

# HAWAII RENEWABLE ENERGY ALLIANCE

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

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## TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII RENEWABLE ENERGY ALLIANCE BEFORE THE SENATE COMMITTEES ON ENERGY AND ENVIRONMENT, AND ECONOMIC DEVELOPMENT AND TECHNOLOGY

### SB 147, RELATING TO BIOFUEL PRODUCTION FACILITIES

February 2, 2011

Chairs Gabbard and Fukunaga, Vice-Chairs English and Wakai and members of the Committees, 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 the energy future of Hawaii. 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 147 are to (i) create an income tax credit for development and construction costs for qualifying biofuel production facilities, and (ii) repeal the credit on 1/1/2017.

HREA **supports this proposed measure**, which we understand is to create an incentive mechanism to leverage private investment in biofuel production facilities.

We offer the following recommendations to improve the measure for consideration by the Committee.

1. In the definition of "qualified biofuel production facility" to mean "a facility that produces liquid or gaseous fuels from locally-sourced organic [sources] feedstocks such as biomass crops, agricultural residues, and oil crops, including palm, canola, soybean, and waste cooking oils; grease; food wastes; locally produced municipal solid wastes and industrial wastes; and animal residues and wastes that can be used to generate energy.
2. We also recommend that the facility threshold of 10,000,000 gallons a year be reduced or eliminated.

Thank you for this opportunity to testify.