



Written Statement of
Robbie Melton
Executive Director & CEO
Hawaii Technology Development Corporation
before the
Senate Committee on Economic Development, Tourism, and Technology
Monday, March 19, 2018
1:35 p.m.
State Capitol, Conference Room 414

In consideration of
HB2075, HD2
RELATING TO ENERGY

Chair Wakai, Vice Chair Taniguchi, and Members of the Committee on Economic Development, Tourism, and Technology.

The Hawaii Technology Development Corporation (HTDC) **supports** HB2075, HD2 that authorizes the Hawaii Technology Development Corporation to provide 50% matching grants to Hawaii awardees of alternative energy research grants from the Office of Naval Research.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at promoting technology and innovation jobs. The measure reestablishes the matching grant program originally created under Act 159, Session Laws of Hawaii 2015.

In FY17 HTDC awarded \$950,000 to 3 companies who secured \$10.2 million in federal contracts and projected 45 new jobs. HTDC believes the program supports the growth of companies with innovative renewable energy technologies in the State and moves Hawaii closer to its clean energy goal of 100 percent renewable energy by 2045.

We support this initiative as long as it does not replace our priorities requested in the Executive Budget. HTDC respectfully requests correction of the defective effective date. Thank you for the opportunity to offer these comments.



Statement of
Duke Hartman, P.E.
Vice President, Business Development
Makai Ocean Engineering, Inc.
before the
COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY
Monday, March 19th, 2018
1:35 p.m.
State Capitol, Conference Room 414
In consideration of
HB2075, HD2
RELATING TO ENERGY

Chair Wakai, Vice Chair Taniguchi, and members of the Committee on Economic Development, Tourism, and Technology

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS HB2075, HD2** that re-establishes the Alternative Energy Research and Development Pilot Program and appropriates funds for the Program.

Makai is a locally-owned and operated technology company based in Hawai`i for over 44 years. One of the driving reasons behind Makai's existence is to help Hawai`i achieve energy independence using clean, alternative and renewable resources.

Hawai`i is blessed with abundant natural resources such as wind, solar, geothermal, hydro, biofuels, and ocean energy. While wind and especially solar contributions to the energy portfolio are now commercial and have grown significantly, other options like ocean energy have the potential to significantly contribute to the supply of base load / firm / constant renewable power, but are worryingly underrepresented. These alternative options are at the same place solar and wind was 20 years ago, and require R&D to reach the same level of maturity and commercialization.

Makai is currently performing R&D and working towards commercialization of ocean thermal energy conversion (OTEC) and at the Natural Energy Laboratory of Hawai`i Authority (NELHA) in Kailua-Kona. Makai employs eight highly-paid, highly-skilled engineers and scientists in the high tech / renewable energy field in rural Kailua-Kona. This program has achieved a huge milestone of connecting to the grid, making Hawai`i the home of the world's largest operational OTEC plant, and the clear leader in the emerging market of ocean thermal energy. Plans are in the works for new developments to move this technology even further.

Governor David Ige was present to dedicate the power plant and 'flip the switch,' and in his keynote address he said, "One big difference with OTEC is that it is a firm power source; it allows us to generate electricity consistently... and in the evening hours when other renewable sources are not available, which really is the key to a 100% renewable future."



With the help of programs like this bill, Makai has been able to secure additional competitively awarded federal funding from the U.S. Navy, and bring home national honors, such as the Small Business Administration's Tibbetts Award. This national award recognizes the very best in small innovative companies in the country whose technologies have made a strong economic impact in terms of high paying jobs, and demonstrating success in actually commercializing federal R&D and increasing taxable revenue for the state.

This is why we **STRONGLY SUPPORT HB2075, HD2**. Not only would this program develop alternative energy technology for our 100% renewable future, it would enable our tech industry to compete and win more federal funds for technology development and support high-paying, highly-skilled professional jobs for our keiki here at home.

Thank you for the opportunity to offer these comments.

HB-2075-HD-2

Submitted on: 3/16/2018 2:45:47 PM

Testimony for ETT on 3/19/2018 1:35:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kacey Lock	Individual	Support	No

Comments:

HB-2075-HD-2

Submitted on: 3/16/2018 2:59:54 PM

Testimony for ETT on 3/19/2018 1:35:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Schiff	Individual	Support	No

Comments:

I strongly support HB2075.



