

Honolulu, Hawaii

FEB 05 2013

RE: S.B. No. 23

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

Madam:

Your Committee on Energy and Environment, 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 assist Kaiuli Energy, LLC, in the planning, design, and construction of a seawater air conditioning district cooling facility and chilled water distribution system.

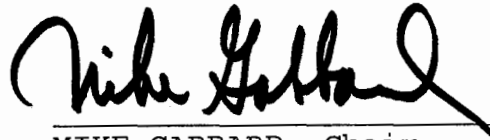
Your Committee received testimony in support of this measure from Ulupono Initiative, Blue Planet Foundation, Hilton Hawaii, High Technology Development Corporation, Makai Ocean Engineering, and Kaiuli Energy, LLC. Your Committee received testimony in opposition to this measure from Life of the Land and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that there is broad support for the development of efficient energy systems in Hawaii. Kaiuli Energy, LLC, proposes to build a seawater air conditioning facility to serve Waikiki and nearby areas on the island of Oahu. Your Committee finds that issuance of special purpose revenue bonds to assist Kaiuli Energy, LLC, in pursuing this project will further the State's interest in developing efficient energy systems in Hawaii.



As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 23 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,



MIKE GABBARD, Chair



