

INFRASTRUCTURE MANAGEMENT COMMITTEE
Council of the County of Maui

MINUTES

September 12, 2011

Council Chamber, 8th floor

CONVENE: 9:03 a.m.

PRESENT: VOTING MEMBERS:

Councilmember Elle Cochran, Chair
Councilmember Michael P. Victorino, Vice-Chair (in 9:04 a.m.)
Councilmember Robert Carroll
Councilmember Donald G. Couch, Jr.
Councilmember G. Riki Hokama

NON-VOTING MEMBERS:

Councilmember Gladys C. Baisa

EXCUSED: VOTING MEMBERS:

Councilmember Danny A. Mateo
Councilmember Joseph Pontanilla

STAFF:

Scott Jensen, Legislative Analyst
Yvette Bouthillier, Committee Secretary

ADMIN.:

David C. Goode, Director, Department of Public Works
Michael J. Hopper, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS:

Dan Takahata, Engineering Manager, Maui Electric Company, Ltd.
Darren Olaso, Supervisor, Maui Electric Company, Ltd.
Others (3)

PRESS:

Akaku: Maui Community Television, Inc.

CHAIR COCHRAN: . . .(*gavel*). . . Good morning. The meeting of the Infrastructure Management Committee will now come to order today, Monday, September 12, 2011 and it's about 9:03 a.m. Thank you everyone for being here and just before we begin, please silence your cell phones or any other noise-making devices, please. And let me introduce who is in attendance, right now, I have Mr. Bob Carroll.

COUNCILMEMBER CARROLL: Good morning, Chair.

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CHAIR COCHRAN: Good morning. And Donald Couch.

COUNCILMEMBER COUCH: Good morning, Chair.

CHAIR COCHRAN: Mr. Riki Hokama.

COUNCILMEMBER HOKAMA: Good morning.

CHAIR COCHRAN: And a also wonderful non-voting Member, Ms. Gladys Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR COCHRAN: Good morning. People excused this morning will be our Council Chair Danny Mateo, Council Vice-Chair Joe Pontanilla, and Committee Vice-Chair Michael Victorino. We have in Administration David Goode, Department of Public Works. Good morning, Mr. Goode. Michael Hopper, Deputy, Deputy Corporation Counsel. And also my ever supportive Committee Staff Members, Legislative Analyst, Scott Jensen, and Committee Secretary, Yvette Bouthillier. Good morning. Oh, let me notate that our Committee Vice-Chair is entering the Chambers, Mr. Victorino, good morning.

VICE-CHAIR VICTORINO: Good morning, Madam Chair.

CHAIR COCHRAN: And at this point, public testimonies will be taken in a few moments. If anyone is here to sign up, it's up at the desk in the front lobby and at this. . .and please keep testimony to the item on the agenda today. And the, the testifiers are given three minutes plus one minute to conclude. Members, at this point, I shall open the floor for testimony, but I see our Staff out in the lobby saying there aren't any people. So, if, if you don't mind, I guess, at this point I shall close today's meeting for testimony.

COUNCIL MEMBERS: No objections.

CHAIR COCHRAN: Thank you, Members. With that then I will go ahead and let's proceed. Today, Members, we have just one, a single item on the agenda. It is IM-30. It relates to the proposed bill pertaining to Electric Vehicle Meter Installation. IM-30 is the bill introduced by Ms. Baisa, and would allow, by permit, one additional electric watt-hour meter to be installed at a legal dwelling unit to serve as a charging meter for an electric vehicle.

At this point, I will be recessing. We have Mr. Darren Olaso--is it?--from Maui Electric Company and Dan Takahata, Engineering Manager, from Maui Electric Company who will be doing the PowerPoint presentation for us to introduce us to

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this subject matter today. And so I'll call a brief recess to set up the Chamber for his presentation. . . .(*gavel*). . .

RECESS: 9:05 a.m.
RECONVENE: 9:08 a.m.

ITEM NO. 30: ELECTRIC VEHICLE METER INSTALLATION
(C.C. No. 11 206)

CHAIR COCHRAN: . . .(*gavel*). . . The Infrastructure. . .Infrastructure Committee will now return to order and proceed with Mr. Takahata's presentation. . . .(*pause*). . . Thank you, Mr. Takahata.

MR. TAKAHATA: (PowerPoint presentation) Good morning.

CHAIR COCHRAN: Good morning.

MR. TAKAHATA: Good morning, Chair and Council Members. My name is Dan Takahata and I'm the Engineering Manager for Maui Electric Company. I will go over Maui Electric's Electric Vehicle EV Pilot Rates Program.

The duration of this program is for three years. It started on October 1, 2010 and it goes to September the 30, 2013. The program capacity for Oahu is 1,000 customers and for the Maui. . .for Maui County and the Big Island of Hawaii, it is 300 customers. These rates are intended for customers who charge highway-capable, four-wheeled electric vehicles, capable of going over 25 miles per hour. Enrollment into this EV rate program is optional for customers who own electric vehicles. The requirement to enroll in this program is for customers to complete the Maui Electric EV enrollment form, which can be found at the MECO website and for the customer to provide a copy of their vehicle registration. Also, if the vehicle registration is not available, a copy of the temporary vehicle registration may be submitted. Also there is no cost to the customer to sign up for this program.

Now I would, I would like to go over three rates that are available to our customers. The first rate is called the Residential Time-of-Use (TOU) EV rate. This, this rate allows customers to use one meter for their residence to serve the entire load including the electrical vehicle load. This rate has three periods as shown on the table.

The first period is the off-peak period, which is where the customer can get the most savings in their electric bill. The weekday and weekend period is from

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9:00 p.m. to 7:00 a.m. and for Maui the rate will be at eight cents below typical rates. For Molokai, it will be ten cents below and for Lanai, it will be eight cents below.

The second period which is, which is called the mid-peak period is where the customer will be charged a slightly higher rate from 7:00 a.m. to 5:00 p.m. for weekdays and 7:00 a.m. to 9:00 p.m. for weekends. So for Maui, the rate is three cents above typical rates. For Molokai, it is five cents above and for Lanai, it is three cents above.

The last period, which is called the priority peak period, is where customers will be charged the highest rate from 5:00 p.m. to 9:00 p.m. for weekdays only. For Maui, the rate will be six cents above the typical rate. For Molokai, it will be eight cents above and for Lanai, it will be six cents above.

The next rate is the Residential EV-R rate. This rate requires a separate, separate meter to be installed in addition to an existing meter. This option is currently not available in Maui County. This rate has two periods as shown on the table.

The first period is the off-peak period, which is similar to the Time-of-Use EV rate. The weekday and weekend period is from 9:00 p.m. to 7:00 a.m. For Maui, the rates are eight to nine cents below typical rates. For Molokai, it is ten to 12 cents below. For Lanai, it is eight to nine cents below.

The on-peak period is from 7:00 a.m. to 9:00 p.m. for weekdays and weekends. For Maui, the rate, it will be two to four cents above typical rates. For Molokai, it will be four to five cents above and for Lanai, it will be two to four cents above.

The third rate we have is the Commercial EV-C rate. This rate requires a separate meter to be installed in addition to an existing meter. This rate has two periods, as shown on the table.

The first period. . .first period is the off-peak period, which is similar to the earlier two rates, EV-R and the Time-of-Use rate. The weekday and weekend period is from 9:00 p.m. to 7:00 a.m. For Maui, the rates will be nine cents below typical rates. For Molokai, it'll be seven cents. . .17 cents below and for Lanai, it'll be ten cents below.

The on-peak period is from 7:00 a.m. to 9:00 p.m. for the weekday and weekend. For all three islands, the rates will be two cents above typical rates.

This slideshow is an update to our current program. We have had 16 inquiries as of September the 9th, 2011 since the program started in 2010. We currently have eight customers in this program who are all on Maui and they are all on the

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Residential Time-of-Use EV rate. And all of our customers. . .current customers own Nissan Leafs.

So granting of this second residential meter for this new meter amendment will first allow customers to enroll in the scheduled EV-R rate. And secondly, it will provide residential customers with an option to have a separate meter to be used only for the charging of their electric vehicle.

So, in conclusion, you can find additional information on the Maui Electric EV Pilot Rate Program at our Maui Electric website at www.mauielectric.com. Click on the “Renewable Energy” tab and click on the “Electric Vehicles” link. Mahalo for your time.

CHAIR COCHRAN: Thank you very much, Mr. Takahata. And right now I’ll call another brief recess so that we can raise the screen and prepare the Chambers once again for our meeting. . . .(gavel). . .

RECESS: 9:15 a.m.
RECONVENE: 9:17: a.m.

CHAIR COCHRAN: . . .(gavel). . . The Infrastructure Management Committee meeting, Monday, September 12, 2011, will now reconvene. And I just wanna thank Mr. Takahata for his presentation. Right now I would like to turn the floor over to the Council member who had actually introduced this item to Committee and that would be Councilmember, Ms. Baisa.

COUNCILMEMBER BAISA: Thank you. Thank you very much, Chair. I’d like to thank you for putting this on the agenda, ’cause it is a matter that while it may seem like a very small thing, it’s an important part as we try to increase our alternative energy and also to lessen our dependence on foreign oil.

The reason this came about was I got a call from a constituent who apparently has one of these Nissan Leafs, and he was kind of concerned because he had contacted the electric company to find out how he couldn’t get. . .how he could take advantage of this EV-R rate that apparently is very attractive. And he was told that he would need a second meter in order to do it and that presently Maui did not have a law to allow it. And so, I called the energy person for the County, Mr. Doug McLeod, and he researched it and helped me develop the bill. And so this is why we’re here. I also had the opportunity to meet with Maui Electric. I met with Mr. Reinhardt and his staff, and they also were very satisfied with the draft bill, and we got it through Corp. Counsel. And that is what before. . .what is before us today. This is to try to help people who buy an energy-saving vehicle to take advantage of the economic benefits. And we understand that, you know, this may be small but it will encourage people that are thinking of buying a hybrid car

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or a car that operates on, on something besides gas to go ahead and do it because there will be some economic benefit to doing it. So, that's what's before your Committee today. And I'd like to thank Committee once again for the opportunity to be here today as I am not a voting Member of the Committee. Thank you.

