Email: communications@ulupono.com

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Monday, March 30, 2015 — 2:00 p.m. — Room 325

Ulupono Initiative Strongly Supports SB 1316 SD 2 HD 1 with an Amendment, Relating to Electric Vehicles

Dear Chair McKelvey, Vice Chair Woodson, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment company that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown food, increase clean, renewable energy, and waste reduction. We believe that self-sufficiency is essential to our future prosperity, and will help shape a future where economic progress and mission-focused impact can work hand in hand.

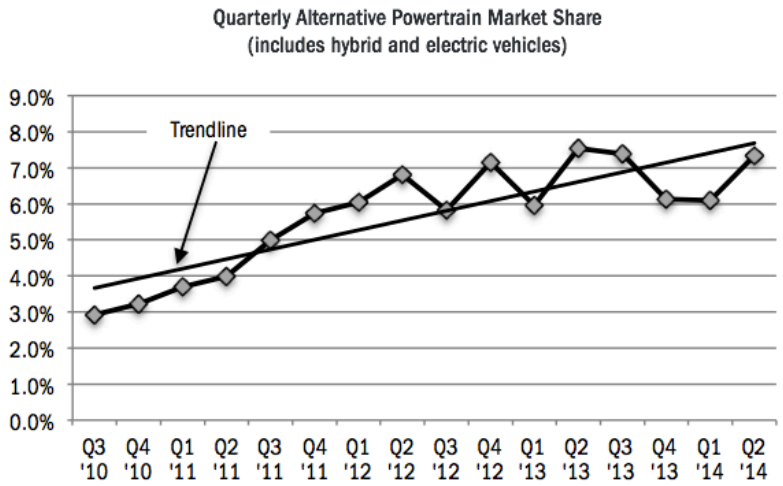
Ulupono strongly supports SB 1316 SD 2 HD 1, which requires homeowner associations to decide within 60 days of a completed request for installation of an electric vehicle charging system. This bill aligns with our goal of producing more clean, renewable energy in Hawai'i by providing faster decision making on electric vehicle infrastructure.

About 20% of the state's primary energy usage is due to ground transportation, which is almost entirely based on imported fossil fuels. Electric vehicles provide a more efficient transportation vehicle that reduces on fossil fuel consumption.

According to DBEDT's monthly energy trends, in January 2015, there were 3,243 electric vehicles out of 1,086,439 passenger vehicles in the state (0.3%). However, the 3,243 electric vehicles represent an increase of 1,021 electric vehicles (45.9% growth) since January 2014. Meanwhile, total passenger vehicles in Hawai'i dropped by 2.1% from January 2014. Thus, electric vehicles are slowly becoming a larger part of our vehicle fleet.

MARKET TRACKER: HYBRID AND ELECTRIC VEHICLES

Hybrid & Electric Share Moves Higher in 2Q '14



State Hybrid and Electric Vehicle New Retail Registrations 2009 thru 2013 and YTD '14 thru June

Year	Hybrids	Electrics	Total
2009	1102	15	1117
2010	1025	2	1027
2011	1299	338	1637
2012	2403	341	2744
2013	2550	775	3325
YTD '14 (June)	1418	394	1812

New registrations of hybrid and electric vehicles were 1,812 units for the first six months of 2014.

Source: Polk.

Yet, as the demand for electric vehicles grows, so does the demand for charging stations. There are currently about 300 commercially run charging stations at 160 sites across the state. As homeowners want the convenience of charging their electric vehicles at home, it will become more important and timely to make decisions on the installation of EV charging stations. This bill will provide EV charging station applicants with less bureaucratic frustration, a quicker turnaround time, and reduced financial expenses as they wait for a shorter amount of time.

Ulupono would like to request an amendment to this bill. We are requesting that language be inserted that notes, "in situations where either the requestor or an EV charging station installer is willing to cover the cost of an assessment or audit, that the relevant entity controlling the site (building owner, management, or owner's association, etc.) must permit access to the site within a reasonable timeframe to make such an assessment or audit possible." We are requesting this amendment to ensure that denying access to the site would not slow down the process of generating an assessment or audit.

