



## ***State Energy Office***

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**FOR IMMEDIATE RELEASE**

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### **DBEDT APPLAUDS PUC'S APPROVAL OF GREEN ENERGY MARKET SECURITIZATION PROGRAM**

HONOLULU — The Department of Business Economic Development and Tourism welcomed the Hawaii Public Utilities Commission's approval of DBEDT's innovative Green Energy Market Securitization (GEMS) program, which will provide low-cost capital to finance solar photovoltaic systems and other clean energy improvements for Hawaii consumers who have had difficulty obtaining financing for such projects. GEMS will advance Hawaii's clean energy goals by expanding access to clean energy for historically underserved groups such as nonprofits, renters and homeowners who can't afford the upfront installation costs.

The PUC Tuesday approved a program order providing parameters for how the funds will be deployed to help Hawaii consumers. The order follows the PUC's earlier approval of a GEMS financing order that cleared the way for the state to issue \$150 million in bonds to support the program. DBEDT plans to issue the bonds by November and make the first clean energy loans by the end of the year. Hawaii is the first state in the nation to use this type of financing structure to help consumers pay for clean energy installations.

The GEMS program initially will focus on investments in solar photovoltaic systems and other technologies that support PV interconnection, such as energy storage, advanced inverters and monitoring devices.

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Other proposed clean energy projects will be evaluated on a case-by-case basis through a process being established by the program.

“GEMS levels the playing field for ratepayers by broadening the benefits of clean energy to folks who were previously unable to get financing for PV and other improvements,” said Gov. Abercrombie, who proposed the program in his 2013 State of the State Address and signed it into law a year later. “GEMS will provide underserved consumers with clean energy financing that will result in electricity bill savings on day one, with no money down.”

“The GEMS program uses a market-driven approach to reduce costs for financing clean energy installations by minimizing overhead expenses and taking advantage of economies of scale,” said Richard Lim DBEDT director. “GEMS, which is designed to be self-sustaining, will compliment Hawaii’s portfolio of clean energy support programs and help the state reduce its dependence on imported fossil fuel.”

Mark Glick, State Energy Office administrator, noted that while the PV market in Hawaii has expanded rapidly in recent years the benefits of solar energy remain out of reach for many residents. “The GEMS program provides a clear opportunity to fill that market gap,” Glick said. “GEMS funds can be used alone or in combination with private capital to provide financing to these consumers through our deployment partners, such as solar financiers, local financial institutions and national energy lenders.”

PV industry leaders also applauded the PUC’s ruling. “We are very pleased to see the program move forward to make funds available for PV installations and other grid-enabling technology,” said Leslie Cole-Brooks, executive director of the Hawaii Solar Energy Association. “The strength of the program is that it provides financing for those consumers who have traditionally been underserved. Given the backlog of utility customers waiting to hook up their PV systems it’s encouraging to see the development of a resource that could be used to mitigate grid saturation issues.”

A Green Infrastructure Fee, which was previously approved by the PUC, will be used to secure the bonds to ensure they achieve the highest possible credit rating. The fee will be offset by a reduction in the Public Benefits Fee that is currently on electric bills, resulting in little or no impact to the vast majority of ratepayers.

*The **Hawaii State Energy Office** is leading the state's charge toward clean energy independence. With a goal to meet and exceed Hawaii's 70 percent clean energy targets by 2030, the State Energy Office is committed to developing and deploying high impact solutions that will maximize Hawaii's renewable energy resources and improve efficiency and transportation standards. Through effective policies and innovative programs, the State Energy Office has positioned Hawaii as a leading proving ground for clean energy innovation, which will generate quality jobs, attract investment opportunities and accelerate economic growth. The State Energy Office is a division of the state's Department of Business, Economic Development and Tourism. For more information, visit [www.energy.hawaii.gov](http://www.energy.hawaii.gov).*

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