

Summary of Proposed Bill
Relating to Energy

HB 2811

Bill Summary

The proposed bill makes an appropriation in an amount to be determined by the Legislature to support the research program outlined in Act 253 of 2007, which seeks to:

- (1) Develop renewable sources of energy in coordination with state agencies, federal agencies, and private entities;
- (2) Conduct research and development of renewable energy sources;
- (3) Demonstrate and deploy efficient energy end-use technologies, and
- (4) Aggressively seek matching funding from federal agencies and private entities for its activities.

Goal

This bill will facilitate a robust R&D program at the University of Hawaii to harness the state's unique renewable energy resources. The program will emphasize the reduction of feedstock costs and the development of a culture of public-private R&D collaboration in the state more generally.

Key Facts

- Hawaii's tropical climate is ideal for the sustainable production of a wide range of 2nd generation cellulosic biofuels feedstocks as well as algae
- Primary need is to lower feedstock production costs
- Mainland universities are increasingly creating similar dedicated research initiatives for R&D of local renewable resources
- State university expertise and resources are leveraged; private sector and federal contributions to program budgets often outweigh state funding

Cost Estimates

A survey of several dedicated renewable energy research initiatives at state universities in Iowa, Minnesota, Colorado, Kentucky, and Montana revealed:

- **State funding:** \$50,000 to \$1.25m per year
- **Federal and private sector funding:** \$100,000 to \$9m per year

Example: The Kentucky Rural Energy Consortium is funded by a \$295,000 special fund established by the state General Assembly, \$2m in grants from the Department of Energy Biomass Program, and unspecified private funding.