CHAIR COCHRAN: Thank you, Ms. Baisa. And I'd like to now turn the floor over to our Department of Public Works, Director Goode, for any comments that he might have. Mr. Goode?

MR. GOODE: Thank you, Madam Chair. Good morning, Members. The Department, if you've read our recent correspondence, is in support of the bill. As background, currently if you have a, a legally constructed dwelling on Maui you're only allowed one meter, that's in our Electrical Code. That's probably a pretty old stipulation and it came about mainly 'cause at one point there was a lot of illegal dwellings that had additional meters. And so that's been the lay of the land for many years, and now if someone wants to come in and have this separate meter for an electrical vehicle, it's, it's in direct conflict with our codes and hence the need to change the code. If it gets implemented we would work with Maui Electric to monitor, to make sure that it isn't abused by having that lower-priced energy may be used elsewhere. And we'd also work with Maui Electric to make sure that the. . .they still have an electric vehicle, et cetera. So, the details on how that would work out, we would. . .we'd work it out.

And then finally the last thing I'd like to add is not necessarily relating to the bill but pretty close enough that I think I can talk about it is that we don't get gas tax, okay. Electric vehicles when they charge through Maui Electric are not paying our vehicle gas tax that you would pay at the pump. And so, while we do receive franchise tax revenue from Maui Electric, I think, it's a percentage of revenues. If you look at it, it's not even close to what the gas tax would provide. So, I've been talking to Kal Kobayashi about this. I guess the State Legislature had looked at this, this last session and didn't act on it. Other states are looking at it too and there's no real conclusive way on how to handle this, but if we imagine also in our tow vehicles out there that are electrical are 5 or 10 or 15 percent of the fleet, we gonna have. . .we're going to continue to have less and less gas tax unless we figure out a way to deal with that. So, I'm just bringing it up for the Members, a thought process maybe as we head into budget next year. But we're in support of the, the legislation, and we look forward to working with Maui Electric and the electrical vehicle owners to get these, you know, second meters installed.

CHAIR COCHRAN: Thank you, Mr. Goode. And at this point, I'll go ahead and turn the floor over to Maui Electric Company. We have Mr. Takahata, Engineering Manager, and also Darren Olaso--is it sir --

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UNIDENTIFIED SPEAKER: Yes.

CHAIR COCHRAN: --Supervisor for Maui Electric Company. So, gentlemen, if there's any comments that you might want to have.

MR. TAKAHATA: Well, we at Maui Electric support this amendment. It just gives the customer an option to, you know, choose this EV-R rate and instead of the Time-of-Use rate, you know. But ultimately the customer would have to make a decision on what rate is best for him. You know, he would have to decide, because that Time-of-Use rate, it's pretty much like you would have to change your lifestyle from using things like from 7:00 to 9:00 p.m. to like 9:00 p.m. to 7:00 a.m. to take, really take advantage of the, the rate schedule. So, yeah, we support this amendment going forward.

CHAIR COCHRAN: Thank you, Mr. Takahata. Any further comments from Maui Electric Company? Seeing none, thank you. Yes.

COUNCILMEMBER HOKAMA: May, may I request your consideration if we can just maybe for the . . .when you allow the Members to start questioning if we can focus on one component. So, if it's Public Works first, let's deal with Public Works. And then when you want to hit the utility, let's focus on the utility, instead of going back and forth.

CHAIR COCHRAN: Okay. I'll go ahead and now open the floor for discussion or comments. Yes, Mister...

COUNCILMEMBER HOKAMA: May, may I ask my questions regarding just the Department first, please, Chair?

CHAIR COCHRAN: Okay, sure.

COUNCILMEMBER HOKAMA: Thank you. Director Goode, I noticed that in, in your comments, there was no discussions about whether or not this would be part of an additional meter fee. Is there going to be a permit and fee application, such as we have for other electrical components? And if that is the case, there's also additions regarding, let's see, when you de-energize, we would need a electrical inspector to confirm the de-energized socket meter socket. So, that's a lot of overhead cost to the County. So, are you going to propose a rate structure or some kind of fee structure to compensate the cost that it's going to take the County to help implement this program?

MR. GOODE: Okay. Madam Chair and Mr. Hokama, there's a few places here where we get involved. First, the initial installation is going to require the customer to re-route their electrical service and they'll have to get an electrical permit. So,

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there'll be a permit from us applied for, the fees paid accordingly. And a customer may have to spend, you know, plus or minus a thousand dollars to put this new meter in. And, of course, you know, I'm sure Maui Electric would have a meter charge associated with their normal meter charges.

