

EXHIBIT

3

Theodore E Liu/DBEDT

08/31/2006 09:57 AM

To Dawn Okuhama/DBEDT@DBEDT

cc

bcc

Subject Fw: Renewable Hydrogen Program

History:

This message has been forwarded.

please set up time and invite Maurice also. it's about hydrogen fund



Theodore E. Liu

Director

Dept. of Business Economic Development & Tourism

Phone: 808-586-2355

Fax: 808-586-2377

----- Forwarded by Theodore E Liu/DBEDT on 08/31/2006 09:55 AM -----



"Weinman, Barry"

<Weinman@allegiscapital.com>

08/30/2006 02:35 PM

To "Theodore E Liu" <TLiu@dbedt.hawaii.gov>

cc

Subject RE: Renewable Hydrogen Program

Ted ... I leave for China Sept 9-17 and then NY Sep 23-26th

I have time next week:

Monday after 11:30 – 5:30

Tuesday : 10-2

Wednesday 12-3

Thursday : 10-12

I have some thoughts on people and structure and will help if I can informally.

Barry Weinman

Chairman, DragonBridge Capital Merchant Bank

Managing Director, Allegis Capital

From: Theodore E Liu [mailto:TLiu@dbedt.hawaii.gov]

Sent: Wednesday, August 30, 2006 5:14 PM

To: Weinman, Barry

Subject: RE: Renewable Hydrogen Program

Barry,

If you have the time, I'd like to continue our conversation on this. Your thoughts below were welcome

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Exhibit 2

no info

and helpful.

Currently, we are targeting \$500,000 of the \$10M fund to contract with some one or some group to act as the "executive director" or "executive office" of the fund. This person or entity would do the planning, business development, develop partnerships, solicit proposals, use the technical expertise available (or paid) to scrub down any proposal that comes in, and makes a firm recommendation to a small board for projects to fund. We have a few wrinkles to work out, such as whether the small board makes the final decision or whether that needs to be the DBEDT Director. But in any case, the Director's is a up-or-down decision -- i.e., he does not pick between/among proposals.

The program may need to be "housed" within HSDC, but have its own processes and procedures.

I am very eager to kick-off this. The Gov. has just approved the transfer of the \$10M and I want to do more than collect interest thereon.

Would you have the time to meet?

Regards,

Ted



Theodore E. Liu

Director

Dept. of Business Economic Development & Tourism

Phone: 808-586-2355

Fax: 808-586-2377

"Weinman, Barry" <Weinman@allegiscapital.com>

08/11/2006 08:25 AM

To: "Theodore E Liu" <TLiu@dbedt.hawaii.gov>
cc

Subject: RE: Renewable Hydrogen Program

Ted ... This is a wonderful opportunity for Hawaii and has global potential. Congratulations to you for leading this effort.

Exhibit
010174

I am in contact with Joel Serface who has been working on California's initiative. Joel was a VC with Eastman Chemical, has worked with CALPERS & CALSTERS on the CleanTech initiative and hangs out in the Allegis Palo Alto office. I am trying to learn more about their structure and process.

I am a strong believer in the Executive Director model for these type programs---a single point of public/private contact that reports to a relatively small and active Board. I think the Board structure ---a subset of HSDC 2-4, and perhaps 2-4 from the purely private sector seems about right. Other interested agencies and constituents could have observer rights but my experience with big Boards is not good. I think people like Ron Higgins, Bob Clark, Richard Lim, maybe a VC from Hawaii or Kauai (Jim Lally on HI ---Kleiner Perkins, or Bill Davidow Kauai,---Mohr Davidow (CalTec Trustee) ---I could recommend half a dozen. This may not be PC but it is the right structure.

The Executive Director would run things day to day---work with companies like GE, VC firms like Technology Partners, Kleiner Perkins, National & State Government departments, etc. Maurice and other technical consultants would be used for technical due diligence but the Exec Dir would be a business person who could talk to legislatures, corporate types, investors, university researchers, local community leaders (especially the Hawaiian community), and future prospects for exporting and deploying the winning technology and programs. The type of attractive, articulate person that would do Hawaii proud.

