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Ulupono Intitiative invests \$1M into Honolulu Seawater Air Conditioning project



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Honolulu Seawater Air Conditioning LLC, which has a plan to cool downtown Honolulu buildings with a revolutionary air-conditioning system, has received \$1 million investment from the Ulupono Initiative, a Honolulu-based impact investment firm founded by eBay founder [Pierre Omidyar](#), the two organizations said Monday.

The investment will help Honolulu Seawater Air Conditioning begin construction in early 2014, Ulupono Initiative Managing Partner [Murray Clay](#) said in a statement.

Termed as one of the largest energy-efficiency projects in the state, the seawater air-conditioning system aims to eliminate the need for 178,000 barrels of oil per year by saving enough electricity to power more than 10,000 homes.

"The system promises significant savings in energy that will help move us closer to our goal of more renewable energy use for the state," Clay said.

The long-planned project, which recently [increased its anticipated cost](#) by \$30 million because of delays, has not been able to garner the amount of support from customers that it had anticipated. Most recent estimates put the total project cost between \$215 million to \$220 million.

The much-needed funding from the Ulupono Initiative comes at a crucial time for Honolulu Seawater Air Conditioning.

"Not only do the missions of both organizations — to create a more sustainable future for Hawaii — align perfectly, Ulupono's investment represents a strong vote of confidence in the potential of HSWAC's deep seawater cooling technology to greatly improve the quality of life in our island community," HSWAC President and CEO [Eric Masutomi](#) said in a statement.

The system works by cooling water to provide air conditioning to buildings in downtown Honolulu by pumping deep ocean water through a pipeline more than four miles offshore to a cooling station in Kakaako.

Honolulu Seawater Air Conditioning's project partners also include leading European deep-water cooling expert Capital Cooling Group and Renewable Energy Innovations, which has been providing consulting support.

Capital Cooling is serving as a management consultant as well as a \$500,000 co-investor with the Ulupono Initiative on the project, Honolulu Seawater Air Conditioning said.

Contractors selected to work on the project include Seattle-based Frank Coluccio Construction Co., Honolulu-based Hawaiian Dredging Construction Co. Inc., Oregon-based [James W. Fowler](#), Aiea-based Healy Tibbits Builders Inc., Honolulu-based Makai Ocean Engineering, Honolulu-based R.M. Towill Corp., Honolulu-based [Yogi Kwong](#) Engineers, Honolulu-based InSynergy Engineering and Honolulu-based dck pacific construction LLC.

Thus far, its customers include Hawaiian Electric Co., Finance Factors, First Hawaiian Center and One Waterfront Towers.

Honolulu Seawater Air Conditioning is awaiting a federal environmental impact statement's record of decision, which is expected to be out in November with the rest of the permits being contingent on the federal EIS, a spokesman for HSWAC told PBN.

Duane Shimogawa covers energy, real estate and economic development for Pacific Business News.