

STAND. COM. REP. NO.

1316

Honolulu, Hawaii

March 20, 2007

RE: S.B. No. 993

S.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred S.B. No. 993, 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 bill is to authorize the issuance of special purpose revenue bonds.

More specifically, the Department of Budget and Finance is authorized to issue up to \$20,000,000 in special purpose revenue bonds for this project to assist Honolulu Seawater Air Conditioning, LLC with the costs of design and development of a seawater air conditioning project on the island of Oahu.

Your Committee received testimony in support of the measure from the Hawaii Energy Policy Forum at the University of Hawaii at Manoa, Honolulu Seawater Air Conditioning, LLC, and KUD International, LLC.

Your Committee finds that Hawaii is dependent on fossil fuel imports to generate energy necessary for projects such as air conditioning. In addition, your Committee finds that support for the development of renewable energy systems is in the public interest.

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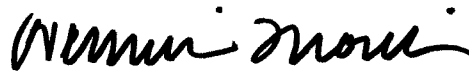


Your Committee finds that the development of a deep seawater air conditioning facility and distribution system in downtown Honolulu is a major step in the development of a renewable energy resource system.

Your Committee further finds that a seawater air conditioning system provides many advantages, such as a greatly reduced use of harmful chemicals, energy savings of seventy per cent compared to conventional air conditioning, and lower operating and maintenance costs than individual building air conditioning systems, and will eliminate the need for up to 0.63 kilowatts of electricity generation capacity for each ton of cooling capacity.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 993, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,



HERMINA MORITA, Chair



