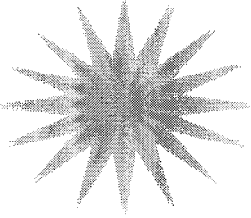


SB 391



Honolulu Seawater Air Conditioning, LLC

Affiliate of Renewable Energy Innovations, LLC, the COOL GREEN & CLEAN™ Company

7 Waterfront Plaza, Suite 407, 500 Ala Moana Boulevard, Honolulu HI 96813
Tel 808.531.7922 Fax 808.531.7923 www.honoluluswac.com

Testimony on

S.B. NO. 391 -

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON OAHU

Before the

Senate Committee on Energy and Environment
Tuesday, February 17, 2009, 2:45 p.m., Conference Room 225

By

Anders Rydaker
Honolulu Seawater Air Conditioning, LLC

Good morning Chair Gabbard, Vice Chair English, and members of the Committee. My name is Anders Rydaker and I am testifying on behalf of Honolulu Seawater Air Conditioning, LLC (HSWAC).

Honolulu Seawater Air Conditioning LLC (HSWAC) strongly supports S.B. 391, which authorizes the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, for the purpose of design and construction of a seawater air conditioning district cooling system in downtown Honolulu.

The legislature has previously authorized a total of \$100 million in SPRBs for this Project. This bill requests an additional \$30 million in SPRBs.

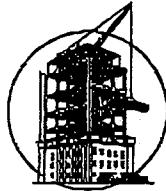
Cost increases for various systems components, findings during final design, and general inflation since 2003, have caused overall project costs to increase.

The balance of Downtown Honolulu SWAC Project funding will come from taxable bonds and private-sector equity investment.

The development of the HSWAC Downtown Honolulu Project is very much in the public interest, as is indicated by the many benefits that are summarized in Section 1 of S.B. 391.

HSWAC is committed to the development of this project and appreciates the continued support of the Hawaii legislature.

Thank you for this opportunity to testify.



HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO

GENTRY PACIFIC DESIGN CENTER, STE. 215A • 560 N. NIMITZ HIGHWAY, #50 • HONOLULU, HAWAII 96817
(808) 524-2249 • FAX (808) 524-6893

NOLAN MORIWAKI

President
Bricklayers & Ceramic Tile Setters
Local 1 & Plasterers/Cement
Masons Local 830

February 16, 2009

JOSEPH O'DONNELL

Vice President
Iron Workers Local 625

Honorable Senator Mike Gabbard, Chair
Honorable Senator J. Kalani English, Vice Chair
Members of the Senate Committee on Energy and Environment
Hawaii State Capital
415 South Beretania Street
Honolulu, HI 96813

DAMIEN T. K. KIM

Financial Secretary
International Brotherhood of
Electrical Workers Local 1188

ARTHUR TOLENTINO

Treasurer
Sheet Metal Workers I.A. Local 283

RE: **IN SUPPORT OF SB 391**
RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE
BONDS TO ASSIST HONOLULU SEAWATER AIR CONDITIONING
PROJECTS ON OAHU.
Hearing: Tuesday, February 17, 2009, 2:45 p.m., Room 225

MALCOLM K. AHLGREN

Sergeant-At-Arms
Carpet, Linoleum, & Soft Tile
Local 1298

Dear Chair Gabbard, Vice Chair English, and the Senate Committee on
Energy and Environment:

REGINALD CASTANARES

Trustee
Plumbers & Fitters Local 675

For the Record my name is Buzz Hong the Executive Director for
the Hawaii Building & Construction Trades Council, AFL-CIO. Our
Council is comprised of 16-construction unions and a membership
of 26,000 statewide.

THADDEUS TOMEI

Elevator Constructors Local 128

JOSEPH BAZEMORE

Drywall, Tapers, & Finishers
Local 1944

The Council **SUPPORTS** the passage of **SB391** that authorizes the
issuance of special purpose revenue bonds to Honolulu Seawater
Air Conditioning, LLC, for the purpose of design and construction of
a seawater air conditioning district cooling system in downtown
Honolulu.

RICHARD TAGGERE

Glaziers, Architectural Metal &
Glassworkers Local Union 1889

Thank you for the opportunity to submit this testimony in support
of **SB391**.

LAUGHN CHONG

Roofers, Waterproofers & Allied
Workers United Union of Roofers
Local 221

Sincerely,

MARY AYCOCK

Millwrights, Ironship Builders
Local 627

W. Hong dg

William "Buzz" Hong
Executive Director

LYNN KINNEY

District Council 50
Painters & Allied Trades
Local 1791

ALANI MAHOE

Operating Engineers Local 3

WBH/dg

EDWARD SEBRESOS

International Assoc. of
Cool & Frost Insulators
Allied Workers Local 132

HAWAII RENEWABLE ENERGY ALLIANCE

46-040 Konane Place #3816, Kaneohe, HI 96744 – Telephone/FAX: 247-7753 – Email: wsb@lava.net

Officers

President
Warren S. Bollmeier II

Vice-President
John Crouch

Secretary/Treasurer
Cully Judd

Directors

Warren S. Bollmeier II
WSB-Hawaii

John Crouch
PowerLight Corporation

Cully Judd
Inter Island Solar Supply

Herbert M. (Monty) Richards
Kahua Ranch Ltd.

TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII RENEWABLE ENERGY ALLIANCE BEFORE THE SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

SB 391, RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON OAHU.

February 17, 2009

Chair Gabbard, Vice-Chair English and members of the Committee, I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance (HREA). HREA is a nonprofit corporation in Hawaii, established in 1995 by a group of individuals and organizations concerned about Hawaii's energy future. HREA's mission is to support, through education and advocacy, the use of renewables for a sustainable, energy-efficient, environmentally-friendly, economically-sound future for Hawaii. One of HREA's goals is to support appropriate policy changes in state and local government, the Public Utilities Commission and the electric utilities to encourage increased use of renewables in Hawaii.

The purpose of SB 391 is to authorize the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, for the purpose of design and construction of a seawater air conditioning district cooling system in downtown Honolulu.

HREA strongly supports this bill for the following reasons:

- (1) Honolulu Seawater Air Conditioning, LLC (HSWAC). HSWAC is a member of HREA and is in the process of developing two renewable energy seawater air conditioning district cooling systems on Hawaii. Passage of this legislation would help facilitate the financing of the proposed downtown Honolulu system and reduce the overall costs to install the system. This, in turn, will allow HSWAC to offer lower prices for supplying chilled water to their customers; and
- (2) Contributions to our state RPS. Finally, this bill supports our state RPS and the Hawaii Clean Energy Initiative, as HSWAC's planned downtown Honolulu project will displace a portion of the utility electricity needed to cool buildings on Oahu. Specifically, this system will supply on the order of 25,000 tons of air conditioning capacity, which is approximately equivalent to an electrical load of 15 MW (capacity) and 63,000 MWh/year (electricity).

Thank for this opportunity to testify.