

CARBON BIO-ENGINEERS, INC.
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SB6-6659
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STATE SENATE – REGULAR SESSION 2010
COMMITTEE ON WAYS AND MEANS

February 22, 2010
10:10 AM, Conference Room 211

SB 2926, SD1 –RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS

Chair Sen. Donna Mercado Kim, V.C. Sen. Shan S. Tsutsui and Committee Members:

Good Morning. My name is Dante Carpenter, Secretary on the Board of Directors of Carbon Bio-Engineers, Inc. (CBEI). Carbon Bio-Engineers, Inc. strongly supports SB 2926, SD1 Relating to the issuance of Special Purpose Revenue Bonds to help develop and expand its operations statewide. (Companion is HB 2497). CBEI is a local Hawaiian company incorporated on October 23, 2009, to replace a previous similar enterprise which became a victim of a hostile takeover in August 2009.

CBEI has developed a hybrid gasification carbonization process which can reduce various organic feedstock and tires (non-fossil fuel) into carbon products and synthetic gas. The CBEI process has a minimal negligible effect on the environment by outperforming the minimum allowed for EPA's Emission Standards.

Moreover, the process epitomizes the Hawaiian Culture's respect for the 'aina and principles of caring for the land – Malama 'Aina – with one of the most sustainable and clean technologies available in the world today. This results in lessened dependency on fossil fuels, landfills, transportation and disposal costs, and can indirectly provide lower priced electrical energy to the grid via local distributed generation.

As previously stated, CBEI continues working directly with its associates and DHHL, to engage in essential projects on the Island of Hawaii. These projects will process a range of organic streams from biomass green-wastes to tires and macadamia nut shells, among others. CBEI principals and associates participated in early 2009 in "Ground Breaking Ceremonies" with other Hawaiian Organizations to process the invasive species, known as "gorse," to help clear thousands of acres of infested pasture land in the ahupua'a known as Humu'ula on Mauna Kea. Further, mobility and portability of the process facility equipment allows for maximum flexibility of operations with the least possible negative environmental impact(s) to the surrounding area(s) in which reduction of the various organic feedstock materials are being processed.

In addition to sales of electrical power to the local utilities, the use of thermal fluid output from the cogeneration facility would be utilized by existing and planned businesses for both manufacturing and processing enterprises with economic benefits to the surrounding community. Finally, the use of special purpose revenue bonds does comport with the provisions of Part V, Chapter 39A, HRS.

We strongly recommend passage of SB 2926, SD1.

Thank you very much for your consideration.