

STAND. COM. REP. NO. 1442

Honolulu, Hawaii

APR 03 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 Ways and Means, to which was referred H.B. No. 870, H.D. 1, S.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 support the development of renewable, efficient energy systems in the State.

Specifically, the measure authorizes 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 construction of a seawater air conditioning district cooling facility and chilled water distribution system in Honolulu using cold, deep seawater as the primary cooling source.

The Hawaii Energy Policy Forum of the University of Hawaii, the Hawaii Renewable Energy Alliance, the Hawaii Science & Technology Council, and Honolulu Seawater Air Conditioning, LLC submitted comments in support of this measure.

Your Committee finds that the development of a chilled water distribution system using seawater is not only economically feasible, but it would also offer operating, maintenance, financial, and environmental benefits. Using our virtually unlimited state waters as the primary cooling source, this measure



would provide a significant milestone in developing renewable energy in the State and reducing our reliance on imported oil.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 870, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