As renewable energy and energy efficiency technology improves some of the decision-making processes in the state need to be updated to accommodate these new technologies. This bill simply provides a pathway for a timely decision to be made and does not force EV charging stations to be installed where economic or technical factors prevent it. All of Hawai'i's residents should have the right to choose more efficient transportation solutions and this bill helps to facilitate that right.

As Hawai'i's energy issues become more complex and challenging, we appreciate this committee's efforts to look at policies that support renewable energy production.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay
Managing Partner

Eric M. Matsumoto
Mililani, Hawaii 96789

March 28, 2015 VIA WEB TRANSMITTAL

Committee on Consumer Protection and Commerce
House of Representatives, 28th Legislature Session of 2015

Re: Hearing on SB 1316 SD2 HD1(Oppose); March 30, 2015; 2:00PM, Conf Rm 325

Chair McKelvey, Vice-Chair Woodson and Committee Members:

This bill contains provisions that are not applicable to the Declarations, Covenants and Restrictions of PCAs under 421J as follows:

1. SECTIONS 1 and 2 require PCAs boards, in part, *"To ensure comprehensive and accurate cost and impact of installation, the board should consider: (1) supporting documentation on the current transformer load capacity; and (2) A current energy audit to ascertain if the electrical system to which the electric vehicle charging station will be connected is capable of handling the increased demands of the system in addition to the current demand of the system*." The two technical data requirements for single family residences are not within the scope of the governing documents of PCAs, where the focus of approvals relate specifically to architectural matters by the design committee of PCAs and do not have the technical capability to (consider) provide the analysis of the adequacy of the data presented. As such, to specify *"should consider"* for the two technical municipal Building Code cognizant requirements when neither within the scope nor technical capability of the architectural committees of PCAs is wrong and doesn't make sense; confusing intent at best.

2. Furthermore, given the above, it is the apparently contradictory requirement in the last sentence in the paragraph before the two *"should consider"* stipulations, *"...request shall not be deemed complete unless information on the cost and impact on the installation is included...."* Based on the 400 plus applications per month experienced by one large PCA, if the two pieces of data are not received with the application it is not complete and will be returned, as per policy. Given the huge number of applications received, it is not practical, efficient or effective keeping the incomplete applications, waiting in an "Open" file awaiting the data. If the intent is to help speed the approvals process, this will have the opposite effect.

3. Another matter related to the above language is that since only single family residences in PCAs are covered under 421J, it is not clear whether this bill accepts that not all EV charging station installations will require an application be submitted to the architectural committee for approval, such as enclosed garages, concealed installations, etc.

4. It is curious that it is only in this bill that the term "shareholder" is being used. It seems extraordinary splitting hairs in this specific matter as to what has been required for all other PCA business transactions involving multiple owners, etc. Is it necessary to make the distinction here and why?

5. The above cited provisions reflect confusion and provide contradictory requirements that would leave PCAs open and subject to become involved in unnecessary litigation when PCAs do not consider or do not have the capability to consider the two pieces of data, and a problem subsequently occurs such as burnt boxes and wiring or fire. It is an unintended consequence waiting to happen, even if a building permit was issued. Electrical safety of single family residences is not under PCA governance/responsibility in the architectural approval process, but from my perspective, this bill puts each PCA in the line of fire to be sued.

Accordingly, request this bill be deferred.

Thank you for affording me the opportunity to testify.

Sincerely,

Eric M. Matsumoto

LATE

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Monday, March 30, 2015
2:00 p.m.
State Capitol, Conference Room 325
in consideration of
SB 1316, SD2, HD1
RELATING TO ELECTRIC VEHICLES.

Chair McKelvey, Vice Chair Woodson, and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) offers comments on SB 1316, SD2, HD1, Relating to Electric Vehicles. DBEDT supports the intent of the bill; however, DBEDT is concerned about unintended consequences and specific language used in SB 1316, SD2, HD1.

A very important sector for the adoption of EVs and deployment of EV charging stations in Hawaii are multiple unit dwellings, such as condominiums, apartments and townhomes. In Hawaii, about 39% of all households reside in multi-family dwellings. Establishing clear guidelines for Board of Directors will remove uncertainty regarding charging station installation and will promote EV adoption. Charging EVs in multi-family dwellings are a challenge and access is limited. Costs are a major barrier when installing another meter and running additional power in the parking garage to a designated stall.

