



County of Hawaii

DEPARTMENT OF RESEARCH AND DEVELOPMENT

ENERGY ADVISORY COMMISSION

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Energy Advisory Commission
Tuesday, September 9, 2008
North Hawai'i Education and Research Center
45-539 Plumeria Street
Honoka`a, Hawai'i

MINUTES

Commission Members:

Present: Steven Burns, Jacqui Hoover, Michael Kramer and Riley Smith

Excused: Richard Ha, Molly Lugo (Deputy Corporation Counsel) and Jane Testa

R&D Staff: Diane Ley, Marcia Yoshiyama and Douglas Zang

1. Call to Order

The meeting was called to order at 9:10 a.m. by Chair, Jacqui Hoover.

2. Welcome, Introductions, Review of Agenda

a. Review of Agenda

There were no comments on the agenda as presented.

3. Statements from the Public

No one from the public was in attendance.

4. Approval of Minutes – July 21, 2008

Motion: M. Kramer made a motion to accept the minutes of the August 12, 2008 meeting, and R. Smith seconded the motion. The motion carried unanimously.

5. Department of Research and Development's Update

Copies of the Department of Research and Development's Report to the Energy Advisory Commission, dated August 13, 2008 – September 9, 2008, were distributed. (See Exhibit A)

Chair J. Hoover asked for the Department's Update discussion to be moved subsequent to the committee reports. The text that follows reflects this later discussion.

D. Zang reported on the West Hawaii Civic Center design, providing an overview of the project through the use of several display boards.

R. Smith requested more information about the contract, the gross leasable area of the building, the site area, etc.

This information will be provided subsequent to the next commission meeting.

6. Committee Reports and Discussion

a. Committee: Water Supply/Use/Other

Copies of the Department of Water Supply, Energy Costs and the Relationship to Non-Revenue Water Loss Identification Program, Water Board Meeting, August 2008 were distributed. (See Exhibit B)

The Department of Water Supply's (DWS) primary energy-related effort is to control leaks throughout their system, as substantial leaks require additional water pumping, thereby wasting energy.

R. Smith reported that DWS is only allowed to adjust water rates once per year and the pricing scheme is based upon price of fuel with a lag of six months. The Board of Water Supply will be holding a public hearing next month to consider rule amendments that will allow for more frequent rate adjustments.

M. Kramer noted that one potential measure to encourage conserving energy is to require large commercial developments to harvest rainwater, thereby reducing their consumption of water from public supplies.

J. Hoover stated that the Department of Health is reviewing the impacts from vog on harvested water.

M. Kramer asked if codes could be amended to address commercial rainwater harvesting as a means to reduce energy consumption by reducing the demand for pumped ground water. He also asked about solar powered submersible pumps to accomplish reduction in energy use by the DWS.

R. Smith responded that due to economies of scale for development and drilling DWS has a motivation to pump as much of the available water as possible until supplies decline in storage tanks. Furthermore, the added infrastructure in a "dual system" as described would not be economical.

S. Burns introduced the concept of "distributed water" and suggested that the DWS's energy specialist could be open to new approaches.

R. Smith offered to contact Milton Pavao (head of DWS) about making a presentation to the Commission in the future, if the Commission so desires.

D. Ley suggested that another vehicle for this discussion or possible recommendation might fall into the Energy Sustainability Plan's conservation section through education or building codes.

R. Smith discussed some issues in the powerpoint presentation that was distributed to the Commission. Highlights included DWS' efforts to reduce energy costs by pumping less. This would delay the need for future well development, and savings can be reinvested in future maintenance projects. Reducing energy and water consumption would increase sustainability. He suggested Commissioners email M. Yoshiyama with questions to run by Milton Pavao, and he would see if it is possible for Milton to participate in subsequent meetings.

b. Committee: Transportation/Biofuels

R. Smith suggested that the Commission Members compile a list of questions for the Transportation/Biofuels Committee to respond to.

M. Kramer questioned some of R. Ha's previous assertions that biofuels are not economically feasible at this time and noted that he had spoken with biofuels producers that had a different outlook on the viability of the industry.

