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Statement of
THEODORE E. LIU
Director

Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, March 17, 2009
8:30 a.m.

State Capitol, Conference Room 325

in consideration of
SB 868 SD2

RELATING TO ENERGY RESOURCES.

Bill No. 868

Support N

Date 3/16/09

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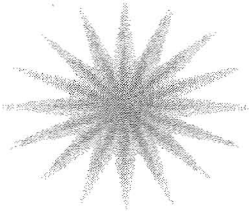
Chair Morita, Vice Chair Coffman, Members of the Committee
on Energy & Environmental Protection.

The Department of Business, Economic Development, and
Tourism (DBEDT) strongly supports SB 868 SD2, an Administration
bill which provides amendments to Chapter 196, Hawaii Revised
Statutes, to allow the Energy Resources Coordinator (DBEDT
Director) the statutory authority to better carry out its
legislatively-mandated role in governing energy resource
planning, as well as in preserving and ensuring Hawaii's energy
security.

SB 868 SD2's proposed amendments provide clarity on the
fundamental need to maintain the technical capability and
adequate capacity to quantitatively and qualitatively analyze,
develop, and coordinate energy planning and policy efforts

essential to support the Energy Resources Coordinator's role in planning for Hawaii's energy future and energy independence.

Thank you for the opportunity to testify.



Honolulu Seawater Air Conditioning, LLC

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Bill No. 868

Support Y N

Date 3/16/09

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Testimony on

S.B. NO. 868, S.D. 2 –

RELATING TO ENERGY RESOURCES

Before the
House Committee on Energy & Environmental Protection
Tuesday, March 17, 2009, 8:30 a.m., Conference Room 325

By

David Rezachek, Consultant
Honolulu Seawater Air Conditioning LLC

Good morning Chair Morita, Vice Chair Coffman, and members of the Committee. My name is David Rezachek and I am testifying on behalf of Honolulu Seawater Air Conditioning, LLC (HSWAC).

HSWAC **supports** S.B. 868, S.D. 2, which comprehensively address deficiencies in Hawaii's energy resources coordination statutes; however, **HSWAC respectfully requests that this committee amend the proposed definition of "energy resources."**

As part of an effort to address deficiencies, this bill identifies a need to "[u]pdate certain definitions for clarity and to take into account the changes in the State's energy resources, markets, and systems."

Section 3 of this bill provides a definition of "Energy:"

" 'Energy' means work or heat that is, or may be, produced from any fuel or source whatsoever."

Section 3 also amends the definition of "Energy resources." However, this amended definition is not consistent with the proposed definition of "energy," above. The proposed amended definition of energy resources does not consider thermal applications of various sources of energy. Such thermal applications include, but are not limited to renewable energy electricity displacement technologies.

Renewable energy electricity displacement technologies include solar water heating, seawater air conditioning district cooling systems, and solar air-conditioning.

Therefore in order to make the definition of "energy resources" more consistent with the proposed definition of "energy," HSWAC proposes the following amended definition (on page 11, line 4) for "energy resources:"

""Energy resources" means [~~and includes fossil fuel, nuclear, geothermal, solar, hydropower, wind, and other means of generating energy.~~] **fuels, whether liquid, solid, or gaseous, commercially usable for energy needs, power generation, and fuels manufacture, that may be manufactured, grown, produced, or imported into the State or that may be exported therefrom, including petroleum and petroleum products and gases, and all fossil fuel-based gases, coal tar, vegetable ferments, biomass, municipal solid waste, biofuels, hydrogen, agricultural products used as fuels and as feedstock to produce fuels, and all fuel alcohols.** Energy resources also includes all electrical **or thermal** energy produced by combustion of any fuel, or generated or produced using wind, the sun, geothermal, ocean water, falling water, currents, and waves, or any other source."

This simple change is highlighted in bold in the above amended definition.

Thank you for this opportunity to testify.