Currently, we don't, as far as I know, have a, a fee related to going out to check to see if the meter socket has been removed, and it's something we can certainly look at for the next budget session.

COUNCILMEMBER HOKAMA: Would it be easier to just take a written verification from the utility itself? Do you believe it, it is necessary --

MR. GOODE: Yeah, if...

COUNCILMEMBER HOKAMA: --to send our inspector or do you believe the utility when they--what's the right word again?--de-energize the meter, that their written verification of them completing that de-energization--gosh, we make up a lot of new words, don't we?--that, that would be sufficient for the County's purposes?

MR. GOODE: It probably would be. I don't know enough about the specifics, able to know that there. . .if there's a possible hazard there, depending on how it's wired and if there's a master fuse, if you will. So, I think, at this point, you know, I'd work with my staff and Maui Electric after the meeting to see if we need to do that. But if it just requires a verification from Maui Electric and that's good enough, there's no hazard, I'm sure that would be great with us.

COUNCILMEMBER HOKAMA: Okay. And while the utility mentioned...oh, last question for. . .at this time Chair and then I'm happy to relinquish the floor.

CHAIR COCHRAN: That's fine.

COUNCILMEMBER HOKAMA: You know, the, the utility was kind enough, they gave us some comments about residential and commercial uses. I noticed we missing the governmental sector and the governmental purposes. So, is there something we should also include since my understanding is there are State statute parameters or specifics that may...maybe we need to also...conform to? Is this something the County is aware and working toward regarding this particular area?

MR. GOODE: That's a good question. I think our limitation on the one meter is only for dwellings, for residences. Oftentimes commercial buildings have more than one meter. So, I don't think that will be an issue in any commercial building and, I think commercial includes everything that's not residential.

COUNCILMEMBER HOKAMA: So, that would include the County of Maui?

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MR. GOODE: Yeah, including us, yeah.

COUNCILMEMBER HOKAMA: Okay. I thank you for your response. Chair, thank you.

CHAIR COCHRAN: Okay, thank you, Mr. Hokama and, and Director. Any further questions for Director Goode at this point? Seeing none, thank you. Oh, yes, Mr. Couch?

COUNCILMEMBER COUCH: Thank you. Mr. Goode, you had mentioned something about when they de-energize that you have to go check and make sure it's wired correctly or whatnot. Could. . .couldn't that be done at the beginning and maybe a small fee at the beginning to tack on so that when, when this gets de-energized-- 'cause it eventually will--couldn't you just put that fee upfront so everything's taken cared of upfront? Because I would imagine that or, or, or is it your experience that people go in and, and mess with the meters at, at the meter level after it's been inspected going in?

MR. GOODE: I, I think, you know, the, the time and cost to go and see if everything has been de-energized is minimal. I mean you look at our electrical fees and, you know, for small stuff it's minimal. I think we could look at having a fee that would include a initial installation of the, the device, and include in that, you know, just a few bucks or whatever to come back later and check it out. You know, we're talking about a really, really small amount of money and so far very few applications.

COUNCILMEMBER COUCH: Okay, thank you.

MR. GOODE: It would cost more money for us to process all the paperwork and get a bill done hundred times over what we'll then get back in fees.

CHAIR COCHRAN: Thank you, Mr. Couch. Yes, Mr. Victorino?

VICE-CHAIR VICTORINO: Thank you. Mr. Goode, you had mentioned earlier that you wouldn't get "the gas tax", but we have another alternative energy methodology here on the island that we don't get gas tax. Is that correct?

MR. GOODE: I'm sorry. I don't understand your question. We have another methodology?

VICE-CHAIR VICTORINO: Yeah, we have another form of fuel that doesn't have gas tax attached to it.

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MR. GOODE: Sure biodiesel is my understanding doesn't have that as well.

VICE-CHAIR VICTORINO: . . .*(Inaudible)*. . . because you were saying that, oh, we have another one at this point that we have allowed for many years to exist without any gas tax. So, I mean, you made the point of it so I just wanted to make sure it's clear that when that's not the only alternative form of fuel that is not being charged by the gas tax. So, if we were to make sure this one was done then we would also, I think, at that point make sure all, and that's something maybe budgetary we have to start discussing is what form because they still use the roads.

UNIDENTIFIED SPEAKER: Yes.

VICE-CHAIR VICTORINO: You know, it's not a difference, right?

MR. GOODE: It's the same. We should charge them same, same, fair, fair.

VICE-CHAIR VICTORINO: Yeah, so, you know, I think, even that's, that's what, you know, since you brought that subject up I thought it would be connected to, to the subject matter at hand. Thank you, Madam Chair.

CHAIR COCHRAN: Thank you, Mr. Victorino. Yes, Mr. Couch?

