

Honolulu, Hawaii

February 20, 2015

RE: H.B. No. 1515

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1515 entitled:

"A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PELATRON Q, LLC,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Pelatron Q, LLC, in the development of waste-to-energy power plants.

Your Committee received testimony in support of this measure from Pacific Resource Partnership, PVT Land Company, Hawaii Construction Alliance, Pelatron Q, LLC, and one individual. Your Committee received testimony in opposition of this measure from Zero Waste Kauai and eight individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that because of Hawaii's geographic isolation from traditional energy sources, it is in the public interest to seek out and support renewable and efficient energy systems in the State. Additionally, your Committee finds that the patented plasma gasification and vitrification process used by Pelatron Q, LLC, is a sustainable and effective means of providing energy to Hawaii by converting waste to energy. This process will not only provide additional energy, but will also help Hawaii reduce the amount of waste diverted into our landfills.



Your Committee has amended this measure by:

- (1) Changing the total amount of special purpose revenue bonds authorized to an unspecified amount; and
- (2) Changing the effective date to June 30, 2020, to facilitate further discussion on the measure.

Should the Committee on Finance decide to hear this measure, your Committee respectfully requests that it consider authorizing the issuance of up to \$44,000,000 in special purpose revenue bonds for the purposes of this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1515, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1515, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



CHRIS LEE, Chair



