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House of Representatives
Committee on Finance

February 28, 2011
10 a.m. - Conference Room 308

RE: HB 1286 HD 1 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY HAWAII, LLC.

Written comment

Chair rep. Marcus R. Oshiro, V. C. Chair Rep. Marilyn B. Lee and Members:

My name is Guy Kaniho, General Manager of BioEnergy Hawaii, LLC (BEH). 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.

Our project received conceptual approval from the Board of Directors of the Natural Energy Laboratory of Hawaii Authority ("NELHA") at Kailua-Kona on the Island of Hawaii on May 27, 2008. During this timeframe there have been on-going negotiations with NELHA and its Board of Directors. It was not until September 14, 2010 the NELHA Board approved a resolution to substantially incorporate the negotiated terms and conditions subject to completion of our Environmental Impact Statement ("EIS") and final approval by the NELHA Board. BEH has officially started our EIS by submitting our EA/EISPN on December 14, 2010. The current timetable of this EIS process will take us to the middle of 2012.

We wish to expand and be able to allow for additional technologies to our facility. The intent of the proposed amendment broadens the language of which would allow BEH to not only produce electricity for sale to the public, but also allows BEH to internalize that energy to produce energy efficient bi-products such as biofuels. This flexibility will enable BEH to fulfill the needs of the public and/or the utility company.

The approval of this legislation will allow BEH adequate time to fulfill all the requirements necessary prior to issuance of the bond, secure sufficient funds, have the ability to included usable bi-product technologies and make the 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.

Thank you for the opportunity to submit my written comments.

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HAWAII STATE HOUSE OF REPRESENTATIVES
THE 26TH LEGISLATURE

COMMITTEE ON FINANCE

10 AM February 28, 2011; Conference Rm 308

HB 1286 HD 1: RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY HAWAII, LLC.

Chair Rep. Marcus R. Oshiro, V. C. Chair Rep. Marilyn B. Lee and Members:

Good Morning. My name is Dante Carpenter and I speak in favor of HB 1286 HD1 Relating to the Issuance of Special Purpose Revenue Bonds for Bioenergy Hawaii, LLC. (BEH). I have been a member of the Board of Directors of Pacific Waste Inc. (PWI), for the past 20 years. Located in Kaulua-Kona, PWI is the owner and managing member of BEH for a Waste to Energy (W-T-E) project proposed in West Hawaii.

The total scope of this project which will combine state-of-the-art technologies proposed to be located in the Natural Energy Laboratory/Host Park area in Kona will help West Hawaii in general and NELHA in particular towards meeting its needs in the area of energy self-sufficiency, among others.

An exciting project for Hawaii County and NELHA, the nearly \$100 million dollar investment, which will include technical processes that utilize various waste streams, can realize the equivalent production of over 9 MW of electrical power and/or biofuels for distribution to its tenants, adjacent Kona International Airport, refineries, and/or the local utility, as well.

The BEH TEAM is completing an EIS, among other studies and discussions with NELHA staff. BEH Project Manager is Guy Kaniho, who formerly managed the operations of Pacific Waste, Inc., the largest Refuse (MSW) Hauler in the Big Island. We look forward to continue working with the NELHA Board, key staff members of NELHA, and all other cognizant private or government agencies to bring this project to fruition.

Finally, in addition to the sales of electrical and/or biofuels energy to the local utilities and/or refineries serving the public, the use of thermal fluid output from the cogeneration facility could be utilized by existing or planned businesses with economic benefits to the surrounding community. The use of special purpose revenue bonds is in keeping with the provisions of Part V, Chapter 39A, HRS. We strongly recommend passage of HB1286 HD 1.

Thank You very much.