Individual	Support	Written Testimony Only

Comments:

I urge the House Committee on Energy & Environmental Protection (EEP) vote to pass SB588

- SB588 removes an unnecessary administrative barrier that delays the start of installing solar panels and battery storage.
- Allowing self-certification by licensed professionals to start the installation of customersited solar distributed energy systems is a practical, proven approach that cuts red tape.
- Compliance with health and safety codes is ensured because the relevant government agencies retain the authority to grant final approval for projects.
- By modernizing the permitting process, this bill reduces project timelines and costs, benefiting homeowners and businesses alike.
- Self-certification minimizes unnecessary bureaucratic hurdles without sacrificing quality or safety.

Mahalo for this opportunity to testify. Virginia Tincher

Submitted on: 3/9/2025 6:08:34 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello Chair, Vice Chair, and Members of the Committee,

My name is Nanea Lo, and **I am writing in strong support of SB588 SD2**, which streamlines the permitting process for installing customer-sited solar distributed energy systems.

Hawai'i is an ideal location for solar energy due to its proximity to the equator, providing strong and consistent sunlight throughout the year. However, unnecessary administrative barriers currently delay the start of solar panel and battery storage installations, slowing our state's transition to clean energy.

This bill offers a practical solution by allowing licensed professionals to self-certify installations, reducing bureaucratic delays while still ensuring compliance with health and safety codes. Government agencies would retain the authority to provide final project approval, ensuring quality and safety are never compromised.

By modernizing the permitting process, this bill will help reduce project timelines and costs, making solar energy more accessible and affordable for homeowners and businesses alike.

I urge the committee to pass this bill to support clean energy adoption, reduce unnecessary delays, and promote a more sustainable future for Hawai'i.

me ke aloha 'āina, Nanea Lo Mō'ili'ili, HI 96826 Sierra Club of Hawai'i Executive Committee Member Board Member, Hawai'i Workers Center Kanaka Maoli/Lineal Descendant of the Hawaiian Kingdom

Submitted on: 3/10/2025 9:02:07 AM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

Support. Thank you.

Submitted on: 3/10/2025 8:52:36 AM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas Graham	Individual	Support	Written Testimony Only

Comments:

I support this bill because it will accelerate the deployment of solar panels and batteries and move Hawaii closer to its energy and climate goals.

Submitted on: 3/9/2025 7:23:13 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Noel Morin	Individual	Support	Written Testimony Only

Comments:

SUPPORT FOR SB588 SD2 (RELATING TO RENEWABLE ENERGY)

Dear Chair Lowen, Vice-Chair Perruso, and members of the Committee,

My name is Noel Morin. I support SB588 SD2, which Authorizes certain government entities to establish a self-certification process for behind-the-meter, customer-sited solar distributed energy resource systems and exempt the systems from the Federal Emergency Management Agency No-Rise/No-Impact declaration requirements under certain circumstances.

This measure will expedite the deployment of renewable energy systems in Hawaii and support our transition to a sustainable and resilient energy economy by removing unnecessary administrative barriers.

Please pass SB588 SD2.

Thank you for the opportunity to testify.

Sincerely,

Noel Morin

Climate, Sustainability, and Resilience Advocate

Hilo, Hawaii

Submitted on: 3/9/2025 8:37:17 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ben Narwold	Individual	Support	Written Testimony Only

Comments:

- ▶ Hawai'i is a great place for solar panels because it is so close to the equator. Hawai'i receives strong sunlight throughout the year, and daylight hours don't vary much among the seasons.
- ► This bill removes an unnecessary administrative barrier that delays the start of installing solar panels and battery storage.
- ▶ Allowing self-certification by licensed professionals to start the installation of customer-sited solar distributed energy systems is a practical, proven approach that cuts red tape.
- ► Compliance with health and safety codes is ensured because the relevant government agencies retain the authority to grant final approval for projects.
- ▶ By modernizing the permitting process, this bill reduces project timelines and costs, benefiting homeowners and businesses alike.
- ► Self-certification minimizes unnecessary bureaucratic hurdles without sacrificing quality or safety.

<u>SB-588-SD-2</u> Submitted on: 3/10/2025 6:40:04 AM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Eric Lindborg	Individual	Support	Written Testimony Only

Comments:

I support this bill as a measure to facilitate installation of solar panels and battery storage.

Submitted on: 3/10/2025 12:44:19 PM

Testimony for EEP on 3/11/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Best	Individual	Support	Written Testimony Only

Comments:

Hawaii gets plenty sunlight and this bill will help to install solar panels and battery storage. Cutting red tape is helpful, streamlining the process and ensuring health and safety codes are abided.