COUNCILMEMBER COUCH: And I'm not sure if this is for Mr. Goode or the, or the company, but this, this socket, is it just a regular socket that somebody could use after the fact if they decide not to tell us that their electrical vehicle is gone, or is there a special, only one type plug that they can't use it for anything else?

MR. GOODE: I think it's the meter socket so the actual meter is put in there, screwed in, but at this point I'm going to turn it over to the guys that really know.

COUNCILMEMBER COUCH: Okay, I, yeah, when, when we get to them, then I'll ask that one.

CHAIR COCHRAN: Okay. Any further questions for Director Goode in Public Works at this point? No. Okay, thank you, Director Goode. We'll now turn the floor over then for questions and comments from Maui Electric Company. And Mr. Couch?

COUNCILMEMBER COUCH: Okay, might as well just to follow up on that one. When you have the second meter, is there a whole bunch of different wiring for just the vehicle and is it a special type of socket or outlet for the vehicle or can that. . .can they use that socket for anything else?

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MR. TAKAHATA: Well it is, it is like a typical residential meter socket. So, if someone were to. . .they would be able to use it for something else. But for this purpose as far as, you know, for the electric vehicle they would have to, I believe, put in a charger, you know, that's like a 220 volt charger. So, I believe, it's like a special connection, yeah.

COUNCILMEMBER COUCH: Right, so there's from the meter to a, a box, a circuit breaker box, and then to this charger. If they were akamai enough they could come off this circuit breaker box and do their housing. Is that correct?

MR. TAKAHATA: Yeah, that's correct.

COUNCILMEMBER COUCH: Okay, along those lines then, you have these peak and off-peak numbers especially in the, the two meter charging rate. Why are you punishing them for, for charging during on peak, when if they didn't have this special meter and didn't pay the extra thousand dollars to get the meter and didn't pay all this other things to get their charging station, they could just do it on peak at regular rates?

MR. TAKAHATA: Yeah, that's true. You know, they don't have to go to this rate. They can stay with the typical residential rate. And this is like, I guess, more a change on philosophy or when you wanna charge your vehicle, you know, you want to do it during off-peak...you can get the most advantage out of it, yeah, 9:00 p.m. to 7:00 a.m.

COUNCILMEMBER COUCH: Okay, so it's more of an incentive to do the off-peak?

MR. TAKAHATA: Yeah.

COUNCILMEMBER COUCH: An extra incentive because if you do on peak time it's gonna actually cost you more?

MR. TAKAHATA: Right, right.

COUNCILMEMBER COUCH: Okay, thank you.

CHAIR COCHRAN: Thank you, Mr. Couch. Yes, Mr. Hokama?

COUNCILMEMBER HOKAMA: Mr. Takahata, it's interesting that, you know, I hope you guys would have put the actual number like --

MR. TAKAHATA: Oh.

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COUNCILMEMBER HOKAMA: --dollar some...dollar so and so. And I say that because we are aware that your utility is going before the PUC for a rate increase. And so for me, I'm trying to see what is to the...what is proposed, the differences, if, if you can appreciate my position. But one thing that is interesting is because I see our two sister islands in similarities. Why is Lanai and Molokai such a discrepancy in, in, in the rate adjustments, please? Is there a reason why Molokai gets for some things five, seven cents more than Lanai versus and then we all...we have the Maui same, same proposal?

MR. TAKAHATA: I'm not quite too sure about that. I know for Maui the, you know, the customer base is bigger, so. I'm not quite too sure how they formulated these rate schedules but, you know, we can get back to you on that.

COUNCILMEMBER HOKAMA: I would appreciate it 'cause --

MR. TAKAHATA: Okay.

COUNCILMEMBER HOKAMA: --of course I would like Lanai to have the preferred Molokai rates.

MR. TAKAHATA: Okay.

ALL: ...*(laughter)*...

MR. TAKAHATA: Sure.

COUNCILMEMBER HOKAMA: I mean, if you can. Yeah, and again, if what some of you...your earlier comments is because of the base, then, you know, we're the smallest base.

MR. TAKAHATA: Right.

COUNCILMEMBER HOKAMA: And so I would think we would get the bigger...you know, difference in, in the proposed rates for this EV consideration this morning. Does the utility, and I brought up with Mr. Goode, Director Goode, you know, some of the, the concerns or deadlines, I believe, that the State statute had. Does the utility have concerns or issues about meeting certain deadlines to help implement programs such as this proposal this morning?

MR. TAKAHATA: The only statute I can think of is the EV charging station, I guess, so, for so many parking lots, yeah, you have to install one charger. So, you know, currently at MECO we only have two charging stations at our Kahului office. But, yeah, we're aware of it, but I guess, we're trying to figure out how to meet those requirements also.

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COUNCILMEMBER HOKAMA: So, if there is, as Ms. Baisa shared with us, you know, there's, there's an EV car here that...and we know the County has one downstairs. If they went up to your building, pay a bill, they hooked up, and started charging for three hours at your place, that would be a benefit given from MECO to that customer to do free charging for three hours?

