
A BILL FOR AN ACT

RELATING TO ROOFTOP SOLAR INSTALLATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that taking advantage of
2 available rooftop space for rooftop solar photovoltaics will be
3 an important part of meeting Hawaii's one hundred per cent
4 renewable energy target, as the State is unlikely to meet its
5 renewable energy target with utility-scale resources alone. A
6 limited supply of land, as well as competing uses for this land,
7 such as agriculture, affordable housing, and conservation needs,
8 means that utility-scale projects, such as utility solar and
9 wind, are unable to provide all of the electricity necessary to
10 meet Hawaii's renewable energy mandates. Furthermore, avoiding
11 the cost of utility scale resources, such as new transmission,
12 and more expensive technologies, like offshore wind, could save
13 Hawaii residents billions of dollars in present value.

14 The legislature further finds that adding a rooftop solar
15 energy generation system requirement for new, single-family
16 homes will help Hawaii achieve its renewable energy goals, while



1 lowering Hawaii's dependence on nonrenewable energy sources and
2 leading to a more sustainable future.

3 The legislature additionally finds that adding a solar
4 energy generation system during the construction phase
5 significantly reduces the system installation cost for
6 homeowners versus adding solar photovoltaics post-construction.
7 Solar installation during construction also allows home buyers
8 to finance systems at traditional, low mortgage rates.

9 The legislature also finds that California adopted a
10 similar requirement for solar on new homes after extensive
11 studies showed it resulted in a net savings for all new
12 homeowners. The California Energy Commission also found that
13 solar photovoltaic systems would benefit homeowners in all
14 climate zones in California and provided homeowners an average
15 cost savings of approximately \$420 each year due to reduced
16 energy bills, even after accounting for potential incremental
17 increases to mortgage costs.

18 Because Hawaii's climate is even more favorable for solar
19 energy and electric rates are higher in the State, solar
20 photovoltaic systems can be expected to yield substantial
21 savings for Hawaii homeowners. In addition, many home



1 developers in California found opportunities to have solar
2 systems installed for free or to be paid for by the solar
3 developers, which lowered the cost of new home development.
4 Similar opportunities may become available to home developers in
5 Hawaii.

6 The purpose of this Act is to prohibit the issuance of
7 building permits beginning on January 1, 2022, for new single-
8 family dwellings that are part of a development of twenty or
9 more dwellings and do not include a rooftop photovoltaic energy
10 generating system, unless an exemption or variance is granted.

11 SECTION 2. Chapter 196, Hawaii Revised Statutes, is
12 amended by adding a new section to part I to be appropriately
13 designated and to read as follows:

14 "§196- Rooftop photovoltaic energy generating system
15 installation required for new single-family residential
16 construction. (a) On or after January 1, 2022, no building
17 permit shall be issued for a new single-family dwelling that is
18 part of a development of twenty or more dwellings and does not
19 include a rooftop photovoltaic energy generating system, unless
20 the chief energy officer of the Hawaii state energy office
21 approves a variance. A variance application shall only be



1 accepted if submitted by an architect or electrical engineer
2 licensed under chapter 464, who attests that:

3 (1) Installation is impracticable due to poor solar
4 resource; or

5 (2) Installation is cost-prohibitive based upon a life
6 cycle cost-benefit analysis that incorporates the
7 average residential utility bill and the cost of the
8 new rooftop photovoltaic energy generating system,
9 including any specific interconnection costs, with a
10 life cycle of twenty-five years.

11 (b) A request for a variance shall be submitted to the
12 Hawaii state energy office on an application prescribed by the
13 chief energy officer and shall include a description of the
14 location of the property and justification for the approval of a
15 variance using the criteria established in subsection (a). A
16 variance shall be deemed approved if not denied within sixty
17 working days after receipt of the variance application. The
18 chief energy officer shall publicize:

19 (1) All applications for a variance, including cost
20 estimates, within seven calendar days after receipt of
21 the variance application; and



1 (2) The disposition of all applications for a variance
2 within seven calendar days of the determination of the
3 variance application.

4 (c) The director of business, economic development, and
5 tourism may adopt rules pursuant to chapter 91 to impose and
6 collect fees to cover the costs of administering variances under
7 this section. The fees, if any, shall be deposited into the
8 energy security special fund established under section 201-12.8.

9 (d) Nothing in this section shall preclude any county from
10 establishing procedures and standards required to implement this
11 section.

12 (e) Nothing in this section shall preclude participation
13 in any utility demand-side management program or public benefits
14 fee program under part VII of chapter 269.

15 (f) For the purposes of this section, "rooftop
16 photovoltaic energy generating system" means any identifiable
17 facility, equipment, apparatus, or the like, that utilizes
18 electricity-generating modules mounted on a rooftop, or near the
19 subject property, that converts solar energy to useful
20 electrical energy for heating, cooling, or reducing the use of
21 other types of energy that are dependent upon fossil fuel for



1 the generation of electricity; provided that the system shall
2 have no less than five kilowatts of generating capacity and
3 shall include an energy storage device, such as a battery."

4 SECTION 3. New statutory material is underscored.

5 SECTION 4. This Act shall take effect on July 1, 2021.

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INTRODUCED BY:



JAN 25 2021



H.B. NO. 860

Report Title:

Rooftop Solar Installation; Rooftop Photovoltaic Energy
Generating Systems; New Residential Construction Requirement

Description:

Beginning 1/1/2022, prohibits the issuance of building permits for new single-family dwellings that are part of a development of twenty or more dwellings and do not include a rooftop photovoltaic energy generating system, unless a variance is granted.

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