



NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

An Authority of the State of Hawaii attached to the Department of Business, Economic Development & Tourism

MEMORANDUM

TO: All NELHA Clients

FROM: Gregory P. Barbour, NELHA Executive Director

DATE: July 2014

RE: Recent Developments

Aloha to all NELHA Clients! I am writing to provide an update to you regarding recent developments at HOST Park. Briefly:

Additional funding of \$2.5 million received from Governor and Legislature: NELHA requested funds this past year for the exploratory phase of a new potable water well. In line with the strong support we have received over the past several years from the DBEDT Director Richard Lim and Governor Abercrombie our request was included in the Administration budget request which was transmitted to the Legislature this past December. With very strong support from the Legislature and businesses in HOST Park, we were successful in obtaining \$2.5 million for this project. These funds will be used to complete the exploration phase for a new well. This phase includes: well siting studies, such as hydrology and geophysical to locate a possible source; field investigations; environmental assessment; permitting; plans/specifications for the exploratory well; and, drilling, casing and testing of the exploratory well.

Contract with F&H Construction signed to create a new clean energy/ocean science technology innovation/accelerator center:

Using funds obtained recently from the US Economic Development Administration we signed a contract to renovate old the NELHA administration building into a site to provide much needed office and collaboration space for new businesses at HOST Park.



When fully complete the center will have office and meeting space on two levels and a large collaboration space in the middle of the building. The new office space will be available for rental next year.

With the renovation of the old administration building due to begin soon, NELHA has moved its administrative offices into the Keena Hana building next to the Water Quality Laboratory. The picture at the right shows the new lobby for the NELHA.

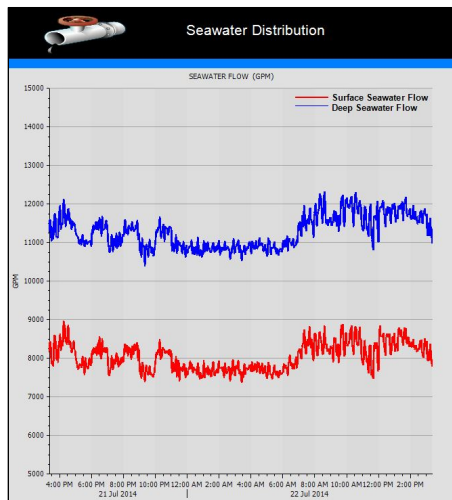


Place-based training: NELHA continues to nurture connections with high schools, community organizations, colleges, universities and research institutions to promote a culture of fresh ideas and new thinking. We offer internships and volunteer student projects that provide an opportunity for students to enhance their academic programs with field experience, related to their career interest, in a real world setting. We also facilitate internships at other businesses within HOST Park client organizations. There are currently five interns at the NELHA this summer and a list of the many interns that have worked here over the past five years can be found at www.nelha.org/resources.



Jan War and Dr. Alex Leonard explain NELHA's unique seawater distribution system to new interns this summer.

Seawater rate analysis: NELHA has initiated an analysis of seawater rates. This will be the first time we have reviewed rates in several years. It is an opportune time for this analysis as we are



just beginning to see the results of the new SCADA system that is providing, on a real-time basis, weather, flow, temperature, dissolved oxygen, turbidity, pump status, energy generation and consumption. A key part of the automation of the seawater system is the installation of new flow meters at all of the main pumping stations. We will be installing these new meters during August/September this year and some business may experience a disruption in their service of approximately 2 hours while we install the new meters. You will be provided 48 hours notice in advance of any disruption. The new meters will be much more accurate and allow us to optimize the seawater system further.

Who's Who at the NELHA. Several organization visited NELHA this year. Visitors included:

- GoogleX – Rapid Evaluation Team
- Arizona State University – Global Institute of Sustainability
- EnerSys Inc.
- Aquion Energy
- BYD Energy Inc.
- US Environmental Protection Agency
- US National Park Service
- US National Marine Fisheries Service
- Blue Planet Foundation
- National Taiwan Ocean University
- Beijing BORE Energy Technology Company
- Solar Hydrogen Trends Inc.

Have a great summer and be safe! gb

Note: Emergency contact telephone number for JAN-GUARD, our security company in evening and weekends is 808-557-7170