

Honolulu, Hawaii

FEB 28 2013

RE: S.B. No. 23
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 23 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST A SEAWATER AIR CONDITIONING PROJECT,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to Kaiuli Energy, LLC.

More specifically, this measure assists with the financing of the planning, design, and construction of a seawater air conditioning district cooling facility and chilled water distribution system proposed by Kaiuli Energy, LLC.

Your Committee received written comments in support of this measure from the High Technology Development Corporation, Makai Ocean Engineering, Inc., Kaiuli Energy, and Ulupono Initiative.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Kaiuli Energy, LLC, proposes to build a seawater air conditioning district cooling system to service Waikiki and nearby areas on Oahu using deep cold seawater as a source of cooling. Your Committee finds that the alternative method for cooling air will decrease energy usage in the serviced

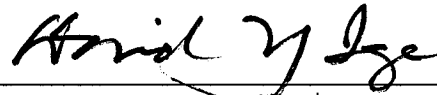


areas. Accordingly, your Committee finds that it is in the State's interest to assist in the financing of the project.

Your Committee has amended this measure by making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 23, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 23, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 23	Committee Referral: ENE, WAM	Date: 2-14-13		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
TOTAL	12	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes