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DEPARTMENT OF RESEARCH AND DEVELOPMENT

ENERGY ADVISORY COMMISSION

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Energy Advisory Commission
Thursday, November 6, 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 and Diane Ley

County Staff: Molly Lugo (Corporation Counsel), Jane Testa, Marcia Yoshiyama and Douglas Zang

1. Call to Order

The meeting was called to order at 9:07 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 – October 21, 2008

Motion: R. Smith made a motion to accept the minutes of the October 21, 2008 meeting, and M. Kramer seconded the motion. The motion carried unanimously.

5. Discussion and Possible Action on Committee Recommendations

a. Committee: Water Supply/Use/Other

Copies of the Department of Research and Development, Energy Advisory Commission, Water Supply/Use Committee – Draft Report. (See Exhibit A) The recommendations had been divided into five categories:

1) Municipal Water System/Department of Water Supply, 2) Private Water Systems/PUC Regulated, 3) Private Water Systems/non PUC Regulated (Individual catchments systems), 4) State Department of Agriculture and 5) Pumped Hydro.

R. Smith reported he submitted his revised draft report dated, November 5, 2008 and they were distributed.

M. Kramer asked if R. Smith checked with someone from the Department of Water Supply (DWS) about what role they play in water conservation education and what their education plan is. Do they include a tip sheet with their water bill?

R. Smith responded that DWS has a Public Communications Officer and that he is not sure what she is doing about water conservation education and that currently DWS is not including a tip sheet with their water bill.

M. Kramer responded that since DWS is not currently doing that, he would recommend that DWS include a tip sheet with their water bill.

S. Burns added that there were talks about having DWS consider looking at not only the supply side but the demand side of supplying water, perhaps some acknowledgement to rule changes or policy shifts for the Water Supply Board to take a new direction.

J. Hoover inquired if the recommendation for an inverted pricing structure to penalize excessive usage would address this as part of the Water Supply/Use Committee recommendations. The recommendation could promote current conservation policies and public conservation and education and consider new strategies including but not limited to a bill insert?

S. Burns, M. Kramer and R. Smith agreed to add that language to the Water Supply/Use Committee's recommendation.

R. Smith asked since the committees' submitted their reports if M. Yoshiyama will be making the official version rather than having each committee chair redo their recommendations?

J. Hoover responded that she will be working with M. Yoshiyama and supporting staff to get the final report together along with an executive summary.

M. Kramer asked whose responsibilities does the Commission think it is to educate the public about private catchment systems.

J. Hoover responded that she is aware of a few issues regarding private catchment users: 1) How to test the water for vog impact and 2) General conservation notification about drought conditions.

R. Smith added that no one has oversight of private catchment systems. Civil Defense has some efforts to communicate about catchment but such system don't require a permit, so the Department of Health is not involved. So there is no oversight and no one checks on the catchment systems.

M. Kramer inquired about the Department of Health doing checks.

R. Smith answered that the Department of Health does not do individual checks; only for businesses serving the public will they check. When one applies for a building permit in an area where there is no private or public water systems and DWS signs off on it, the applicant gets an exemption from the Planning Department regarding catchment systems. The Department of Health has nothing to do with it.

M. Kramer asked what it means to have DWS sign off on it; does that mean that they have to approve the design?

R. Smith responded that you have to be in an area where there are no private or public systems available.

J. Hoover added that the only problem she has heard of regarding catchment is that Hawaii has certain standards relating to piping. Representative Herkes has proposed making county water accessible to catchment users during emergency drought conditions by using PVC piping and less expensive methods of transmission.

D. Zang asked to clarify if J. Hoover was talking about connecting to the public system?

J. Hoover responded that she was talking about connecting to the public system because during times of drought, with catchment systems all over the island, water will need to be trucked. So under this scenario, an emergency linkage at a common reservoir where there is a valve that can be turned on and off would prevent the need for having a large number of trucks hauling water into individual subdivisions. This would involve policy changes within the Building Division.

M. Kramer asked about electricity used for the pumping in a catchment system.

R. Smith responded that there is a Jacuzzi-type pump from your tank.

M. Kramer stated that from a technological perspective, he understands that there are photovoltaic and submersible pumps that can be used for that purpose.

R. Smith replied that the typical catchment system on the Big Island is off your roof into a tank next to your house. The only way a photovoltaic system will work is if you have good elevation to pump it during the day when the sun is out. Most land owners catch water where it's pretty flat.

S. Burns stated that there are different areas where pumping will come into play with catchment systems. There's a pump that is required to pump the water that provides pressure to the house from the tank to the house. This can certainly be powered by photovoltaic. So, there are a lot of different configurations that can be devised and certainly there are applications that can use solar to develop the energy to provide the pumping that is required. But every situation could be a little bit different.

