

Honolulu, Hawaii

FEB 16 2007

RE: S.B. No. 597
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 S.B. No. 597 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 Enterprise Honolulu. 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.

Your Committee amended this measure to clarify that the project location should be located at the National Energy Laboratory of Hawaii or other suitable sites. This broader language will provide Sopogy, Inc. with the ability to construct up to ten megawatts of solar electricity at the most economical and advantageous location or locations in order to help meet Hawaii's clean energy demands.

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 at the Natural Energy Laboratory of Hawaii or other suitable sites to produce electricity from solar power.

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 S.B. No. 597, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 597, 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,

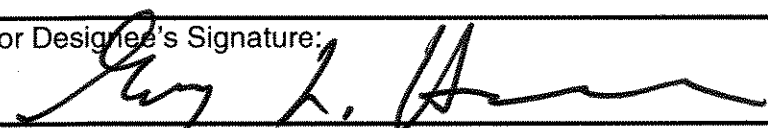


RON MENOR, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* SB 597	Committee Referral: ENE, WAM	Date: 2/13/07		
<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	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes