



Written Statement of
Len Higashi
Acting Executive Director
Hawaii Technology Development Corporation
before the
Senate Committee on Economic Development and Tourism
Monday, February 4, 2019
3:00 p.m.
State Capitol, Conference Room 414

In consideration of
SB1291
RELATING TO THE ALTERNATIVE ENERGY RESEARCH AND DEVELOPMENT FUND.

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

The Hawaii Technology Development Corporation (HTDC) **supports** SB1291 that appropriates funds into and out of the Alternative Energy Research and Development revolving fund for the Hawaii Technology Development Corporation to provide grants.

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. Last session \$1,000,000 was appropriated for the Alternative Energy Research and Development grant program. HTDC has completed the required public hearing on the proposed administrative rules for the program. HTDC intends to open the application period and make FY19 awards before the end of the fiscal year. Act 67, SLH18 restarts the program that was last awarded in FY17. In FY17, all 3 companies that applied were awarded a total of \$950,000. The companies matched the state award with a total of \$10.2 million of federal funds. HTDC comments that HB623 repeals this program so the bills should be coordinated.

We support this request provided it does not supplant the Governor's priorities in the Administrative budget. Thank you for the opportunity to offer these comments.



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

Before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT AND TOURISM

February 4, 2019
3:00 p.m.
State Capitol, Conference Room 414

In Support of
**SB3001 RELATING TO THE ALTERNATE ENERGY RESEARCH AND
DEVELOPMENT FUND**

To: Senator Glenn Wakai, Chair and Senator Brian Taniguchi, Vice Chair and
Members of the Committees

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

Re: SB1291

Honorable Chairs, Vice-Chairs and Committee Members:

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 is in SUPPORT of SB1291



Statement of
Hermann Kugeler
Business Development Manager
Makai Ocean Engineering, Inc.
before the
Senate Committee on Energy, Economic Development, and Tourism
Monday February 4th, 2019
3:00pm
State Capitol, Conference Room 414
In consideration of
SB1291
RELATING TO THE ALTERNATIVE ENERGY RESEARCH AND DEVELOPMENT
FUND

Chair Wakai, Vice Chair Taniguchi, and members of the Committee

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS SB1291** that makes an appropriation to Alternative Energy Research and Development revolving fund.

Makai is a locally-owned and operated technology company based in Hawai`i for over 45 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) 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,

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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 SB1291**. 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 monies for technology development and support high-paying, highly-skilled professional jobs for our keiki here at home.

Thank you for the opportunity to testify.

SB-1291

Submitted on: 1/31/2019 4:19:19 PM

Testimony for EET on 2/4/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ann Chung	Individual	Support	Yes

Comments:

I STRONGLY SUPPORT SB1291. 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. I URGE YOU TO PASS THIS BILL.

Mahalo for this opportunity to testify.