Clean-energy goals become catalyst for growth

Hawaii takes center stage as lead player in global energy economy

Mark Glick

The momentum for locally produced renewable energy has been building ever since Hawaii adopted its mandate for 70 percent clean energy by 2030.

Hawaii's clean-energy goal is one of the most aggressive in the world, and has become a major catalyst for new business growth and innovation in the state. This, coupled with international forums such as the Asia Pacific Clean Energy Summit and Expo and APEC, has put Hawaii center stage and positioned the state as the lead player in the global clean-energy economy.

In addition to federal tax credits, new policies and financial incentives at the state level have stimulated a Hawaii clean-energy industry that's showing significant year-to-year growth. Net metering and feed-in tariff regulations are making individual solar and renewable-energy investments more feasible.

Furthermore, to create greater access to renewable technologies for residents, organizations and commercial entities, the state Department of Business, Economic Development and Tourism launched a new loan buy-down program called GreenSun, made possible by $2.69 million in federal stimulus funds. This program, administered by the Hawaii Community Reinvestment Corp., provides greater access to clean-energy financing and helps reduce the barrier of upfront costs for people who are interested in pursuing clean-energy solutions.

I'm also happy to report that renewable-energy investments in Hawaii are on the upswing. To date, there are 66 renewable-energy projects in various stages of development, ranging from sea water air conditioning for downtown Honolulu to hydroelectric projects on Kauai. Together, these projects have the potential of adding 800 megawatts of green energy, creating hundreds of construction and technical jobs and infusing millions of dollars into our economy.

Moving forward, as DBEDT's Energy Office plans for the future, we have identified and listed Hawaii's leading renewable-energy projects, which are publicly demonstrating progress towards commercialization and have strong potential to contribute significantly to the state's clean-energy goals. The list represents a diverse range of technologies, all of which will contribute greatly to the growth of our economy.

In addition to the renewable-energy project growth, DBEDT grants are supporting R&D on battery storage and other technologies to help address the intermittence of renewable resources such as solar and wind and the effects that they have on electricity systems. Battery storage combined with the proposed interisland undersea cable to connect our island electric grids will help improve the efficient deployment of more renewable energy statewide. Integrated grids can efficiently support each other and will help to lower costs through economies of scale and by reducing the need for backup generation.

There is no doubt that Hawaii has made great progress in reaching its renewable-energy goals through 2011. However, we have significant work to do to reach our next set of milestones. Our 70 percent goal will now be split out into two separate measures, of which 40 percent is to come from renewable-energy generation and 30 percent from energy-efficiency measures. Our progress will now be viewed under an even stronger lens.
What this means for business is that our goals have become more aggressive, and there is now an even greater emphasis being placed on generating energy from renewable sources. Renewable energy is critical for the health of our economy, because we now have the opportunity to redirect the $4 billion we spend on imported foreign oil back into our own economy.

As we move forward, I look forward to providing Hawaii’s business community with periodic updates regarding the state’s progress towards its clean-energy goals.

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