MR. TAKAHATA: Well currently what I understand is that it's not really...not yet for public use. And I believe that the way that it was initially set up was you would get like a charge card or something that you can use, you, you buy so many dollars or something, then you can use that card when you use that charging station.

COUNCILMEMBER HOKAMA: Okay, so for, to help make this work there seems to be some infrastructural requirements that must be put also in place, Chair, to help make this work for, for...I mean, you know, the resident may choose to charge while they shopping at a mall or something or what have you, so. How far do you feel we, we need to look in the future to get this infrastructure squared away to make this program work well? We're about 12 months away? Six months away? Two years away? What, what does the utility believe to make this successful, be able to have a good chance of success?

MR. TAKAHATA: I would think would be like about a year away or so. I know there's similar initiatives, you know, several companies that are tasked to install EV chargers in our County. and I believe, you know, MCC [*sic*] has a initiative also for EV chargers. So, so, with that hopefully, you know, we can meet some of these requirements.

COUNCILMEMBER HOKAMA: Okay, well, I thank you for your responses. Thank you so much.

CHAIR COCHRAN: Thank you, Mr. Hokama. And any...Mr. Couch?

COUNCILMEMBER COUCH: Yeah, I'm assuming by the way that they...somebody would have this...use this second meter, you could probably tell that if they started charging the rest of their...I mean wiring the rest of their residential stuff. Because it's only on this meter that they get the, the reduction in rates, right?

MR. TAKAHATA: Right, right.

COUNCILMEMBER COUCH: Okay. Or if...you know, there's a usual pattern that they plug it in at night, it charges for three hours or however long it takes. If that pattern gets changed a lot, are you anticipating going out and double-checking to make sure that they still have the electric vehicle and that they aren't using the,

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the power. I mean it's your, it's your power so, I guess, you can do it whatever way you want, but are you having some ways to, to make sure that it's just for...electrical vehicles? And the only reason I ask this because the, the whole reason we have it where you're only allowed one electric meter per legal dwelling is to prevent illegal, you know, sub..sub-metering of electrical charges.

MR. TAKAHATA: Right. I would think, well, we would have to come up with a plan probably to, you know, periodically check these EV meters, you know, as far as the usage. If some things is not, you know, is more than their typical consumption, we will be able to investigate and, you know, check to see if, if they are actually using it for something else. So, you know, it's still early on, you know, we can probably come out with a program to . . .(inaudible). . . or check people's meter usage.

COUNCILMEMBER COUCH: Okay.

CHAIR COCHRAN: Yeah. Thank you, Mr. Couch. Any further questions for Maui Electric Company? So, other. . .I have questions, sir. Is Oahu County already involved on this program?

MR. TAKAHATA: Yes, their. . .I believe the bill that's been amended. . .or drafted is pretty similar to the Oahu ordinance.

CHAIR COCHRAN: And if, if you know, if you can answer, any kinks and things going on with them or is it a smooth. . .smoothly operating at this point?

MR. TAKAHATA: I'm not too sure. I don't know if David or, you know, your department has heard anything about the, the program itself.

CHAIR COCHRAN: No, okay. I, I was just curious to see, you know, they've already implemented and how are they getting along with the, with the program. And it. . .I was just curious just going back to Mr. Goode's comment about no gas tax 'cause, of course, that helps to pave our roads and keep that infrastructure up and going. If there's a way. . .if Maui Electric Company, you know, because the, the utility is going more towards you now versus gas, if there's sort of a kickback or some type of percentage that, that is going to be brought down to help, you know, address the, the, the less money coming in from gas versus electric into our road infrastructure type thing. So, I don't know if that was some type of discussion that'd be going on between our Department of Public Works and yourselves or that would be on the table, if, if you know that was thought about. Yeah.

MR. TAKAHATA: Oh, no, that hasn't, you know, been brought up to the electric company.

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CHAIR COCHRAN: Oh, okay, thank you. Yes, Mr. Hokama?

COUNCILMEMBER HOKAMA: Is there a provision for violation of this provisions or this consideration, which is this additional watt hour meter already in place? And, I guess, this would be either for Mr. Hopper or Mr. Goode. Or do we need to consider language as part of this proposal regarding a penalties provision if you violate the provisions of this proposal?

MR. HOPPER: Madam Chair, this is under the Electrical Code, so any, any other violations. . .this would just be considered a violation of the Electrical Code that would be handled in the, you know, typical manner. It's subject to the basically, the, the basic enforcement section which is 19.530 of the County Code, which involves the notice of violation process, fining process, and variances are handled the same way, Board of Variances and Appeals, and so that wouldn't change. If you wanted to look at some specific type of enforcement or special language, you could consider that but, you know, the Electrical Code has enforcement provisions that apply generally and those would apply to this section as well.

COUNCILMEMBER HOKAMA: So, at this point, just for our, the Committee's understanding, a general violation, it would be considered a misdemeanor in this area, wouldn't be a violation?

