

JAN 25 2006

A BILL FOR AN ACT

RELATING TO THE DISPOSITION OF REAL PROPERTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that seawater air
2 conditioning district cooling systems provide many public
3 benefits including the:
- 4 (1) Large-scale use of an abundant, indigenous renewable
5 energy resource, namely deep, cold seawater;
 - 6 (2) Reduction of air conditioning energy use by
7 seventy-five per cent or more;
 - 8 (3) Reduction of imported fossil fuels;
 - 9 (4) Reduction of the air and water pollution that is
10 associated with the use of fossil fuels in the
11 generation of electricity;
 - 12 (5) Reduction of potable water use and of sewage that will
13 result from the elimination of cooling towers; and
 - 14 (6) Stimulation of economic development during the
15 construction and operation of the seawater air
16 conditioning system.
- 17 It also helps state and county governments, as well as the
18 federal government, reach energy policy goals and mandates.



1 Currently, easements that are required for chilled water
2 and seawater distribution systems for seawater air conditioning
3 district cooling systems can only be obtained by public auction.
4 Seawater air conditioning developers must conduct extensive and
5 costly preliminary work to identify, evaluate, and obtain
6 easements for chilled water and seawater distribution systems.
7 It would be beneficial for them to have a more expeditious and
8 cost-effective way to obtain a necessary easement.

9 In 2002, the legislature authorized the board of land and
10 natural resources to lease public land to renewable energy
11 producers through direct negotiation that previously could only
12 be leased through public auction. This was in response to the
13 fact that potential lease applicants were reluctant to expend
14 their resources on a costly process that did not necessarily
15 result in a lease, and the legislature wanted to encourage the
16 development of renewable energy products to reduce the State's
17 dependency on fossil fuels.

18 Accordingly, the legislature finds that a seawater air
19 conditioning system developer should be allowed to obtain an
20 easement without public auction.

21 The purpose of this Act is to allow each county to grant,
22 sell or otherwise dispose of easements for chilled water and



Report Title:

Counties; Disposition of Real Property

SB. NO. 3168

Description:

Allows each county to grant, sell or otherwise dispose of easements for chilled water and seawater distribution systems for renewable energy seawater air conditioning district cooling systems by negotiation without public auction.

