

HB2047, HD2

TESTIMONY

DAVID Y. IGE  
GOVERNOR



Testimony by:  
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IN REPLY REFER TO:

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

March 18, 2016  
9:45 a.m.  
State Capitol, Room 229

**H.B. 2047, H.D. 2  
RELATING TO HAWAII COMMUNITY DEVELOPMENT**

Senate Committees on Transportation and Energy &  
Commerce, Consumer Protection and Health

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The Department of Transportation (DOT) **strongly supports** H.B. 2047, H.D. 2 to complete the Kalaeloa Energy Corridor Project.

DOT's Kalaeloa Airport suffers numerous electrical outages due to the lack of maintenance and improvements of the Navy's deteriorating electrical system.

The DOT currently pays \$.372 per kwh for Kalaeloa Airport and \$.21per kwh for Honolulu International Airport. This difference of \$.162 per kwh would equate to a monthly savings for the Kalaeloa Airport of \$9,688 and an annual savings of \$116,251.

In order to manage and maintain safe air transportation, the DOT seeks the completion of this project to provide the Kalaeloa district reliable energy now and into the future.

Thank you for the opportunity to provide testimony.



HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY



KAKA  
KALAELOA

David Y. Ige  
Governor

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## STATEMENT OF

AEDWARD LOS BANOS, INTERIM EXECUTIVE DIRECTOR  
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE

SENATE COMMITTEES ON TRANSPORTATION AND ENERGY  
AND  
COMMERCE, CONSUMER PROTECTION, AND HEALTH

ON

FRIDAY, MARCH 18, 2016

9:45 A.M.

State Capitol, Conference Room 229

in consideration of

### **HB 2047 HD2 – RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

**Purpose:** Requires HCDA to undertake and complete the Kalaeloa Energy Corridor project. Requires reports to the Legislature.

**Position:** The Hawaii Community Development Authority (HCDA) requested \$6 million dollars from the State Legislature to fund the Kalaeloa Energy Corridor Project, as we recognize its importance to providing reliable energy to the Kalaeloa Community Development District. The district currently suffers numerous electrical outages, putting a strain on area businesses and government resources, such as the FBI building, Army National Guard, and Kalaeloa Airport.

The HCDA supports the intent of the bill, however, we request that an appropriation be made to cover the full \$6 million dollar project cost, should our CIP request fail to be approved. HB 1700 was recently amended to only fulfill half of our CIP request, or \$3 million dollars. This funding is insufficient for the completion of the Kalaeloa Energy Corridor project.

Consideration for funding is consistent with Standing Committee Report No. 331-16 from the Committee on Consumer Protection & Commerce, however, the HCDA notes that H.B. 2047, H.D. 2 did not insert an appropriation section.

The HCDA supports the flexibility provided for in H.B. 2047, H.D. 2 to meet the electrical standards set forth by the Hawaiian Electric Company (HECO) as conditions may change to accommodate unforeseen circumstances, as construction commences.

For Section 2, the HCDA recommends the following changes to the enumerated specifications to read as follows:

- (1) Utility ductlines shall run along lower Fort Barrette Road and Enterprise Avenue from Kapolei Parkway to Midway Road.
- (2) Utility ductlines shall be constructed in accordance with applicable specifications of the public utility companies.
- (3) Utility ductlines shall be constructed to accommodate future service connections from adjacent properties.
- (4) Location of the utility ductlines within the rights-of-way shall be coordinated with the Navy, public utility companies, State of Hawaii Department of Transportation and City and County of Honolulu, as applicable.

The HCDA's recommended specifications are consistent with the current scope of the project as refined with project stakeholders, including HECO and accomplishes the following:

- (1) Removes technical specifications for flexibility to meet utility standards and adapt to unforeseen conditions/circumstances.
- (2) Recognizes additional parties that the HCDA must coordinate with on the project beyond the Navy relative to the rights-of-way.
- (3) Recognizes that metering and connection fees to the new energy corridor as the responsibility of the landowner, not the State of Hawaii.

Thank you for the opportunity to provide our comments on this measure.





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March 18, 2016

Senator Lorraine Inouye, Chair  
Senator Mike Gabbard, Vice Chair  
Senate Committee on Transportation and Energy

Senator Rosalyn Baker, Chair  
Senator Michelle Kidani, Vice Chair  
Senate Committee on Commerce, Consumer Protection and Health

**RE: HB 2047 HD2 - Relating to the Hawaii Community Development Authority–  
IN STRONG SUPPORT  
Conference room 229; 9:45 AM**

Aloha Chairs Inouye and Baker, Vice Chairs Gabbard and Kidani and Members of the Committees,

Thank you for the opportunity to testify in strong support of HB 2047 HD2, which requires the HCDA to undertake and complete the Kalaeloa Energy Corridor Project.

Hunt Companies ("Hunt") is working with government, business and community partners to revitalize Kalaeloa. It is now a growing job center and Hunt has more than 40 tenants in the revitalized property. Currently, businesses in the area experience periodic electrical outages which have an adverse impact on their operations. Kalaeloa's existing infrastructure challenges date back to its days after it was decommissioned by the Navy. The Energy Corridor Project is crucial to helping these businesses thrive and the energy upgrade project will also help spur economic growth in the area.

We ask for your favorable consideration of this measure. Thank you.

Steven W. Colón  
President – Hawaii Division