J. Hoover asked if language should be added to the recommendation that public education for private catchment users could include collaboration with other Counties, public and private sector agencies. There is not specific educational recommendations that can be identified but the commission wants to make sure that catchment systems are periodically considered as issues emerge or new technology emerges.

D. Zang suggested if the people installing the catchment systems would be the best in providing their clients with information regarding conservation or low energy devices.

M. Kramer stated that someone needs to develop a resource list of technologies that are available, where they can be bought and what the names of these new technologies are; possibly post the list to the County's website. Someone should also hold and facilitate a meeting with business people to learn what they are actually doing and what type of resources they already have, if any. One of the recommendations coming out of the Buildings Subcommittee includes the administration of some form of public conservation program; maybe it falls under that.

S. Burns stated that the question is what committee report does developing an educational outreach position fall under.

J. Hoover reminded the Commissioners that if they do not find a specific committee or home for a recommendation the intent is to make sure that it is captured in a general category or recommendation.

Action: J. Hoover, Chair, asked for a motion to approve the recommendations made by the Water Supply/Use Committee report subject to the amendments that were recommended to be captured in the final report. R. Smith made a motion to approve and M. Kramer seconded the motion. The motion carried unanimously. The recommendations for Water Supply/Use have been adopted.

b. Committee: Transportation/Biofuels

Copies of the Department of Research and Development, Energy Advisory Commission, Committee: Biofuels/Transportation (Exhibit B) and Biofuels/Transportation, 05 November 2008, from Jacqui Hoover (Exhibit C), were distributed.

R. Smith reported that two documents were handed out; one from R. Ha, the Committee Chair, distributed in August, and one that was submitted by J. Hoover, dated November 5, 2008. R. Smith reported that he had a brief conversation with the Committee Chair and that he supports the changes and additions that J. Hoover offered.

R. Smith made a motion to discuss the Transportation/ Biofuel Committee report as is. J. Hoover seconded the motion.

J. Hoover explained that the Committee Chair's original recommendation was that the public sector take no further initiatives with biofuels and had examples regarding fuel stock cost and the fact that Imperium Hawaii had announced

termination of it's project. She noted however that the State of Hawaii has signed a Memorandum of Understanding (MOU) with the United States Department of Energy; to demonstrate that Hawaii collectively at the State level and industry level are investing a lot of time, resources and energy into various alternative energy, specifically biofuels. A vast majority of land that would be available for planting biofuel feed stock crops is on this island; the Commission, doesn't want the County of Hawaii to exclude itself from making decisions or participating in decisions and policy making that has a direct impact on this island. A concern was raised about Honolulu centric folks telling us what to do on our island. J. Hoover suggested alternative recommendations to support Clean Energy Initiatives outcomes through these actions.

M. Kramer asked who from the County government is on the BioEnergy Master Plan task force?

J. Hoover replied that most of the people on the task force are volunteers but D. Ley has worked on the BioEnergy Master Plan. She stated that in her reports there are web links so a listing of resources should be provided with the final report.

M. Kramer asked if J. Hoover was planning to include the statement from the Committee's Chair original report stating that he recommends the private sector take no further action.

J. Hoover answered that the intent was to remove that statement supersede that recommendation with a new one.

M. Kramer added that the Commission should recommend that the County meet with major land owners to discuss the issue and look at the viability of growing crops.

J. Hoover replied, speaking from her Hawaii Leeward Planning Conference perspective, that all of the major land users are participating in those discussion. The major land owners will be resistant to going to another government body telling them what to do with their land. She suggested adding a comment that the Commission could add is through action such as included and not limited to or adding a recommendation number eight being inclusion of biofuel interest included and not limited to land use in the County Agriculture Development Plan.

J. Hoover reported that there are new technology buses that run on clean energy fuels. She had met with Tom Brown, Mass Transit Head, and was informed that Mass Transit purchases low-price buses and the new technology factors are not considered.

R. Smith asked if Commission is telling Tom Brown to purchase the more expensive buses, he would need to change his procurement. Mass Transit's annual RFP has to be specific and has to go with the lowest bid that meets those specifics.

M. Lugo clarified that and Invitation for Bid (IFB) is when you go with the lowest bid but an RFP can go with something other than low bids if other qualities are favorable.

J. Testa stated that R&D currently has two Honda Hybrid Civics. She suggested a demonstration pilot program so that it separates the program from separate funding or write that language into the RFP.

M. Kramer stated that electric plug in technology will be made available within the next year. He asked if that language was included in this Committee's recommendations. The Commission should encourage the County to invest in charging stations for east and west Hawaii.

J. Hoover suggested adding the language that county facilities integrate electric charging station as part of the green building standard requirements.

