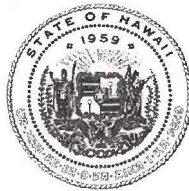


HB 1853, HD2

TESTIMONY

DAVID Y. IGE
GOVERNOR



Testimony by:
FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 11, 2016
2:45 p.m.
State Capitol, Room 229

H.B. 1853, H.D. 2
RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY
HAWAII, LLC.

Senate Committee on Transportation and Energy

The Department of Transportation (DOT) **supports** the passage of H.B. 1853, H.D. 2 to extend the special purpose revenue bond authorization under Act 89, Session Laws of Hawaii 2011, to BioEnergy Hawaii, LLC, for the purpose of establishing a cogeneration facility and related energy production facilities to June 30, 2021.

This facility would provide renewable natural gas which can be utilized in the transportation industry which will aide in fulfilling Hawaii's renewable energy goal.

Thank you for the opportunity to provide testimony.

THE SENATE
THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2016

Transportation and Energy Committee

March 15, 2016
2:45 PM - Conference Room 229

RE: HB 1853 HD2, RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY HAWAII, LLC.

Chair Senator Lorraine R. Inouye, Vice-Chair Senator Mike Gabbard and Members:

Good Afternoon. My name is Dante Carpenter and I speak in favor HB 1853 HD2 Relating to the Issuance of Special Purpose Revenue Bonds for BioEnergy Hawaii, LLC. (BEH). For the past 19 years, I have been a member of the Board of Directors of Pacific Waste Inc., the managing member of BEH in a project proposed in West Hawaii, whose offices are in Kailua-Kona, Hawaii. HB 1853 HD2 seeks to extend the authorization of special purpose revenue bonds to BioEnergy Hawaii, LLC, for the purpose of establishing a cogeneration facility and related energy production facilities, for an additional five (5) years.

The total scope of this project which will combine state-of-the-art technologies is proposed to be located in the Northwestern area of the Kona-Kohala Coast and will help West Hawaii in particular towards meeting its needs in the area of energy self-sufficiency. The technical process utilizes various waste streams, and ultimately produces Bio-gasses for fuel conversion and distribution to the West Hawaii Community.

General Manager of BEH, Guy Kaniho, formerly managed the operations of Pacific Waste, Inc., the largest Refuse Hauler on the Big Island. We look forward to continue working with all other cognizant private, community or government agencies to implement this project soon.

We strongly recommend passage of HB 1853 HD2. Thank you very much for your consideration.



The Senate
Transportation and Energy Committee

Tuesday, March 15, 2016
2:45 p.m., Conference Room #229

RE: HB 1853 HD2, Relating to Special Purpose Revenue Bonds to Assist BioEnergy Hawaii, LLC.

Chair Senator Lorraine R. Inouye; Vice Chair Senator Mike Gabbard and Members:

My name is Guy Kaniho, General Manager of BioEnergy Hawaii, LLC (BEH). A Hawaii limited liability company, which is owned and managed by Pacific Waste, Inc. a Hawaii Corporation with its principle offices in Kailua-Kona, Hawaii.

Pacific Waste is the largest waste hauling company on the Big Island and collects and disposes of nearly 75% of the commercial municipal solid waste ("MSW") in Hawaii County. As you know, there are many concerns relating to landfill disposal including the limited space available and the environmental impacts associated with landfill operations. It is evident that the current practice of landfill disposal is an unsustainable long term solution for managing the island's solid waste stream and must be addressed immediately.

BioEnergy Hawaii's primary business is the design, construction and operations of one or more bioconversion facilities in the State of Hawaii. Our proposed facility will sort, separate and process the MSW into a usable materials and feedstock. The separated feedstocks will be converted through our integrated technology designed to produce renewable energy. The project will produce baseload renewable electricity and/or biofuel in the form of renewable natural gas ("RNG") which can be utilized in distributed power generation or in the transportation industry. In addition to providing a local alternative energy source, the facility will significantly reduce the amount of MSW being deposited into the landfills, thereby reducing the associated environmental impacts.

HB 1853 HD2 will extend the issuance date to allow adequate time to fulfill all the requirements necessary prior to issuance of bonds. The approval of the legislation now pending before you will enable BEH to secure funds and make the facility a reality. I sincerely believe, as a lifelong resident, that this project will enhance both our economy and our environment. I urge you to support this bill.

Thank you for the opportunity to submit my testimony.

Guy Kaniho
General Manager
BioEnergy Hawaii, LLC



**Testimony to the Senate Committee on Transportation and Energy
Tuesday, March 15, 2016 2:45 pm
Conference Room 229
State Capitol
RE: House Bill 1853 HD2 related to special purpose revenue bonds**

Chair Inouye, Vice Chair Gabbard and Members of the Committee on Transportation and Energy:

Hawaii Gas supports HB 1853 HD2, which seeks authorization for of the issuance of special purpose revenue bonds to BioEnergy Hawaii, LLC, for the purpose of establishing a cogeneration facility and related energy production facilities, for an additional five years.

Bioenergy Hawaii is actively pursuing the production of renewable gas energy in Hawaii at multiple locations. While Hawaii Gas is actively seeking to secure renewable gas supplies.

These efforts are directly aligned with achieving the State's clean energy goals and are strongly supported by Hawaii Gas.

Thank you for the opportunity to testify.



Email: communications@ulupono.com

SENATE COMMITTEE ON TRANSPORTATION & ENERGY
Tuesday, March 15, 2016 — 2:45 p.m. — Room 229

Ulupono Initiative Strongly Supports HB 1853 HD 2, Relating to Special Purpose Revenue Bonds to Assist BioEnergy Hawaii, LLC.

Dear Chair Inouye, Vice Chair Gabbard, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. We believe that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports HB 1853 HD 2, which will extend the authorization for the issuance of Special Purpose Revenue Bonds (SPRBs) to BioEnergy Hawaii, LLC for an additional five years, because it aligns with our goals of increasing the production of clean, renewable energy and reducing landfill waste in Hawai'i. As Hawai'i's energy and waste issues become more complex and challenging, we appreciate this committee's efforts to look at policies that address these issues.

BioEnergy Hawaii's planned resource recovery facility will divert 70% of the incoming municipal solid waste from the West Hawai'i Sanitary Landfill to instead be used for recycling, compost and conversion of waste into energy. The project will include advanced recycling operations and produce multiple value products from the waste streams: recyclable commodities, organics, and residual solid fuel. Under the BioEnergy Hawaii approach, recyclables will be recovered and sent to the local recycling commodity market; wet organic waste will be treated through anaerobic digestion to produce fertilizer, compost and energy rich biogas; the solid materials – mixed papers, textiles, low-value plastics and wood – will be processed into a post-recycled engineered fuel.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay
Managing Partner

Investing in a Sustainable Hawai'i