



NEWS RELEASE – HOUSE OF REPRESENTATIVES

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LAWMAKERS PROVIDE GREEN INFRASTRUCTURE FINANCING OPTIONS FOR LOW- AND MIDDLE-INCOME HOMEOWNERS

Honolulu, Hawaii – House and Senate lawmakers have agreed to kick start a statewide green infrastructure financing program designed to make clean energy improvements, such as photovoltaic panels, affordable and accessible to underserved community members, including low- and moderate-income homeowners, renters and nonprofits.

GEMS, or Green Energy Market Securitization was established through Act 211 on June 27, 2013. The program addresses the financial challenges many Hawaii residents face when attempting to purchase and install energy saving devices and aims to work with existing clean energy companies to expand the market of eligible consumers who will be able to simply invest in solar today, with no upfront cost, and repay over time.

House and Senate Budget conferees lead by Finance Chair Representative Sylvia Luke and Ways and Means Chair Senator David Ige have agreed to allow the disbursement of up to \$50 million from the Green Infrastructure Special Fund to initiate the GEMS program. The provision is a line item within the state's executive budget bill HB1700, and would go into effect after the measure is passed by the Legislature and signed into law by the Governor.

“Clearly, this levels the playing field for all of Hawaii’s residents to be a part of Hawaii’s efforts to be energy self-sufficient,” said Luke. “We found that the upfront costs of alternative energy equipment are a barrier, preventing many electric utility customers from investing in solar panels and other alternative energy equipment.

“Existing programs and incentives do not serve everyone, particularly those customers who lack access to capital or who cannot afford the large upfront costs required. I believe it is in all of our best interest to make cost-effective green infrastructure equipment options accessible and affordable to customers in an equitable way.”

The program will take a proven rate-reduction bond structure and use it in an innovative way to provide low-cost financing to utility customers. Payment for the devices would be made over time through one’s electricity bill and paid for with the energy savings. Upon approval from the Public Utilities Commission, the state’s Department of Business, Economic Development, and Tourism (DBEDT) will facilitate the GEMS financing program via the Hawaii State Energy Office.

More information on the GEMS program is available on DBEDT’s website at <http://energy.hawaii.gov/testbeds-initiatives/gems>.