SB 1316, SD2, HD1, could create a financial barrier to EV adoption and may be onerous should the board require the EV driver or "stakeholder" to pay for documentation on the current transformer load capacity and a current energy audit, given that the specific language in the bill isn't clear regarding this obligation. Similarly DBEDT would like clarity on the definitions of "impact," and "current," specifically, the scope of "impact of the installation" and length of time a "current" energy audit would be valid for.

Thank you for the opportunity to offer these comments regarding SB 1316, SD2, HD1.

LATE TESTIMONY

blue planet FOUNDATION

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE
March 30, 2015, 2:00 P.M., Room 325
(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF SB 1316

Aloha Chair McKelvey, Vice Chair Woodson and members of the Committee:

Blue Planet Foundation supports SB 1316, which would require multi-dwelling unit boards to make a decision on EV charger station installation requests within 60 days or two board meetings.

This bill would provide a modicum of enforcement for Act 186, Hawaii Revised Statues, Section 196-2.5, a homeowners right to place an EV charging station in a multi-unit dwelling building. Presently, there are no time requirements for boards to respond to such requests.

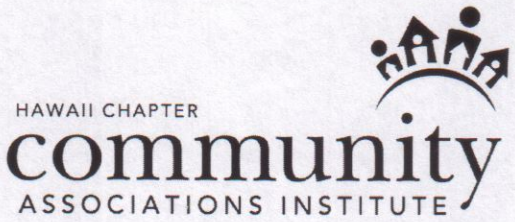
Blue Planet Foundation also supports the proposed amendment by EV Structure which would encourages owners association boards to consider developing long term EV plans which examine the overall capacity of their buildings to accommodate EV charging stations to meet current and future demand.

We believe this approach will make it easier for boards to make decisions when they receive shareholder requests for new EV charging station installations.

Thank you for this opportunity to testify.

55 Merchant Street 17th Floor • Honolulu, Hawai'i 96813 • 808-954-6142 • blueplanetfoundation.org

LATE TESTIMONY



March 30, 2015

VIA WEB TRANSMITTAL & HAND DELIVERY

Hearing Date: Monday, March 30, 2015
Time: 2:00 p.m.
Place: Conference Room 325

Committee on Consumer Protection & Commerce
House of Representatives, the 28th Legislature
Regular Session of 2015

Re: Community Associations Institute's Testimony in Opposition to SB 1316

Dear Chair McKelvey, Vice Chair Woodson and Committee members:

I am the Chair of the Community Associations Legislative Action Committee ("CAI"). CAI has been monitoring SB 1316, previously took no position, but as this bill progressed, CAI now has concerns and opposes SB1316 as written and respectfully offer amendments for the Committee's consideration.

The underlined language in bold used in SB 1316, i.e., "... **the board should consider**: (1) supporting documentation on the current transformer load capacity; and (2) a current energy audit to ascertain if the electrical system to which the electric vehicle charging station will be connected is capable of handling the increased demands of the system in addition to the current demands of the system. The installation of the electric vehicle charging system shall be subject to section 196-7.5" is vague and ambiguous as to who will be responsible for obtaining and paying for such supporting documentation and energy audit.

CAI takes the position that the individual unit owner or shareholder who is making the request to install the electric vehicle charging system should obtain and pay

for the supporting documentation on the current transformer load capacity and the energy audit and provide a copy to the Association as part of the request. It would be unreasonable to have the Association to pay for such expenses, as it is unfair to have all other unit owners or shareholders who cannot afford buying an electric vehicle to subsidize the minority group of home owners getting a private electric vehicle charging system and government tax credit.

However, individual unit owners or shareholders making the request for installation of electric vehicle charging system may try to use the following quoted bold provision highlighted in yellow in HRS § 196-7.5 to challenge an Association Board or the Board of a cooperative housing corporation's decision to require the owner or shareholder obtain and pay for the supporting documentation on transformer load capacity and energy audit.