The mission would be to assist many different renewable energy projects to get started in Hawaii and help with permitting, site selection, community relations, funding, etc. The goal would not be for government to pick the winners in advance but to let the ideas blossom and the market pick the winners.

Obviously you know more than I do about all this but I do know without a strong focused person, with broad support the potential will not be achieved. I don't know how to hire and pay such a person---it would be better if they are not a State employee, but I don't know the politics on this. I would do a local search---the person needs to really know Hawaii and its unique issues and I think a mainlander might know more about the business operations but could wind up Dobelle like. A business leadership background with government experience --- maybe both local and DC --- should be part of the criteria.

I think the \$10 million could be leveraged to over a \$100 million of investment and that the entity ought to get a fair amount of equity in each deal even if there is no cash investment. HiBEAM received 1-2% of each company for helping them navigate the business and financing maze. Now HiBEAM is self sufficient and no longer needs financial support from its membership.

Just to make clear my interest---I am here to support Governor & you and this program---from a background position. I have no time to play any other official or non-official role. I could help with the search, make some useful introductions but want to remain on the bench, not the field. Virginia has long ago filled out divorce papers---she almost filed them when DragonBridge closed---if I get involved it would be a no-brainer for her and I don't have the time or energy to find and work with any more lawyers.

Best

barry

From: Theodore E Liu [mailto:TLiu@dbedt.hawaii.gov]

EXHIBIT 00
010175

Sent: Thursday, August 10, 2006 11:44 AM
To: Weinman, Barry
Subject: Renewable Hydrogen Program

Please see below. Interested in our conversation yesterday. Please let me know your thoughts.



Theodore E. Liu

Director

Dept. of Business Economic Development & Tourism

Phone: 808-586-2355

Fax: 808-586-2377

010176
Exhibit 3d

Theodore E Liu/DBEDT

08/08/2006 09:40 AM

To Dawn Okuhama/DBEDT@DBEDT

cc

bcc

Subject Re: Fw: Hawaii Energy Initiative

I prefer to meet in person.



Theodore E. Liu

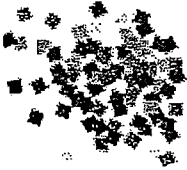
Director

Dept. of Business Economic Development & Tourism

Phone: 808-586-2355

Fax: 808-586-2377

Dawn Okuhama/DBEDT



Dawn Okuhama/DBEDT

08/08/2006 09:33 AM

To Theodore E Liu/DBEDT@DBEDT

cc

Subject Fw: Hawaii Energy Initiative

Ted --

Did you just want a phone call with Barry or have him come here?

Dawn M.T. Okuhama
Assistant to the Director
DBEDT
P.O. Box 2359
Honolulu, Hawaii, USA 96804
phone: 808-586-2355
fax: 808-586-2377

SCHEDULING NOTE: Please be advised that the Director's schedule may change unexpectedly. On those occasions, we will attempt to provide maximum notification and schedule alternate arrangements that accommodates everyone's schedule.

----- Forwarded by Dawn Okuhama/DBEDT on 08/08/2006 09:32 AM -----



"Weinman, Barry"

<Weinman@allegiscapital.
com>

08/07/2006 02:51 PM

To <DOkuhama@dbedt.hawaii.gov>

cc

Subject Re: Hawaii Energy Initiative

010177
EXHIBIT 30

My cell: 392-6975
If Ted prefers I can come by. My office is only 3 blocks away.

Sent without Spelcheka
Barry Weinman
Managing Director, Allegis Capital
Chairman, DragonBridge Merchant Bank

-----Original Message-----
From: Dawn Okuhama <DOkuhama@dbedt.hawaii.gov>
To: Weinman, Barry
Sent: Mon Aug 07 17:31:28 2006
Subject: Re: Hawaii Energy Initiative

Hi Barry,

Can we call you on Wednesday at 2:30? If so, what's the best number?