M. Kramer inquired if there is a car pool, van pool and parking garage type of commuter system for this island and if not, should one be recommended.

J. Hoover responded that there is a van pool program and Office of Aging has shared ride from Ka'u for medical trips.

M. Kramer stated Public Works, Traffic Division, purchased LED streetlight as an experiment pilot program. He stated that LED lights are energy efficient and the PW's intention is to expand the project after reviewing the study.

c. Committee: Building

Copies of the Hawaii Energy Advisory Commission, Building Subcommittee, Final Policy Recommendations, November 5, 2008, were distributed. (Exhibit D) There are 11 recommendations: 1) Adopt the IECC- 2006 Model Energy Code, 2) Require developers to provide new homes with RESNET Energystar Home Energy Rating System (HERS) rating, 3) Adopt ASHRAE/IESNA 90.1-2004 as the basis of the commercial energy code, 4) Require appliance retailers to include Energy Star models for all appliance types in their inventory, 5) Study the fiscal impact of reducing permitting fees by 50%, 6) Prohibit the sale of incandescent lightbulbs in Hawaii County, 7) Require the Building Division to become experts in "green building", 8) The Office of Research & Development should increase its capacity to coordinate the development of new energy efficient policies and practices, 9) Support real estate professionals, 10) Support Hawaii Community College and 11) Support schools and hospitals in establishment of building efficiency program.

M. Kramer reported that he took all the suggestion from the Commission that were discussed at the last meeting and made modifications. He removed reference to creating new position based on suggestions made at the last meeting that the focus should be on the work and not the position.

J. Hoover suggested changing the language of the Committee's report on page 2, #7 from the word "experts" to either existing personnel, an independent contractor, or through the establishment of a new or re-described position including and not limited to using the General Fund via resources from vacant positions.

R. Smith asked what the management position is trying to accomplish; educate people? Is that the goal? Because the way that it is written is advocating for someone in that education role; there is no ordinance.

J. Hoover added that looking at it from a perspective that if someone understand what the LEED technologies and certifications are then it's easier for them to advocate to the electrical inspector for example.

M. Kramer responded that it would not be an appropriate role for someone in the Building Division but just because the code doesn't specifically mention something doesn't mean that those things aren't going to be allowable.

J. Hoover suggested changing the language to increase capacity instead of experts.

M. Kramer reported that another change to his recommendations is on page 3 f.

J. Hoover inquired what various efforts are you funding.

M. Kramer responded that all the recommendation in number eight, public education program, the green building training program and the incentive program.

M. Lugo suggested changing on page 3 f, third bullet, from "The geothermal royalty special asset fund" to "The geothermal royalty".

J. Hoover also suggested changing the first bullet on page 3 f, to state US DOE and or other funders with the Hawaii Clean Energy Initiatives; cause we don't want to limit it to just the Clean Energy Initiative, there might be other initiatives.

R. Smith asked for clarification on what a green-MLS is.

M. Kramer answered that MLS stands for multiple listing service. He further explains that there are some realtors who have shown interest in creating a properties listing that would achieve certain green designations.

J. Testa suggested that the wording in recommendations number 9, 10 and 11 be changed to advocate instead of support.

J. Hoover asked for a motion to support the Building Subcommittee report into final form and approve the recommendations as amended. R. Smith made a motion to approve and S. Burns seconded the motion. The motion carried unanimously.

d. Committee: Utilities

Copies of Utilities Committee Report 04-Draft, dated November 5, 2008 (Exhibit E) and Utilities Committee Report 04-Final, dated November 5, 2008 (Exhibit F), were distributed.

J. Hoover asked may we have a motion to accept the Utilities Committee report. R. Smith made a motion to adopt the report as submitted dated, November 5, 2008. M. Kramer seconded the motion.

J. Hoover reported that two reports were handed out. The first handout is the draft version that has been formatted as the following; new language is in bold

and underscored and deleted text is in brackets for easier review. A specific change has been made based on discussion from last meeting. On page 2, specific references to programs that have been adopted by other jurisdiction including that by the City of Berkeley were added.

R. Smith asked if the report should be more specific in what county agencies should take action.

J. Hoover responded that the language came straight out of the plan so she doesn't see the necessity of the Commission telling the administration who to assign to these respective things. Additional recommendation that were added is number 10 and 11.

S. Burns asked if recommendation number 10 is stating that the Commission is recommending that the County of Hawaii advocate for the IRP process.

J. Hoover stated that her notes said IRP process but thinks the Commission were talking about representation. S. Burns agreed.

J. Hoover offered a suggestion to change the wording on page 3, number 10 to "Recommend that the County of Hawaii advocate for an ensure County of Hawaii representation...".

S. Burns also suggested that recommendation number 11 on page 3 be added to the executive summary and excluded from the recommendations.