HRS § 196-7.5 provides in relevant part that:

(b) Every private entity may adopt rules that reasonably restrict the placement and use of electric vehicle charging systems for the purpose of charging electrical vehicles in the parking stalls of any multi-family residential dwelling or townhouse; provided that those restrictions shall not prohibit the placement or use of electric vehicle charging systems altogether. **No private entity shall assess or charge any homeowner any fees for the placement of any electric vehicle charging system; provided that the private entity may require reimbursement for the cost of electricity used by such electric vehicle charging system.**

(c) Any person may place an electric vehicle charging system on or near the parking stall of any multi-family residential dwelling or townhouse unit owned by that person; provided that:

(1) The system is in compliance with any rules and specifications adopted pursuant to subsection (b);

(2) The system is registered with the private entity of record within thirty days of installation;

(3) If the system is placed on a common element or limited common element as defined by a project's declaration, the homeowner shall first obtain the consent of the private entity; provided further that such consent shall be given if the homeowner agrees in writing to:

(A) Comply with the private entity's design specification for the installation of the system;

(B) Engage a duly licensed contractor to install the system; and

(C) Within fourteen days of approval of the system by the private entity, provide a certificate of insurance naming the private entity as an additional insured on the homeowner's insurance policy.

CAI is concerned that the current vague and ambiguous language in SB1316 may lead to more disputes between the Association and unit owners, and respectfully proposes the following amendment (with deletions marked by ~~**red bold strikethrough**~~, additions marked by ***red bold intalics***) to clarify that the unit owner or shareholder who is requesting for installation of the electric vehicle charging system shall be responsible for obtaining and paying for the supporting documentation on transformer load capacity and energy audit.

SECTION 1. Chapter 421I, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"**§421I- Electric vehicle charging system installation requests; board of directors approval or approval with reasonable restrictions.** (a) Within sixty days of receipt of a shareholder's complete request for approval to install an electric vehicle charging system, the board of directors shall make a decision to approve, or approve with reasonable restrictions, the shareholder's request. The shareholder's request shall not be deemed complete unless information on the cost and impact of the installation is included with the request.

To ensure comprehensive and accurate cost and impact of installation, the board should consider:

(1) Supporting documentation on the current transformer load capacity; and

(2) A current energy audit to ascertain if the electrical system to which the electric vehicle charging station will be connected is capable of handling the increased demands of the system in addition to the current demands of the system.

The installation of the electric vehicle charging system shall be subject to section 196-7.5, *provided that the requesting shareholder shall be responsible for obtaining, paying for such supporting documentation on the current transformer load capacity and the above referenced current energy audit, and providing a copy of the same to the board of directors as part of his or her request.*

(b) For the purposes of this section, "electric vehicle charging system" shall have the same meaning as in section 196-7.5."

SECTION 2. Chapter 421J, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"**§421J- Electric vehicle charging system installation requests; board approval or approval with reasonable restrictions.** (a) Within sixty days of receipt of a member's complete request for approval to install an electric vehicle charging system, the board shall make a decision to approve, or approve with reasonable restrictions, the member's request. The member's request shall not be deemed complete unless information on the cost and impact of the installation is included with the request.

To ensure comprehensive and accurate cost and impact of installation, the board should consider:

(1) Supporting documentation on the current transformer load capacity; and

(2) A current energy audit to ascertain if the electrical system to which the electric vehicle charging station will be connected is capable of handling the increased demands of the system in addition to the current demands of the system.

The installation of the electric vehicle charging system shall be subject to section 196-7.5, *provided that the requesting unit owner shall be responsible for obtaining, paying for such supporting documentation on the current transformer load capacity and the above referenced current energy audit, and*

providing a copy of the same to the board of directors as part of his or her request.

(b) For the purposes of this section, "electric vehicle charging system" shall have the same meaning as in section 196-7.5."

SECTION 3. Chapter 514A, Hawaii Revised Statutes, is amended by adding a new section to part V to be appropriately designated and to read as follows:

"**§514A- Electric vehicle charging system installation requests; board approval or approval with reasonable restrictions.** (a) Within sixty days of receipt of an apartment owner's complete request for approval to install an electric vehicle charging system, the board of directors shall make a decision to approve, or approve with reasonable restrictions, the apartment owner's request. The apartment owner's request shall not be deemed complete unless information on the cost and impact of the installation is included with the request.