Thank you,
Dawn

Dawn M.T. Okuhama
Assistant to the Director
DBEDT
P.O. Box 2359
Honolulu, Hawaii, USA 96804
phone: 808-586-2355
fax: 808-586-2377

SCHEDULING NOTE: Please be advised that the Director's schedule may change unexpectedly. On those occasions, we will attempt to provide maximum notification and schedule alternate arrangements that accommodates everyone's schedule.

"Weinman, Barry" <Weinman@allegiscapital.com>

08/07/2006 02:25 PM

To <DOkuhama@dbedt.hawaii.gov>

cc

Subject Re: Hawaii Energy Initiative

010178
Exhibit 3f

Dawn... I am open 10:30 to 12 and after 2PM

I can't change the other meetings.

Sent without Spelcheka
Barry Weinman
Managing Director, Allegis Capital
Chairman, DragonBridge Merchant Bank

-----Original Message-----

From: Dawn Okuhama <DOkuhama@dbedt.hawaii.gov>
To: Weinman, Barry
Sent: Mon Aug 07 16:41:05 2006
Subject: Fw: Hawaii Energy Initiative

Hi Barry,

How does your Wednesday look?

Dawn

Dawn M.T. Okuhama
Assistant to the Director
DBEDT
P.O. Box 2359
Honolulu, Hawaii, USA 96804
phone: 808-586-2355
fax: 808-586-2377

SCHEDULING NOTE: Please be advised that the Director's schedule may change unexpectedly. On those occasions, we will attempt to provide maximum notification and schedule alternate arrangements that accommodates everyone's schedule.

----- Forwarded by Dawn Okuhama/DBEDT on 08/07/2006 01:38 PM -----

Theodore E Liu/DBEDT

08/07/2006 11:28 AM

To

Dawn.Okuhama/DBEDT@DBEDT

cc

Subject

Fw: Hawaii Energy Initiative

Let's find a time.

----- Forwarded by Theodore E Liu/DBEDT on 08/07/2006 11:26 AM -----

010179
Exhibit 39

"Weinman, Barry" <Weinman@allegiscapital.com>

08/07/2006 09:37 AM

To

"Theodore E Liu" <TLiu@dbedt.hawaii.gov>

cc

Subject

RE: Hawaii Energy Initiative

Ted ... sounds like a good start.

I am on the Allegis Capital Monday partners conf call until 10:30. I am then at my home office until 12:30 (737.2991) and then tied up most of the day. I am fully booked on Tuesday but am open on Thursday from 10-12 and after 2:30.

bw

From: Theodore E Liu [mailto:TLiu@dbedt.hawaii.gov]
Sent: Monday, August 07, 2006 12:21 PM
To: Weinman, Barry
Subject: Re: Hawaii Energy Initiative

Barry,

First off, thank you for seeing Chris and Ryan. They found the session with you incredibly helpful.

Your email is very timely; I was thinking of emailing you on the same topic.

I am responsible for the implementation of the Governor's energy package, as I was responsible for pulling it together and getting it through the legislature. Governor has said that the energy package is likely the most significant accomplishment of her 1st 4 years. Maurice Kaya, well respected nationally on energy matters, and his team support me on this. Governor has also assemble a cabinet-level group of directors (Lead-by-Example group) to support us on permitting, approvals, land-use, water allocation, and the other key issues.

As the result of this initiative, we are getting a significant amount of real inquiries and actual proposals. This is very fulfilling. I have a very professional and knowledgeable staff of energy industry analysts, led by Maurice Kaya. This team is recognized nationally by their peers as very competent in this area.

However, we need to come up with a better system for us to handle and be responsive to this level of interest.

010180
Exhibit 3h

Here is one thought, on which I would most appreciate your feedback:

We have a \$10 million fund that is intended as local "cost-match" for federal and other grants and as capital to seed IP and/or projects in Hawaii. This is not much, but a start.

The target of the fund is "renewables to hydrogen". Thus, we are not getting into a debate over the future of hydrogen. Our approach is to base any hydrogen development on the development of renewable energy technologies and projects in Hawaii (solar-to-hydrogen; geothermal to hydrogen; biofuels-to-hydrogen). This "no regrets" approach means that even if hydrogen does not develop into a viable alternative, our investment in renewable technologies will still pay-off for the state.

