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OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**

TESTIMONY BY RODERICK K. BECKER  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
SENATE BILL NO. 988, S.D. 1, H.D. 1

**March 27, 2019**  
**2:30 P.M.**  
**Room 308**

AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR MELE ASSOCIATES, INC., A RENEWABLE ENERGY DEVELOPER SERVING THE GENERAL PUBLIC IN PROVIDING ELECTRIC ENERGY.

Senate Bill No. 988, S.D. 1, H.D. 1, authorizes the issuance of Special Purpose Revenue Bonds (SPRB) to assist Mele Associates, Inc., a renewable energy developer, in serving the general public by providing renewable electric energy and installing renewable energy projects in Hawaii pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

The Department is providing comments only to advise the Legislature and prospective SPRB parties that should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link:

<http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for your consideration of our comments.

**Hawaii State House of Representatives  
Committee on Finance**

**SB 988 SD1 HD1 Relating to Authorizing the Issuance of Special Purpose  
Revenue Bond  
TESTIMONY IN SUPPORT**

**TESTIFIER: RADM(ret) Mel Chiogioji, USN – CEO, Mele Associates Inc**

**DATE: Wednesday March 27, 2019**

**TIME: 2:30 pm**

**PLACE: Conference Room 308**

Good afternoon Chair Luke, Vice-Chair Cullen and members of the Hawaii State House of Representatives Committee on Finance.

Thank you for allowing me to provide testimony IN SUPPORT of SB988 SD1 HD1 related to authorizing the issuance of a Special Purpose Revenue Bond to MELe Associates Inc.

MELE Associates (MELE) was established in 1971 and incorporated in 1993 as a Veteran-owned (VOSB), minority-owned, small business. Since its inception MELE has grown a team of over 150 employees focusing on various core missions. One of which is the development of renewable energy to reduce the consumption of fossil fuel and reduce the earth's carbon footprint.

In so doing, MELE has embarked on renewable energy projects in several Southeast Asian countries and Latin America using Solar, Wind, Geothermal and Hydrothermal technologies. MELE's current portfolio of projects currently exceeds 2GWs. It is MELE's intent to utilize its expertise in Hawaii.

As a "keiki o ka aina", it is incumbent on me and all of us to preserve and protect our environment... our natural resources. Support of our \$50,000,000 special purpose revenue bond will provide us a pathway to accomplish this. We are currently focusing on determining target areas that will be most beneficial for the development and operation of renewable energy either in its singular form or hybrid model applications.

Let us lead together to develop a more self-sufficient, sustainable and beautiful Hawaii for the generations of keiki that follow us. And thank you, again, for the opportunity to testify in consideration of this legislation.