J. Hoover asked for a motion to accept this final report as amended today. R. Smith moved voting on as amended. Accepting Utility report in final format as amended say aye, carried unanimously.

J. Hoover called for a quick recess at 11:30 a.m.

J. Hoover called the meeting back to order at 11:40 a.m.

e. Committee: Planning

Copies of the Hawaii County Energy Advisory Commission, Planning Considerations Committee, Draft Final Report and Recommendations, November 4, 2008 (Exhibit G) and Proposed Energy Sustainability Planning Considerations Report Outline (Exhibit H), were distributed.

J. Hoover asked for a motion to accept and approve the Planning Considerations Committee draft final report. J. Hoover made a motion to approve and R. Smith second the motion.

S. Burns reported that this committee's structure is different from the other committees; this is a living document that evolves. The background portion covers approach, teams of advisors and time and resource limitations.

J. Hoover asked S. Burns, the Committee Chair, if the first paragraph, under background, could be added to the executive summary.

S. Burns stated that under Near-Term (1 – 2 years), number one is a very critical recommendation; it is an acknowledgement.

J. Hoover suggested putting a language directing the County of Hawaii to integrate where appropriate to State or Federal policies.

M. Kramer asked S. Burn, the Committee Chair, if he is proposing a master plan and if there is a new Commission, if any, will initiate the plan?

S. Burns responded that it could possibility be the new Commission, if any, or R&D or maybe Kohala Center.

J. Hoover stated concerns about casting a proposed outline in stone for the new Commission, if any.

M. Lugo suggested refer to repository for content and make clear that the Commission did not formally vote on this.

M. Kramer added that the outline document is not the report and suggested changing the title to “Framework Outline”. He stated that the Commission is not producing a document so it should be called “framework”.

J. Testa suggested changing the outline document title to “Energy Sustainability Planning Framework”.

J. Hoover suggested citing the title of the Yale report on page 2, number 4, in the Proposed Energy Sustainability Planning Considerations Report Outline.

M. Kramer also suggested taking out the “a” on page 1, Roman numeral III A. in the Outline Report.

Commissioner R. Smith left the meeting at 12:34 p.m. There was a quorum.

J. Hoover also suggested changing the title on page 1, Roman numeral III A. to “The Need for Comprehensive Hawaii County Energy Sustainability Planning” and Roman numeral III to “Plan Framework”.

J. Hoover suggested adding the language “such as including but not limited to...” on page 4, number 8 of the Outline Report.

Question: All in favor to accept the Planning Consideration Committee report in final format as amended say aye. The question carried unanimously.

6. Department of Research and Development’s Update

D. Zang reported on two new dockets in the past week. The county is determining whether to intervene or participate without intervening.

The state Public Utilities Commission (PUC) issued a docket on October 24, 2008 to investigate the concept of Feed-In Tariffs, which would set standard long-term rate contracts for independent power producers to sell power to the utilities. Rates would cover a long term period and vary by technology. Rates would be set so power producers could make a comfortable profit, but also are favorable to consumers. Pending the mayor's approval, the County intends to intervene in this docket.

The same day, PUC issued a second docket to investigate the concept of decoupling utility revenue and profits from the sale of power. The PUC would determine appropriate levels of revenue and profit for the utilities regardless of how much power is sold. This would remove incentives for the utility to produce and sell more energy and lead the way for greater incorporation of independent power producers into the production mix. It would also remove disincentives for the utility to promote conservation, since reduced sales of electricity would result in the same profit and revenue. The county intends to participate without intervening in this docket.

7. Unfinished Business

None.

8. New Business

None.

9. Other Business

a. Set Date and Time of the Next Meeting

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

November 14, 2008, 9:00 a.m.

b. Set Agenda for the Next Meeting

Recommendation and decision on possible actions.

c. Announcements

None.

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 12:59 p.m.

Respectfully submitted,

Marcia Yoshiyama
Administrative Services Assistant

Attachments:

- Exhibit A** – Department of Research and Development, Energy Advisory Commission, Water Supply / Use Committee – Draft Report
- Exhibit B** – Department of Research and Development, Energy Advisory Commission, Biofuels/Transportation Committee Report
- Exhibit C** – Biofuels/Transportation
- Exhibit D** – Hawaii County Energy Advisory Commission, Building Subcommittee, Final Policy Recommendations, November 5, 2008
- Exhibit E** – Utilities Committee Report 04-Draft
- Exhibit F** – Utilities Committee Report 04-Final
- Exhibit G** – Hawaii County Energy Advisory Commission, Planning Considerations Committee, Draft Final Report and Recommendations, November 4, 2008
- Exhibit H** – Proposed Energy Sustainability Planning Considerations Report Outline