

JAN 28 2015

A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PELATRON Q, LLC.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that support for the
2 development of renewable and efficient energy systems in the
3 State, which is geographically isolated from the standard fuel
4 sources of oil and natural gas, continues to be in the public
5 interest. Pelatron Q, LLC, offers sustainable solutions for the
6 generation of renewable energy and waste management through the
7 development of waste-to-energy power plants. Pelatron Q, LLC's
8 power plants will use a patented plasma gasification and
9 vitrification process, which will be used to convert waste to
10 jet fuel in London, to convert waste to energy in Hawaii. Each
11 plant will produce approximately six to eight megawatts of clean
12 renewable energy by taking locally produced municipal solid
13 waste and other material that was previously disposed of in the
14 State's landfills and converting the waste into a synthetic gas
15 used to generate electricity that can be exported to the grid.



1 These unique and patented systems can process municipal
2 solid waste, construction and demolition waste, green waste,
3 medical waste, industrial waste, and any carbonaceous matter.
4 The development of these waste-to-energy power plants will
5 contribute to the State's energy security, reduce the State's
6 carbon footprint, reduce the environmental impact of landfilling
7 waste, and add living-wage jobs to the State's economy.

8 The legislature further finds that the benefits of the
9 development of waste-to-energy power plants include the
10 following:

- 11 (1) Reduction of greenhouse gas emissions;
- 12 (2) Reduction of landfill waste streams;
- 13 (3) Reduction of transportation and disposal costs;
- 14 (4) Creation of local technical and semi-technical jobs;
- 15 (5) Production of renewable energy for local communities,
16 which reduces Hawaii's net import of energy and
17 increases Hawaii's domestic wealth, self-sufficiency,
18 and energy security; and
- 19 (6) Assistance to meet Hawaii's renewable energy goals.

20 The legislature additionally finds that Pelatron Q, LLC's
21 work in creating alternative energy for the State is an



1 industrial enterprise, its development of waste-to-energy power
2 plants is a project as defined in part V, chapter 39A, Hawaii
3 Revised Statutes, and the project may be assisted through the
4 issuance of special purpose revenue bonds.

5 The purpose of this Act is to authorize the issuance of
6 special purpose revenue bonds to assist Pelatron Q, LLC, with
7 the development of waste-to-energy power plants that use its
8 patented plasma gasification and vitrification process for waste
9 management and energy production in Hawaii.

10 The legislature finds and declares that the issuance of
11 special purpose revenue bonds under this Act is in the public
12 interest and for the public health, safety, and general welfare.

13 SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised
14 Statutes, the department of budget and finance, with the
15 approval of the governor, is authorized to issue special purpose
16 revenue bonds in a total amount not to exceed \$44,000,000, in
17 one or more series, for the purpose of assisting Pelatron Q,
18 LLC, in the establishment of waste-to-energy power plants that
19 use the plasma gasification and vitrification process in Hawaii.
20 The electrical output of these facilities shall be made
21 available for use by members of the general public by sale to



1 electric utilities serving the public or by sale to federal,
2 state, or county agencies. The legislature hereby finds and
3 determines that the establishment of waste-to-energy power
4 plants that use Pelatron Q, LLC's plasma gasification and
5 vitrification process constitute a project as defined in part V,
6 chapter 39A, Hawaii Revised Statutes, and the financing thereof
7 is assistance to an industrial enterprise.

8 SECTION 3. The special purpose revenue bonds and the
9 refunding special purpose revenue bonds issued under this Act
10 shall be issued pursuant to part V, chapter 39A, Hawaii Revised
11 Statutes, relating to the power to issue special purpose revenue
12 bonds to assist industrial enterprises.

13 SECTION 4. The department of budget and finance is
14 authorized, from time to time, including times subsequent to
15 2020, to issue special purpose revenue bonds in whatever
16 principal amounts the department shall determine to be necessary
17 to refund the special purpose revenue bonds authorized in
18 section 2 and to refund special purpose revenue bonds authorized
19 in this section, regardless of whether the outstanding special
20 purpose revenue bonds or refunding special purpose revenue bonds
21 have matured or are the subject of redemption or whether the



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1 refunding special purpose revenue bonds shall be bonds for the
 2 multi-project programs described in section 2. In making this
 3 determination, the department shall comply with federal law
 4 relating to the exemption from federal income taxation of the
 5 interest on bonds of the nature authorized by this section.

6 SECTION 5. The authorization to issue special purpose
 7 revenue bonds under this Act shall lapse on June 30, 2020.

8 SECTION 6. This Act shall take effect on July 1, 2015.

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INTRODUCED BY:

Mike Hubbard

Erzanne Chun Oakland

DC. Cook

Mark

Ysabel

Will Eyo



S.B. NO. 1047

Report Title:

Waste-to-energy Power; Sustainable Energy; Waste Management;
Clean Energy; Pelatron Q, LLC; Special Purpose Revenue Bonds;
Appropriation

Description:

Authorizes the issuance of special purpose revenue bonds to assist Pelatron Q, LLC, with the development of waste-to-energy power plants in Hawaii.

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