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MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY RODERICK K. BECKER
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT AND
TOURISM
ON
SENATE BILL NO. 988

February 1, 2019
3:00 P.M.
Room 414

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 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.

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**Hawaii State Senate
Committee on Energy, Economic Development and Tourism**

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

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

DATE: Friday, February 1, 2019

TIME: 3:00 pm

PLACE: Conference Room 414

Good afternoon Chair Wakai, Vice-Chair Taniguchi and members of the Hawaii State Senate Committee on Energy, Economic Development and Tourism.

Thank you for allowing me to provide testimony IN SUPPORT of SB988 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 100 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.

