

STAND. COM. REP. NO.

1159

Honolulu, Hawaii

MAR 22 2007

RE: H.B. No. 870
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. 870, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON THE ISLAND OF OAHU,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds in a total amount not to exceed \$20,000,000 to assist Honolulu Seawater Air Conditioning, LLC, in the design and development of a seawater air conditioning project on the island of Oahu.

Your Committee received testimony in support of this measure from the Hawaii Renewable Energy Alliance, Hawaii Energy Policy Forum, Honolulu Seawater Air Conditioning, LLC, KUD International, LLC, and Hawaii Science & Technology Council in support of this measure.

Your Committee finds that the development of a deep seawater air conditioning facility and distribution system in downtown Honolulu is a major step in the development of a renewable energy system using the limitless resource of our deep state waters. Such a project could eliminate the need for up to 0.63 kilowatts of electricity generating capacity for each ton of cooling capacity. Further, this system will provide reduced and stable cooling costs and reduce the consumption of potable water and the



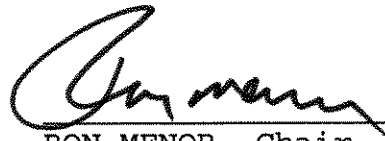
use of toxic chemicals. Your Committee finds that this project is in the public interest and for the public health, safety, and general welfare.

Your Committee has amended this measure by:

- (1) Revising the listing of seawater air conditioning systems benefits;
- (2) Deleting reference to refunding special purpose revenue bonds for multi-purpose programs; and
- (3) Making technical nonsubstantive changes for purposes of clarity and consistency.

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. 870, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 870, 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



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* HB 870 HD1	Committee Referral: ENE, WAM	Date: 3/15/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	✓			
HOOSER, Gary L. (VC)	✓			
IHARA, Jr., Les				✓
KOKUBUN, Russell S.				✓
TRIMBLE, Gordon	✓			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: <input checked="" type="checkbox"/> Original <input type="checkbox"/> Yellow <input type="checkbox"/> Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes