



Written Statement of
Robbie Melton
Executive Director & CEO
Hawaii Technology Development Corporation
before the
Senate Committee on Ways and Means
Friday, February 23, 2018
10:00 a.m.
State Capitol, Conference Room 211

In consideration of
SB3001, SD1
RELATING TO ENERGY

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee on Ways and Means.

The Hawaii Technology Development Corporation (HTDC) **supports with comments** SB3001, SD1 that establishes an Alternative Energy Research and Development Pilot Program and appropriates moneys for grants under the pilot program.

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.

HTDC requests clarification on Part III of SB3001 which amends HRS206M-15.6 to include grants to be expended for the same purpose as Section 4.

We support this initiative as long as it does not replace our priorities requested in the Executive Budget. 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 WAYS AND MEANS
Friday, February 23, 2018
10:00 am
State Capitol, Conference Room 211
In consideration of
SB 3001 SD1
RELATING TO ENERGY

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS SB 3001 SD1** 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. A driving reason for 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 massively contribute to the supply of base load / firm / constant renewable power, but are worryingly underrepresented. These technologies are at the same maturity level that solar and wind was 20 years ago, and require R&D to reach 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 to move this technology even further ahead.

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, recognizing success in commercializing federal R&D, which ultimately increases taxable revenue for the state.

This is why we **STRONGLY SUPPORT SB 3001 SD1**, and we respectfully request to **ADD** the phrase, "and the same sum or so much thereof as may be necessary for fiscal year 2019-2020" in **FOUR** places **AFTER** the words "fiscal year 2018-2019":

- Page 4 line 9
- Page 4 line 15
- Page 5 line 20
- Page 6 line 5

Thank you for the opportunity to offer these comments.

SB-3001-SD-1

Submitted on: 2/18/2018 11:39:40 AM

Testimony for WAM on 2/23/2018 10:00:00 AM

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

Comments:

Dear Chair Dela Cruz and members of the WAM Committee:

Navatek strongly supports SB3001 SD1. 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.

Although this is a **2 year program - additional appropriations language appears to be missing for the 2nd year of the program.**

We respectfully request to ADD the phrase “and the same sum or so much thereof as may be necessary for fiscal year 2019-2020” in 4 places:

- **Page 4 line 9**
- **Page 4 line 15**
- **Page 5 line 20**
- **Page 6 line 5**

Mahalo for the opportunity to testify.



**Testimony to the Senate Committee on Ways and Means
Friday, February 23, 2018 at 10:00 A.M.
Conference Room 211, State Capitol**

RE: SENATE BILL 3001 SD1 RELATING TO ENERGY

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 3001 SD1, which establishes an Alternative Energy Research and Development Pilot Program and appropriates moneys for grants under the pilot program.

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.

Given that this is a 2 year program we would like to have appropriations language for the 2nd year of the program added to the bill. We would suggest adding the phrase "and the same sum or so much thereof as may be necessary for fiscal year 2019-2020" in 4 places:

- Page 4 line 9
- Page 4 line 15
- Page 5 line 20
- Page 6 line 5

The Chamber supports the State's efforts to promote and foster innovation research and development in alternative energy in Hawaii. 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.

SB-3001-SD-1

Submitted on: 2/18/2018 11:35:48 AM

Testimony for WAM on 2/23/2018 10:00:00 AM

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

Comments:

I strongly support SB3001.

SB-3001-SD-1

Submitted on: 2/18/2018 3:38:52 PM

Testimony for WAM on 2/23/2018 10:00:00 AM

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

Comments:

SB-3001-SD-1

Submitted on: 2/20/2018 8:14:22 AM

Testimony for WAM on 2/23/2018 10:00:00 AM

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

Comments:

SB-3001-SD-1

Submitted on: 2/19/2018 12:26:14 PM

Testimony for WAM on 2/23/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lani Hernandez	Individual	Oppose	No

Comments:

Waste of money.