Written Statement of
DR. PATRICK K. SULLIVAN
PRESIDENT/CEO OCEANIT

Before the
**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM AND
TECHNOLOGY**

March 19, 2018
1:35 p.m.
State Capitol, Conference Room 414
In Support of
HB2075 RELATING TO ENERGY

To: Chair Senate Glenn Wakai, Vice Chair Brian T. Taniguchi and Members of the Committee

From: Dr. Patrick K. Sullivan, President/CEO

Re: HB2075

Honorable Chairs, Vice-Chairs and Committee Members:

Thank you for the opportunity to offer comments for **HB2075**.

Hawaii's Alternative Energy and Research Development Program is an integral part in making the entire state energy sustainable. Hawaii is fortunate with its diverse resources such as solar, wind, hydro, bioenergy and geothermal which is ideal for the development of clean energy. The continuation of this program is important for Hawaii's economy as it will allow local companies to continue to do their research and development in renewable energy. In addition, it will keep high-paying, high-skilled jobs in Hawaii, furthering the State's commitment to renewable energy and supporting business.

Oceanit offers comments to include awards from the Department of Defense Air Force Research Laboratory.

HB-2075-HD-2

Submitted on: 3/16/2018 3:20:20 PM

Testimony for ETT on 3/19/2018 1:35:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Audra White	Individual	Support	No

Comments:

I strongly support HB2075.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the Senate Committee on Economic Development,
Tourism and Technology
Monday, March 19, 2018 at 1:35 P.M.
Conference Room 414, State Capitol**

RE: HOUSE BILL 2075 HD2 RELATING TO ENERGY

Chair Wakai, Vice Chair Taniguchi, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2075 HD2, which authorizes the Hawaii Technology Development Corporation (HTDC) to provide 50% matching grants to Hawaii awardees of alternative energy research grants from the Office of Naval Research.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

In 2015 the Legislature established a matching grant pilot program to further strengthen and support Hawaii companies that are conducting renewable energy research and development through contracts with the Office of Naval Research (ONR). This bill seeks to reestablish the program, which expired in 2017, for two years.

The Chamber continues to support the State's efforts to promote and foster innovation research and development in Hawaii. Innovation is a proven catalyst for economic growth and the creation of high-skilled and high-paying jobs. Local companies currently partnered with ONR are at the forefront of alternative energy research and development, and these efforts are likely to help the State achieve its renewable energy goals.

The Chamber supports this legislation provided that it offers adequate funding and does not adversely impact HTDC's priorities in the Executive Budget. Thank you for the opportunity to testify.

HB-2075-HD-2

Submitted on: 3/16/2018 3:26:30 PM

Testimony for ETT on 3/19/2018 1:35:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gary Shimosono	Individual	Support	No

Comments:

HB-2075-HD-2

Submitted on: 3/16/2018 5:27:23 PM

Testimony for ETT on 3/19/2018 1:35:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
ann chung	Testifying for Navatek	Support	Yes

Comments:

Dear Chair Wakai and members of the ETT Committee:

Navatek strongly supports HB 2075. Companies doing critical research in clean energy technologies are bringing in large numbers of federal funding to Hawaii and creating the high-skilled, high-paying jobs our workers need. This program supports and strengthens these efforts to further encourage high-impact, clean energy solutions not only proving that Hawaii is an ideal laboratory for the development of clean energy technologies but also creating economic growth and jobs.

Mahalo for the opportunity to testify.

HB-2075-HD-2

Submitted on: 3/18/2018 1:14:51 PM

Testimony for ETT on 3/19/2018 1:35:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

To the Honorable Glenn Wakai, Chair; the Honorable Brian T. Taniguchi, Vice-Chair and the Members of the Senate Committee on Economic Development, Tourism and Technology:

Good afternoon. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") on Legislative Priorities of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **HB2075 HD2** relating to Alternative Energy Research; Grants; HTDC; Office of Naval Research Matching Grant; and an appropriation.

The OCC Legislative Priorities Committee is in favor of **HB2075 HD2** and supports its passage.

HB2075 HD2 is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it authorizes the Hawaii Technology Development Corporation to provide 50% matching grants to Hawaii awardees of alternative energy research grants from the Office of Naval Research; and makes appropriations.

The DPH Platform states that "[w]e support energy independence, selfsufficiency, affordability and reliability for Hawai'i through the development of renewable alternative energy sources. Specifically, we need to support policies that foster the development of energy production methods that de-emphasize carbon-based fuels and promote renewable sources such as wind, solar, wave, geothermal and Ocean Thermal Energy Conversion (OTEC) (Platform of the DPH, P. 9, Lines 452-456 (2016)).

Given that **HB2075 HD2** authorizes the Hawaii Technology Development Corporation to provide 50% matching grants to Hawaii awardees of alternative energy research grants from the Office of Naval Research; and makes appropriations, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Text/Tel.: (808) 258-8889