

WRITTEN TESTIMONY

TESTIMONY BY KALBERT K. YOUNG  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION  
ON  
SENATE BILL NO. 2756, S.D. 1

MARCH 13, 2014

AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR  
THE PROCESSING OF SEWAGE INTO SEWAGE DERIVED FUEL

Senate Bill No. 2756, S.D. 1, authorizes the issuance of special purpose revenue bonds (SPRB) to assist Clean Communities, LLC, in processing sewage to create sewage derived fuel pursuant to Part IV, Chapter 39A, Hawaii Revised Statutes.

The Department has no position on the issuance of SPRBs as contemplated in this bill. The Department would like to advise the Legislature and prospective issuers that should the legislation be approved, approval of SPRB issuance will still require further discussion and satisfactory review of the financing components involved in the transaction.

Thank you for the opportunity to provide testimony on this measure.

Aloha Rep Lee and EEP Committee Members,

I am submitting testimony in **SUPPORT** of SB 2756 SD1 and encourage your committee's approval to pass it on to the House Finance Committee for consideration.

As I have mentioned in earlier testimony for the companion bill HB 1731, our company LYON (a locally owned Civil Engineering company) has been working to introduce a new Korean Sludge to Energy technology to Hawaii. We feel this technology will be a shining example of converting a waste product into a useable fuel source that partially reduces the City's reliance on electrical power generated by HECO. In addition, the cost avoidance of not having to transport the sludge to the landfill or H-Power add up daily to save the City in operating costs. The ultimate benefit of implementing this new technology, is the reduction in greenhouse gases that are contributing to climate change.

We at LYON strongly encourage the EEP committee to pass SB 2756 SD1 and forward it to the House Finance committee for further consideration.

Mahalo,

Jiro Sumada  
Vice President  
LYON Associates, Inc.