



Representative

2014

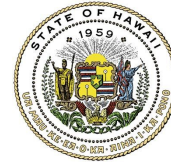
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September Report

WILL HECO'S PROPOSAL KILL ROOFTOP SOLAR?!

The mantra of my office has been "solar on every roof" for the past 8 years (since I returned from East Timor as the Peace Corps Country Director and where rooftop solar was unheard of). Since then, Hawaii has made much progress with almost 4% of all electricity coming off our roofs. Though small, **we still lead the nation, but what may be in store for Hawaii's electrical rates could radically change this and possibly signal the beginning of the end of our shift to renewable energy using rooftop solar.**



HECO's proposal to the Public Utilities Commission **would raise electric bills for current PV customers from the current \$17.00 a month with net metering (i.e. selling power back to HECO) to \$72.00 a month starting in 2017.** Each PV customer will thus have a \$55.00 surcharge added to their bill starting in 2017 **regardless of the amount of electricity they are producing.** Each non-PV customer will also have to add \$55 to their bills **regardless of how much electricity they are consuming.**

Why such a disincentive for everyone? HECO says it's so we can get to renewable energy quicker and reduce your electrical bill. **They state that non-solar customers will see a 20% decrease in their bills by 2030, and the current average**

charge of 34 cents per kilowatt-hour will drop to 26 cents per kilowatt-hour.

Also in the proposal is a change for current PV customers to be paid just 16 cents per kilowatt-hour, instead of the more than 30 cents they are paid now (or about a 50% reduction in net metering incentives).

There will also be a "one-time installation charge" for new solar customers, the amount yet to be determined. Adding to this cloud over rooftop solar is the expiration of the **federal tax credit of 30% for solar installations by December 31, 2016, (and Hawaii's 35% tax credit for solar has already been capped).** When looking at the new vs. the old numbers to go solar, **the logical question is, who is going to invest \$30,000 to \$50,000 for rooftop solar under these conditions and disincentives?** History may be a lesson in incentives because we've had varying tax credits in place for over 30 years for solar water heater installations, but we're still just around 30% penetration due to modest or fluctuating incentives. Again, it is common sense if one expects to **pre-pay an electrical bill for the next 20 years (by installing 30 or so rooftop panels) if one cannot expect to recoup that investment within a reasonable number of years?** HECO's plan appears to increase the payback period and will drive customers away from solar.

HECO says its proposal is designed to break Hawaii's dependence on fossil fuels and includes a major investment in liquefied natural gas. Some environmentalists, however contend that this could only delay the state's transition to renewable energy sources. Solar installation companies also don't appear to like HECO's new plan and have laid the blame for the slow pace of solar hook-ups to the grid on HECO dragging its feet getting on board with solar investments and making it a serious corporate commitment.

In the end, it is commendable that HECO's goal is to be utilizing 65% of renewable energy by 2030. As of 2013, they had achieved 18% - though their original goal in 2008 was just 40% by 2030. The bottom line is that the HECO proposal is just a proposal, albeit over 2,000 pages long and will be/could be a turning point in our energy future. To date, the PUC has not placed it on the docket and no hearings have been scheduled. **I encourage all who have or don't have solar to take part in this dialogue between HECO and the Public Utilities Commission.** For some it may be the last chance to awaken HECO before they seriously consider exiting the grid. (See my Op-ed of March 24, 2014, (http://houseminority.wordpress.com/2014/03/24/its-time-for-hawaii-to-consider-replacing-monopoly-power-grid/?preview=true&preview_id=5118&preview_nonce=43f26688d6) comparing HECO to IBM when it substituted the mainframe for the personal computer to survive.). The Public Utilities Commission is currently soliciting public comments on these plans through October 6, 2014 and I strongly encourage everyone to let the PUC know what you think of HECO's plans. See http://puc.hawaii.gov/wp-content/uploads/2014/09/2014.09.15_Hawaii_PUC_Invites_Public_Comment_on_HECO_Action_Plans.pdf to submit comments.

CONSTITUENT CORNER

LUXURY CONDO MORPHS INTO LUXURY RENTALS

For over a decade, Hawaii Kai residents have watched many proposals rise and fall at the corner of Hawaii Kai Drive and Keahole Street. We've wondered what would be built, when it would be built, or if it should be built at all, (including yours truly).



A new proposal has just been unveiled by Korean developer, Hanwha Engineering & Construction and appears to be on a fast track according to its local development agent, Avalon Development. **The repeatedly stalled development project is said to have all of its permits in line and will start construction next month as a rental apartment complex and has a new name; "7000 Hawaii Kai Drive."** The project will have 269 two and three-bedroom units with rents projected to be \$2,200 to \$3,700 a month and an additional 54 affordable housing units for households earning 80% of median income in Honolulu. The affordable units will rent for \$1,820 for a two-bedroom unit or \$2,682 for a three-bedroom unit.

According to Avalon, the footprint of the project will be about half the size of the prior development and will feature more open space, lawns and outdoor landscaping, however the height of the project will remain at 90 feet tall. Avalon says the theme of the development is family-orientation including a library and acoustical room. Another feature is its orientation to pets; **one of the two residential buildings is designated for families with pets, and the other is not, and a pet bathing/grooming area is located on the premises.**

Hawaiian Dredging Construction Co. hopes to complete the project by the summer of 2016 but the question is, what is going to be the impact of this high density development on the community? Avalon has all the sewage, transportation, and traffic studies completed and is ready to break ground. Is the community ready for this project? **Avalon will be making a presentation at the upcoming Hawaii Kai Neighborhood Board meeting, September 30th, 7:00pm at Hahaione Elementary School. All systems are "go" except for your community input. Come and make your views be known and have your questions answered.**

KA IWI WATCH UPDATE:

- No Permits Filed -



As of September 26th, 2014, **no application has been filed** for development on the Ka Iwi coast, according to the City & County of Honolulu's Department of Planning and Permitting.

GREAT LAWN UPDATE:

- Shopping Center on Hold -



As of September 26th, 2014, no movement has been made by KS/BE regarding their proposal for the development of a shopping center on the Great Lawn.

BRING YOUR QUESTIONS AND CONCERNS TO THE SUMMIT(S)!

Monthly "Summits" are held at Koko Marina Shopping Center the first Tuesday or the first Thursday of every month.



COFFEE SUMMIT - Tuesday, October 7, 2014 - 5:30-7:30 p.m. at Zippys (inside far right corner)



BEER SUMMIT - Thursday, October 2, 2014 - 5:30-7:30 p.m. - Kona Brewing Co.

Featuring:

**Hakim Ouansafi:
Dir. of Hawaii Public Housing
Authority
To speak on Hawaii Public
Housing & Homelessness**



HIGHWAY PAVING PROGRESS

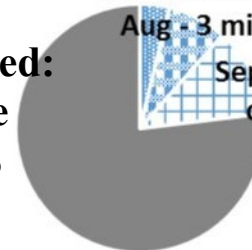
KALANIANA'OLE REPAVING CHART

Jul - 1.2 miles completed

Aug - 3 miles completed

Sept - 4.2 miles completed

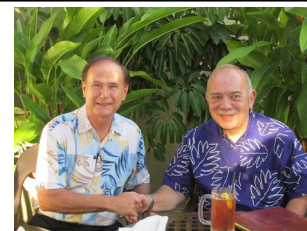
**Paving Completed:
8.4 of 21 Lane
Miles or 38%**



Time Elapsed: 3 of 20 Months or 15%

HAWAIIAN SOVEREIGNTY HISTORY FROM GOVERNOR WAIHEE!

Governor John Waihee brought the Hawaiian Sovereignty movement into perspective with an informative lesson at the September Beer Summit. Those in attendance learned lessons about Hawaiian history and asked questions of the former Governor and author of legislation that created the Office of Hawaiian Affairs. He now heads up the Native Hawaiian Roll Commission and spoke very eloquently for 2 hours on a subject most people should know more about as Hawaiian history is being made now on what form of sovereignty will emerge in the not too distant constitutional convention. Stay tuned for more Hawaiian history from OHA and former Governor Waihee in the 2015 Legislative Session. Thank you, Governor!



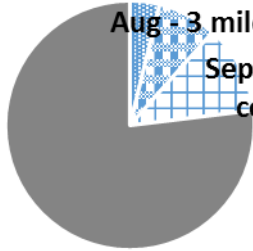
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completed



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Jul - 1.2 miles completed

Aug - 3 miles completed

Sept - 4.2 miles of 21

miles completed