MR. HOPPER: Well the. . .it would be a civil violation. If you look at the Electrical Code, Section 16.18B.1000, Violations, Penalties, and Enforcement, it says, penalty, violations of this chapter shall be subject to Sections 19.530.020 and 030, Maui County Code. I think 020 is criminal enforcement although I'm not sure if I've ever seen criminal enforcement for an electrical violation though, I think, it's possible. I believe 030 is the civil enforcement section which allows for a fine up to \$1,000 per violation and an appeal, and then it doesn't restrict the County from instituting legal proceedings like getting an injunction or something along that, along that nature. And I think Public Works Department handles electrical violations. It would be similar to Building Code violations as well.

COUNCILMEMBER HOKAMA: I appreciate it 'cause, you know, for me I don't have a. . .I will. . .I can support Ms. Baisa's proposal and I don't have a problem with some incentives or some inducements for the users, but I definitely will go after the abusers and I want heavy penalties for abusers. Thank you, Chair.

CHAIR COCHRAN: Thank you, Mr. Hokama. Members, further comments? Yes, Mr. Couch?

COUNCILMEMBER COUCH: Thank you. And I. . .Mr. Hokama echoes my sentiments as well. Any thoughts of. . .I know you're talking about a smart meter project elsewhere making new smart meters so that we, we can determine how

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much they use and there...therefore we can do our "gas tax" on that not, not looking for ways to, you know, find other ways to tax people. But we do need to make up for the use, for the loss of the, the revenues and the uses on roads, because these vehicles typically are heavier and more wear and tear. So, first of all, are you considering that? And second to Corp. Counsel, are we allowed to do some sort of fee on that based on miles driven or wattage used, something like that?

MR. TAKAHATA: Okay, currently the smart meters I guess...they weren't intended. . .well, you know, because they are electronic type meters we can pull data from it, you know, as far as the usage and time-of-use.

COUNCILMEMBER COUCH: Oh, okay.

MR. TAKAHATA: But as far as, you know, incorporate it in some kind of study or, you know, fuel tax, you know, that wasn't considered or brought up to us before. So, you know, we would have to take a look at it, you know.

COUNCILMEMBER COUCH: Would you be willing to share that information with the Finance Department or something like that?

MR. TAKAHATA: Yeah, I would think we would be able to. I just, you know, just want to make sure we can give out that type of information.

COUNCILMEMBER COUCH: And, Mr. Hopper, I guess, the question is, you know, we're only allowed to do certain things with fees and taxes. Would we be able to do something in this manner?

MR. HOPPER: Madam Chair, we would. . .I'd need to take a look at that. That's a bit out of my immediate expertise. I know the County can only tax for very specific reasons, and we would need to look at that, look at what kind of tax you'd have in mind. If there's other communities that have adopted similar taxation realizing that that there would be a loss in the revenue from the gas tax, we could look at that as well, but I know the County is pretty strict on what it can tax for. And I, I don't, I don't think that would be considered a fee 'cause a fee is to reimburse the County for the cost it takes the County to do something unless you're looking at kind of a traffic impact fee, which is a whole separate issue. So, I mean you can probably look at a variety of, of options, you know, 'cause you're talking about money to build roads based on the users of the road and the impact they have. So, I'm not sure if the way to do it is, is through here or through, you know, a different type of impact fee. That can be considered. I just don't have the answer for you offhand.

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COUNCILMEMBER COUCH: Okay, thanks. I guess, Madam Chair, if we could do a formal request to either Finance or have Corp. Counsel first, I guess, to see if there's some way we could deal with the loss of revenue there. And I would imagine that we can determine essential miles per hour that they charge as how many miles that they use on the road, and then we can come up with some sort of number with the help of the Budget and Finance Committee to, to charge, because, again, they're using the roads and not yet --

CHAIR COCHRAN: Right.

COUNCILMEMBER COUCH: --not paying.

CHAIR COCHRAN: Yes, Director Goode?

MR. GOODE: Thank you, Madam Chair. I'm certainly not an expert in this either but my research has shown just real quickly from Kal Kobayashi is that it's all being taken up at the State level. So, Oregon, Washington, and Hawaii, just to name a few, and there's other states. So, it seems to have...the states need to have...provide some kind of enabling legislation to allow the counties or the cities to enact whatever you need to enact. So, I think, the first question, if you're going to send it, something to Corp. Counsel is hey, do we need enabling legislation? Is that something we here maybe through HSAC, you know, can support, get going? Or, and what...if, if not, is there something that we can do without enabling legislation? So, again, the research shows just it seems to be dealt with at the state level first.

CHAIR COCHRAN: Thank you, Director.

COUNCILMEMBER COUCH: I guess that would be my, my request then if we can get a formal request to the Corp. Counsel to say a, do we need enabling legislation? If not, can we go ahead with what we've got now?

CHAIR COCHRAN: Yeah, I agree that, that's a good, good plan. Thank you. Members, any further questions or comments for Director or Maui Electric Company?