The fund is placed within Hawaii Strategic Development Corporation (HSDC). I would like to establish a subcommittee of the HSDC board to specifically to review, assess and make decisions on energy projects that are seeking funding or other support from the state (could be in the form of facilitating permitting and approvals, land-use, funding from HTDC SBIR, etc.). I note that many of the proposals will come from major corporations. We've already had several very productive meetings with General Electric Corporation and Chevron Renewable Technologies.

Subcommittees of the HSDC board can have outside members and these need not go through the entire Senate confirmation process and disclosure requirements do not apply. I envision a subcommittee of 5, with 2 from the HSDC board and 3 private sector members with experience in assessing business plans and proposals.

My staff will provide staffing and all technical and back-office assistance, as will several outside consultants we have hired (Hawaii Natural Energy Institute, Booz Allen and others). However, the decisions on what to fund, where to refer a project, etc., will be made by this subcommittee.

While this subcommittee may evolve into THE "point-of-contact" for energy project inquiries, proposals, and information, initially I expect it will be one of several points on contact as we develop the implementation plan.

I welcome your reaction to this idea, and to any you may have. Do you have a few minutes to discuss?

Thanks,

Ted

"Weinman, Barry" <Weinman@allegiscapital.com>

08/07/2006 07:28 AM

To

<tliu@dbedt.hawaii.gov>

cc

Subject

Hawaii Energy Initiative

010181

Exhibit 3i

Ted ... I have been approached informally by some of the energy VCs on the mainland about some of the alternate energy programs they have heard about in Hawaii.

One question they ask---who is the person in charge or the point person they can go to for information on opportunities. Is there such a person? I hope it is not you---this could become big for Hawaii over time and I have heard you have a full time job already. Also---these people tend to get turned off if their only interface is someone from government---present company excluded.

I wonder if there is someone like the woman who runs the Hawaii film Initiatives for alternative energy initiatives. I don't think much of Enterprise Honolulu and would never recommend them to anyone that I know. It would be cool to have a ----sorry for the terrible title---"Energy Tsar ". That person would have access to government and to industry and could facilitate investment and everything needed to get projects up and running. Is there anyone like that?

Hope Chris found our session worth while---we were a bit tough on him, but tried to be constructive....

Best

barry

Exhibit 37

PHONE CALL			
FOR	TEL	DATE	10/20 TIME 11:50 A.M.
M	AARON FUJIOKA		
OF	STATE PROCUREMENT		PHONED
PHONE	<input type="checkbox"/> FAX <input checked="" type="checkbox"/> MOBILE	7 4700	RETURNED YOUR CALL
MESSAGE	RE: H2 ENERGY CONTRACT	AREA CODE NUMBER EXTENSION	PLEASE CALL
	REF-07-11-SID		WILL CALL AGAIN
			CAME TO SEE YOU
			WANTS TO SEE YOU
SIGNED			TOPS FORM 4003

PHONE CALL			
FOR	TEL	DATE	8/30 TIME 5:21 A.M.
M	AARON FUJIOKA		
OF	PROCUREMENT OFC		PHONED
PHONE	<input type="checkbox"/> FAX <input checked="" type="checkbox"/> MOBILE	7 4700	RETURNED YOUR CALL
MESSAGE		AREA CODE NUMBER EXTENSION	PLEASE CALL
			WILL CALL AGAIN
			CAME TO SEE YOU
			WANTS TO SEE YOU
SIGNED			TOPS FORM 4003

PHONE CALL			
FOR	DAWN	DATE	7/9/18 TIME 8:14 A.M.
M	BARRY WYMAN		
OF			PHONED
PHONE	<input type="checkbox"/> FAX <input checked="" type="checkbox"/> MOBILE	392-6945	RETURNED YOUR CALL
MESSAGE	CAN MAKE 12PM MGT	AREA CODE NUMBER EXTENSION	PLEASE CALL
	THU. NO NEED TO PHONE IF OK		WILL CALL AGAIN
			CAME TO SEE YOU
			WANTS TO SEE YOU
SIGNED			TOPS FORM 4003

010268
Exhibit 3K