

ACT 222

S.B. NO. 1611

A Bill for an Act Relating to Energy.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that it is in the public interest to encourage the development of nonfossil fuel projects that make electric energy available to members of the general public by its sale to an electric utility serving the public. The legislature further finds that the Wailuku River Hydroelectric Power Company, Inc., a Hawaii corporation, is engaged in the development of a hydroelectric power plant project that will sell the electric energy it produces to the Hawaii Electric Light Company, Inc.

The legislature further finds that the Wailuku River Hydroelectric Power Company, Inc. may be assisted through the issuance of special purpose revenue bonds because it is an industrial enterprise pursuant to part V, chapter 39A, Hawaii Revised Statutes.

The legislature finds and declares that the issuance of special purpose revenue bonds under this part is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue in one or more series special purpose revenue bonds in a total amount not to exceed \$18,000,000, for the purpose of assisting the Wailuku River Hydroelectric Power Company, Inc., or a partnership in which the Wailuku River Hydroelectric Power Company, Inc., is a general partner, for the establishment of a hydroelectric power plant and related facilities. The electrical output of this plant and facilities shall be made available for use by members of the general public by sale to the Hawaii Electric Light Company, Inc. The legislature finds and determines that the activity and facilities of the Wailuku River Hydroelectric Power Company, Inc. constitute a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

PART II

SECTION 3. The legislature finds that Hawaii is almost totally reliant on imported oil for its energy supply. Over a billion dollars is depleted from Hawaii's economy for oil and petroleum product payments.

The legislature finds that the State of Hawaii has a rich renewable energy source in geothermal energy. The legislature further finds that the establishment of a geothermal industry would contribute significantly to Hawaii's energy self-sufficiency, and to a transition from oil-based systems to alternate sources of electrical energy.

The construction and installation of geothermal projects are an integral activity in achieving energy self-sufficiency. The legislature finds that geothermal facilities constitute a project as defined in chapter 39A, part V, Hawaii Revised Statutes.

The legislature finds and declares that the issuance of special purpose revenue bonds under this part is in the public interest and for the public health, safety, and general welfare of the State.

SECTION 4. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$7,500,000, in one or more series for the purpose of assisting Puna Geothermal Venture in financing the geothermal energy projects in Puna, Hawaii; provided that the facilities to be financed shall meet with the approval of the State of Hawaii and the County of Hawaii.

PART III

SECTION 5. The special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

SECTION 6. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 1995.

SECTION 7. This Act shall take effect upon its approval.
(Approved June 25, 1990.)