



BioEnergy Hawaii, LLC
New Ideas for Hawaii's Future

Hawaii State Senate
Regular Session of 2009
Energy & Environmental Committee (ENE)

March 17, 2009
3:00 p.m., Conference Room 225

HB No. 1628 HD1
RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY HAWAII, LLC.

Chair Senator Mike Gabbard, Vice – Chair Senator Kalani English and Senate Committee Members:

Good Afternoon. I am Guy Kaniho, General Manager of BioEnergy Hawaii, LLC. A Hawaii limited liability company which is owned and managed by Pacific Waste, Inc. a Hawaii corporation with its principal offices in Kailua-Kona, Hawaii.

Pacific Waste is the largest waste hauling and disposal company on the Big Island. Its sister company, Aloha Waste Systems, Inc. operates on the Island of Maui. Pacific Waste collects and disposes of nearly 200 tons of Municipal Solid Waste (“MSW”) everyday at the Pu’uanahulu landfill on the Island of Hawai’i.

BioEnergy Hawaii’s primary business is the design, construction and operation of one or more, municipal solid waste to energy facilities in the State of Hawaii, wherein refuse derived fuel, (“RDF”) is gasified in an advanced process for electrical generation to be distributed and sold into the electrical grid operated by the local utilities and / or to other users.



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In other words, in its initial facility, the BEH proposal is simply to take all the trash collected by Pacific Waste and others, including the County, in West Hawaii, sort it and put it into the gasifier which will turn it into fuel to power engines and produce electricity that can be sold to HELCO or other users.

The benefits of such a facility are numerous. First, it would produce electricity, perhaps as much as 10 megawatts, for use by individual residences and businesses using a renewable resource, trash. Such electrical power is produced without the use of fossil fuels thereby reducing the State's dependency on foreign oil.

It will also significantly reduce the amount of municipal solid waste flowing into the landfill thereby extending its life. This, in turn, will reduce the production of methane gas and subsurface leachate at the landfill, thereby improving air quality and our environment, our "Aina". Landfill space is a significant problem in our state and on the Island of Hawai'i in particular where the Hilo landfill is nearing closure. We simply do not have enough space to accommodate the MSW produced by residents, tourists, business and industry. This proposed waste to energy facility helps solve that problem by using the garbage as an energy source or feedstock.

At this time, it is BEH's intention to sequester carbon dioxide for the production of algae. Moreover, BEH is also committed to study the commercial viability of utilizing algae to produce biofuel to propel vehicles, power engines or for various other uses such as



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powering generators to produce more electricity and thereby further reducing our State's need for fossil fuels.

Our initial project has been presented to the Board of Directors of the Natural Energy Laboratory of Hawaii Authority ("NELHA") at Kailua-Kona on the Island of Hawaii and was given conceptual approval on May 27, 2008. We continue to work with the staff of NELHA to secure a sublease with terms and conditions beneficial to the state and commercially reasonable for BEH.

The approval of the legislation now pending before you will enable BEH to secure sufficient funds and make this initial facility a reality. I sincerely believe, as a lifelong resident, that this project will enhance both our economy and our environment. I urge you to support this bill.

I thank you for this opportunity to testify.