To ensure comprehensive and accurate cost and impact of installation, the board should consider:

(1) Supporting documentation on the current transformer load capacity; and

(2) A current energy audit to ascertain if the electrical system to which the electric vehicle charging station

will be connected is capable of handling the increased demands of the system in addition to the current demands of the system.

The installation of the electric vehicle charging system shall be subject to section 196-7.5, *provided that the requesting unit owner shall be responsible for obtaining, paying for such supporting documentation on the current transformer load capacity and the above referenced current energy audit, and providing a copy of the same to the board of directors as part of his or her request.*

(b) For the purposes of this section, "electric vehicle charging system" shall have the same meaning as in section 196-7.5."

SECTION 4. Chapter 514B, Hawaii Revised Statutes, is amended by adding a new section to part VI to be appropriately designated and to read as follows:

"**§514B- Electric vehicle charging system installation requests; board approval or approval with reasonable restrictions.** (a) Within sixty days of receipt of a unit owner's complete request for approval to install an electric vehicle charging system, the board shall make a decision to approve, or approve with reasonable restrictions, the unit owner's request. The unit owner's request shall not be deemed

complete unless information on the cost and impact of the installation is included with the request.

To ensure comprehensive and accurate cost and impact of installation, the board should consider:

(1) Supporting documentation on the current transformer load capacity; and

(2) A current energy audit to ascertain if the electrical system to which the electric vehicle charging station will be connected is capable of handling the increased demands of the system in addition to the current demands of the system.

The installation of the electric vehicle charging system shall be subject to section 196-7.5, *provided that the requesting unit owner shall be responsible for obtaining, paying for such supporting documentation on the current transformer load capacity and the above referenced current energy audit, and providing a copy of the same to the board of directors as part of his or her request.*

(b) For the purposes of this section, "electric vehicle charging system" shall have the same meaning as in section 196-7.5."

SECTION 5. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2050.

CAI represents many thousands of condominium owners and cooperative housing corporation members in Hawaii, and respectfully submits its position on SB 1316 for your review and consideration.

Sincerely yours,

Na Lan

Na Lan, Chair of CAI LAC Hawaii

LATE TESTIMONY

March 30, 2015
2:00 pm
SB1316 SD2 HD1

Aloha Consumer Protection and Commerce Committee Members,

EV Structure strongly supports SB 1316, SD2, HD1, and would like to make further amendments for clarity.

This bill has been amended to specify that the Board of Directors of a condo association should consider supporting documentation of the building's transformer load capacity and current energy use in the approval process of installing an electric vehicle charging station.

After reading previous testimony and consulting with Ev stakeholders, Ev Structure recommends the following amendments that will simplify what the bill is requiring of requesting shareholders and the Board:

Within sixty days of receipt of a shareholder's complete request for approval to install an electric vehicle charging system, the board of directors shall make a decision to approve, or approve with reasonable restrictions, the shareholder's request. The shareholder's request shall not be deemed complete unless information on the <u>estimated</u> cost ~~and impact~~ of the installation is included with the request.

To ensure comprehensive and accurate cost and impact of installation, the Board should consider <u>developing an EV Plan that includes the building's current and future transformer capacity.</u>

(1) ~~Supporting documentation on the current transformer load capacity; and~~

(2) ~~A current energy audit to ascertain if the electrical system to which the electric vehicle charging station will be connected is capable of handling the increased demands of the system in addition to the current demands of the system.~~

This bill serves to enforce timely compliance with Act 186, Hawaii Revised Statutes Section 196-2.5 that states that **no person shall be prevented from installing an electric vehicle charging system on or near the parking stall of any multi-family residential dwelling or townhouse that the person owns.**

About 20% of the state's primary energy usage is due to ground transportation, which is almost entirely based on imported fossil fuels. Electric vehicles provide a more efficient transportation vehicle that reduces on fossil fuel consumption. As homeowners want the convenience of charging their electric vehicles at home, it will become more important and timely to make decisions on the installation of EV charging stations. This bill will provide EV charging station applicants and condo association boards with less bureaucratic frustration, a quicker turnaround time, and reduced financial expenses as they wait for a shorter amount of time.

Mahalo for your consideration,

Todd Ritter

President, The Ev Structure Company
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