



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:
Web:

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

(808) 451-6648
energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Thursday, March 14, 2024
9:00 AM
State Capitol, Conference Room 325 and Videoconference

Providing Comments on
SB 2677, SD2

RELATING TO ENERGY EFFICIENCY.

Chair Lowen, Vice Chair Cochran, and members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SB 2677, SD2, which retains the Chief Energy Officer's jurisdiction over and responsibility for approving variances for the installation of solar water heater systems, requires a copy of a solar water heater system variance application be provided to the appropriate county authority having jurisdiction over building permits and authorizes the authority to provide comments, authorizes applicants to submit the variance request concurrently with the building permit, and expands qualified attestations for a variance application.

HSEO prefers SB 2677, SD1, which amends Section 196-6.5, Hawai'i Revised Statutes, by transferring the authority over solar water heater variances from the Chief Energy Officer to the appropriate county authority having jurisdiction over building permits. The bill also requires the fees collected by each county authority having jurisdiction over building permits to be deposited into the appropriate county operating fund.

Transferring the authority over solar water heater variances to the counties is a pragmatic and logical step that can improve efficiency, consistency, expertise, and overall regulatory effectiveness while ensuring that safety and building code standards

are upheld. HSEO is not responsible for reviewing building permit applications and has no corrective or enforcement capability with respect to building permits. The counties, however, do, and should be the accountable party for the entire process of reviewing solar water heater variance requests and building permit applications. This approach can benefit both the government and the community by streamlining processes and promoting accountability.

HSEO would like to suggest the following amendments to SB 2677, SD2:

- (1) Replace all references to "chief energy officer of the Hawaii state energy office" with "county authority having jurisdiction over building permits."
- (2) Delete the following from page 3, lines 8 – 11:

~~[The appropriate county authority having jurisdiction over building permits shall also receive a copy of the application and may provide comments.]~~

This requirement will delay the solar water heater variance review process. Additionally, if the appropriate county authority having jurisdiction over building permits can review and provide comments on a solar water heater variance request, it follows that they would have time to take action on a request.

- (3) Amend the following on page 3, lines 20 – 21, and page 4, lines 1 – 3:

(c) The ~~[director of business, economic development, and tourism]~~ director of the appropriate county authority having jurisdiction over building permits may ~~[adopt rules pursuant to chapter 91 to]~~ impose and collect fees to cover the costs of administering variances under this section. The fees, if any, shall be deposited into the ~~[energy security special fund established under section 201-12.8.]~~ county's appropriate operating fund.

This amendment gives the counties the ability to assess a processing fee which will help recoup costs associated with implementing the solar water heater variance program.

- (4) Amend the following from page 4, lines 10 – 18:

(f) A solar water heater variance request ~~[may]~~ shall be submitted concurrently with the building permit application. If the building permit application indicates the installation of a solar water heater and a different water heating technology is installed after the building

permit is issued, any solar water heater variance request submitted before or after the completion of the new single-family dwelling's construction shall be automatically [~~accepted and processed as provided in subsection (b)~~] denied.

This proposed amendment aims to streamline the solar water heater variance process by requiring applicants to submit variance requests at the same time as their building permit applications. This proactive and efficient approach ensures transparency and adherence to the initially stated intention of utilizing solar water heating technology in the construction project.

HSEO also has comments on two of the gas tankless water heater amendments.

- (1) Item (7) on page 2, lines 20 - 21, requires a home to be located in a low- or moderate-income district. While HSEO agrees with the intent of this amendment, there needs to be a clear metric and/or map to determine whether the home is located in a low- or moderate-income district.
- (2) Item (8) on page 3, lines 1 - 2, requires a home be in a community facing the highest risk of wildfires identified by the State. In communities facing the highest risk of wildfires, the installation of gas tankless water heaters that rely on propane or natural gas as a fuel source is questionable since it may add risk to public safety.

HSEO urges the committee to support the transfer of authority over solar water heater variances from the state to the counties as proposed in SB 2677, SD1. This shift promotes efficiency, community engagement, and the ability to craft policies that are appropriate and better suited to the diverse needs of individual counties.

Thank you for the opportunity to testify.