STAND. COM. REP. NO. 1316

Honolulu, Hawaii

March 20, 2007

RE: S.B. No. 993

S.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred S.B. No. 993, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON THE ISLAND OF OAHU,"

begs leave to report as follows:

The purpose of this bill is to authorize the issuance of special purpose revenue bonds.

More specifically, the Department of Budget and Finance is authorized to issue up to \$20,000,000 in special purpose revenue bonds for this project to assist Honolulu Seawater Air Conditioning, LLC with the costs of design and development of a seawater air conditioning project on the island of Oahu.

Your Committee received testimony in support of the measure from the Hawaii Energy Policy Forum at the University of Hawaii at Manoa, Honolulu Seawater Air Conditioning, LLC, and KUD International, LLC.

Your Committee finds that Hawaii is dependent on fossil fuel imports to generate energy necessary for projects such as air conditioning. In addition, your Committee finds that support for the development of renewable energy systems is in the public interest.

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Your Committee finds that the development of a deep seawater air conditioning facility and distribution system in downtown Honolulu is a major step in the development of a renewable energy resource system.

Your Committee further finds that a seawater air conditioning system provides many advantages, such as a greatly reduced use of harmful chemicals, energy savings of seventy per cent compared to conventional air conditioning, and lower operating and maintenance costs than individual building air conditioning systems, and will eliminate the need for up to 0.63 kilowatts of electricity generation capacity for each ton of cooling capacity.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 993, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

HERMINA MORITA, Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: SB 993 SD 1	Date: 3	Date: 3/15/07			
Committee Referral: EEP, FIN /	☐ The comr	☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended	☐ Pas	☐ Pass, with amendments			
☐ Hold		Pass, with amendments, for recommittal for further consideration			
EEP Members	Ayes	Ayes (WR)	Nays	Excused	
1. MORITA, Hermina M. (C)	V ,				
2. CARROLL, Mele (VC)	√				
3. CHONG, Pono	V /				
4. ITO, Ken	/ ,		- La construcción de la construc		
5. MAGAOAY, Michael Y.	-				
6. SAGUM, Roland D., III	/				
7. SAIKI, Scott K.	V				
8. THIELEN, Cynthia				V	
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TOTAL	1			1	
The recommendation is: Adopted					
☐ Not Adopted					
If joint referral, did not support recommendation.					
committee acronym(s)					
Vice Chair's or designee's signature:					
Mele Carroll					
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office					