D. Ley noted that we need to focus on policies that county itself can implement.

D. Ley mentioned that all comments and questions from the Commission Members should be emailed to M. Yoshiyama for distribution by September 23, 2008.

c. Committee: Building

M. Kramer indicated that he has done some research with the State Building Codes Council and evaluated the International Energy Conservation Code (IECC). If the proposal to adopt the IECC passes at the state level, counties will have two years to adopt it as-is or modify it; otherwise the State's version of the code would apply at the County level. DBEDT's Howard Wiig is working on this project at the state level. The only substantial change suggested from the IECC is that for Hawai'i's unique climate and relative lack of need for cooling compared to other warm-climate places, it would be more appropriate to rate roofing insulation at an R-19 level rather than R-38. Ultimately, the IECC could be a simply baseline and the County of Hawai'i could innovate additional measures.

D. Ley noted that the County of Hawai'i Building Division's head, Brian Kajikawa is familiar with these developments, but has voiced concerns about additional costs for homeowners.

M. Kramer noted that the County will still have to abide by the minimums outlined in IECC, and that the County could only make things more stringent. It was suggested that it might be desirable to bring Brian Kajikawa or Bruce McClure into the dialogue on this issue.

J. Hoover stated that Pete Hoffmann provided the Department of Research and Development with a copy of the IECC, and that he has been also coordinating with Howard Wiig and he may be pushing this issue as well.

M. Kramer noted that Howard Wiig also raised the issue of elevation of the property being constructed. Requirements for R-values, heat gain, etc. could all be different for different parts of the island depending upon the elevation and climate in the immediate area.

D. Ley indicated that she would be in touch with Pete Hoffmann to find out his plans for addressing this issue.

d. Committee: Utilities

Copies of the Utility Committee's report were distributed. (See Exhibit C)

J. Hoover reported that she met with HELCO staff. She indicated that they have the Integrated Resources Planning-4 (IRP-4) effort just starting and that it was suggested that S. Burns be a liaison in this regard. S. Burns' role needs to be clear, whether he is representing HELCO or functioning as a Commissioner; he can provide some knowledge of the issues but should not be a formal HELCO representative. The IRP materials describe some of the utility's concerns, though J. Hoover noted that there is some proprietary materials (about transmission lines) that HELCO does not give out.

J. Hoover has reviewed the Energy Sustainability Plan and noted that there are a number of initiatives suggested without any economic analysis of the cost-benefit. She also noted that there are recommendations for three energy staff persons, but perhaps different roles would be better, like education outreach.

J. Hoover raised the issue of the new law requiring solar water heaters on new construction, and the sunset of state tax incentives. The County does offer a \$300 property tax rebate for solar hot water heaters. There has been a backlog in solar water permits at the County, but Building Division implemented a pilot program intended to speed up the process.

S. Burns mentioned how in some municipalities like Berkeley, California, the communities use property tax mechanisms to encourage adoption of renewable technologies by tying the savings to the house itself.

e. Committee: Planning

S. Burns reported that he has assembled a team of advisors for input on a recommendation outline and after receiving feedback, he will hopefully have the outline for next meeting. His recommendations will be long-term in nature. He raised the issue raised earlier about energy specialist positions at the County and asked about the mechanism for encouraging this, such as a County Council resolution.

J. Hoover noted that Maui County has been effective by allocating/appropriating money to plan projects and has projects waiting "on the shelf" for funding. Hawai'i County should emulate this, as money that becomes available often falls through the cracks when there is no project waiting for it.

7. Unfinished Business

None.

8. New Business

None.

9. Other Business

a. Set Date and Time of the Next Meeting

The next three meetings will be held at North Hawaii Education and Research Center on the following dates and times:

- September 29, 2008, 1:30 p.m.
- October 21, 2008, 9:00 a.m.
- November 6, 2008, 9:00 a.m.

b. Set Agenda for the Next Meeting

Recommendation and decision on possible actions.

c. Announcements

J. Hoover made an announcement that Hawaii Leeward Planning Conference is offering to pay for the Commission Members to attend Hawaii Energy Challenge 2008 Conference and to those interested, please register under Government Rate, \$425.00. Contact J. Hoover if interested in attending.

10. Adjournment

Motion: M. Kramer made a motion to adjourn the meeting. The motion was seconded by S. Burns and carried unanimously.

The meeting was adjourned at 12:40 p.m.

Respectfully submitted,

Marcia Yoshiyama
Administrative Services Assistant

Attachments:

Exhibit A – Department of Research and Development Energy Program Activities,
August 13 – September 9, 2008

Exhibit B – Department of Water Supply Energy Costs and the Relationship to Non-
Revenue Water Loss Identification Program, Water Board Meeting, August 2008

Exhibit C – Utilities Committee Report