

STAND. COM. REP. NO.

1160

Honolulu, Hawaii

MAR 22 2007

RE: H.B. No. 334
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred H.B. No. 334, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SOPOGY INC., IN THE DEVELOPMENT OF RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of \$10,000,000 in special purpose revenue bonds to assist Sopogy, Inc. with the planning, design, construction, equipping, and operation of a solar farm power plant at the Natural Energy Laboratory of Hawaii to produce electricity from solar power.

Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism; Sopogy, Inc.; Hawaii Renewable Energy Alliance; and Hawaii Energy Policy Forum. Comments were submitted by the Natural Energy Laboratory of Hawaii Authority.

Your Committee finds that the development of clean electricity from a renewable and abundant resource, the sun, at a price lower than the market price and independent from oil price fluctuations is in the best interest of the public. Sopogy, Inc. specializes in the development, manufacture, and distribution of its proprietary concentrated solar power systems that generate electricity. The construction of a solar farm power plant would



demonstrate how electricity could be produced by using solar power systems.

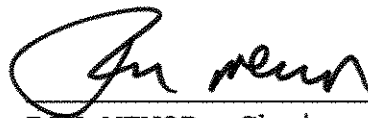
Your Committee further finds that Sopogy, Inc. is an industrial enterprise, meeting the qualifications for special purpose revenue bond assistance. The special purpose revenue bonds authorized under this measure will provide low interest rate bond financing for the construction of a solar farm power plant.

The intent of your Committee is to authorize the issuance of \$10,000,000 in special purpose revenue bonds to assist Sopogy, Inc. with the planning, design, construction, equipping, and operation of a solar farm power plant, limited to the site of the Natural Energy Laboratory of Hawaii or other suitable sites to produce electricity from solar power.

Your Committee has amended this measure by inserting provisions of S.B. No. 597, S.D. 2, a similar measure that does not reference refunding special purpose revenue bonds for multi-project programs.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 334, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 334, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,



RON MENOR, Chair