UNIDENTIFIED SPEAKER: Recommendation.

CHAIR COCHRAN: Seeing none, at this place, I just wanna make a comment that I, I too want to get a little bit more information in regards to what Mr. Hokama mentioned about the dollar amounts per se. As a non...a non-customer of Maui Electric Company myself, I really don't know what electric rates are. I, I have solar and what have you, so I'm off the grid. Sorry, I'm not one of your customers. And so that would be...and then how costs have been formulated

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exactly because yeah, there is a large discrepancy between Lanai and Molokai, so that would be very, very helpful to this Committee, I believe.

COUNCILMEMBER HOKAMA: Chair?

CHAIR COCHRAN: Yes.

COUNCILMEMBER HOKAMA: May I ask the utility that one question with. . .*(inaudible)*. . .

CHAIR COCHRAN: Sure.

COUNCILMEMBER HOKAMA: Mr. Takahata, these rate proposals or, or considerations for residential, has that already gone before the. . .does it need to go before the PUC for some approval processing? And if it does, has it already been submitted to the PUC for consideration, please?

MR. TAKAHATA: Yes, well this rate program is already have. . .has been approved by the PUC, you know, effective October 1, 2010. Yeah.

COUNCILMEMBER HOKAMA: And so the, the difference between Molokai and Lanai has already been decided on?

MR. TAKAHATA: Yes.

COUNCILMEMBER HOKAMA: Thank you so much. Chair, I would appreciate if we could get some information on how that was decided upon or by. . .I mean, if we're being viewed as part of the Maui island clientele base and that's how they came, came up with the same numbers for Maui and Lanai to be similar at, at least I can understand. I mean I may not agree but at least I can try and understand how they arrived at their decision. And yet Molokai is still given a preferential rate compared to Lanai. So, I just trying to understand the logic and processing on how they arrived at these conclusions. Thank you.

CHAIR COCHRAN: Right. Thank you, Mr. Hokama. Yes, point well taken. And also in comment to Mr. Couch's comments, you know, in regards to the people trying for cockroach the electric where not supposed to type of thing. I was. . .that's important also and having strict penalties for that. I, I do know that people who do like indoor growing, all of a sudden their electric spike, and that has brought, you know, enforcement down on them because it was noticeable that way. So, perhaps, you know, things like that will, will be addressed. But, thank you, Director, and thank you, Maui Electric Company, for being here.

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And right now I . . .the Chair will entertain a motion to recommend passage of the proposed bill on first reading and filing of the County Communication.

VICE-CHAIR VICTORINO: Madam Chair, I move that we bring forth this bill. . .I'm sorry. . .IM-30, Electric Vehicle Meter Installation.

CHAIR COCHRAN: Thank you. It's been moved by Mr. Victorino --

COUNCILMEMBER COUCH: Second.

CHAIR COCHRAN: --and seconded by Mr. Couch. And I will now call for the vote. All those in favor, say aye.

COUNCIL MEMBERS: Aye.

CHAIR COCHRAN: Any opposed, say no--

COUNCILMEMBER HOKAMA: No.

CHAIR COCHRAN: I have. . .1, 2, 3. . .4 ayes and --

MS. BOUTHILLIER: Five.

CHAIR COCHRAN: --5 ayes and one no. Mr. Hokama, one. . .

COUNCILMEMBER COUCH: No, there's one no.

CHAIR COCHRAN: Sorry, Mr. Hokama. . .so 4 ayes, 1 no and 2 excused. Motion does pass. Thank you.

VOTE: AYES: Chair Cochran, Vice-Chair Victorino, and Councilmembers Carroll, and Couch.

NOES: Councilmember Hokama

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Mateo and Pontanilla.

MOTION CARRIED.

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ACTION: FIRST READING of bill; and FILING of communication.

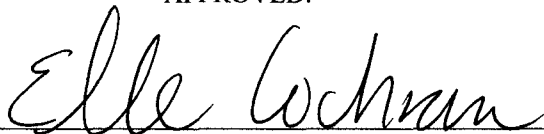
CHAIR COCHRAN: Thank you, Members. And again, thank you, gentlemen, and the . . .with no further comments at this point. . .yes, Ms. Baisa.

COUNCILMEMBER BAISA: Yes, Chair, I'd like to again thank you and thank my colleagues for the time and attention to this matter. It's very important that we do these things correctly. So, I'd like to thank everybody very much.

CHAIR COCHRAN: And thank you. Okay, Members, at this point seeing no discussion, the Infrastructure Management Committee meeting is now adjourned. . . .(gavel) . . .

ADJOURN: 9:54 a.m.

APPROVED:



ELLE COCHRAN, Chair
Infrastructure Management Committee

im:min:110912:daf

Transcribed by: Delfey Fernandez

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CERTIFICATE

I, Delfey Fernandez, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED this 3rd day of October 2011, in Wailuku, Hawaii.


Delfey Fernandez