



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-EIGHTH LEGISLATURE, 2015**

ON THE FOLLOWING MEASURE:

S.B. NO. 1042, RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR SUNSTRONG LLC, A RENEWABLE ENERGY DEVELOPER SERVING THE GENERAL PUBLIC IN PROVIDING ELECTRIC ENERGY.

BEFORE THE:

SENATE COMMITTEE ON ENERGY AND THE ENVIRONMENT

LATE

DATE: Tuesday, February 10, 2015 **TIME:** 2:45 p.m.

LOCATION: State Capitol, Room 225

TESTIFIER(S): WRITTEN COMMENTS ONLY. For more information, call Deputy Attorney General Diane Erickson (808) 586-0618

Chair Gabbard and Members of the Committee:

The Attorney General has concerns about this bill. As introduced this bill authorizes the issuance of \$50,000,000 in special purpose revenue bonds to assist SunStrong LLC in providing renewable electric energy and installing renewable energy projects in Hawaii. The bill provides that the special purpose revenue bonds are to be issued pursuant to part VI, chapter 39A, Hawaii Revised Statutes. Part VI of chapter 39A, at section 39A-191, defines a project party as "an electric or gas utility serving the general public and that is regulated by the public utilities commission under chapter 269, or a telecommunications carrier or telecommunications common carrier, whether or not subject to regulation by the public utilities commission under chapter 269." According to the Public Utilities Commission's website there are only four electric utilities currently regulated by the Public Utilities Commission - Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, and Kauai Island Utility Cooperative. That is not to say that SunStrong LLC may not become a regulated electric utility in the future.

Thank you for allowing us to raise our concerns.