SB 2421

LINDA LINGLE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of
LAURA H. THIELEN
Chairperson

Before the Senate Committee on ENERGY AND ENVIRONMENT

Thursday, February 4, 2010 3:00 p.m. State Capitol, Conference Room 225

In consideration of SENATE BILL 2421 RELATING TO RENEWABLE ENERGY

Senate Bill 2421 would authorize the Department of Land and Natural Resources (Department) to consider including in their administrative rules (rules), allowance of renewable energy facilities in the Conservation District. The Department has established rules allowing for the application of renewable energy facilities via "public purpose" uses. An example of a renewable energy facility already permitted in a conservation district is the Maui Wind Farm project. In addition to this, the Department is proposing new rules that expressively identify various renewable energy projects as potentially permissible in the conservation district. For these reasons, the Department believes this measure is unnecessary, and will only lead to depleting the Department's already limited resources and manpower.

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y, TSUJI FIRST DEPUTY

KEN C. KAWAHARA DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION OF WATER RESOURCE MANAGEMENT
CONSER VATION AND RESOURCES ENFORCEMENT
BEGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESER VATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

LINDA LINGLE Governor



SANDRA LEE KUNIMOTO Chairperson, Board of Agriculture

DUANE K. OKAMOTODeputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512

WRITTEN TESTIMONY OF SANDRA LEE KUNIMOTO CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON ENERGY AND ENVIRONMENT THURSDAY, FEBRUARY 4, 2010 3:00 p.m. Room 225

SENATE BILL NO. 2421 RELATING TO RENEWABLE ENERGY

Chair Gabbard, Vice Chair English and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 2421. The Department of Agriculture offers comments. The amendment to Section 183C-4 (d) adds wind turbines, wind farms, solar energy facilities, and low-impact hydropower facilities as land uses that the Department of Land and Natural Resources may, through its rules, permit on lands within the Conservation District. There are agricultural activities within the Conservation District, such as grazing and pasture for livestock that may or may not be compatible with renewable energy facilities. Adding these renewable energy uses in the Conservation district is acceptable provided that they do not conflict or displace existing agricultural uses.

SB2421_AGR_02-1-10_ENE



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of THEODORE E. LIU Director

Department of Business, Economic Development, and Tourism before the

SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

Thursday, February 4, 2010 3:00 PM State Capitol, Conference Room 225

in consideration of

SB 2421 RELATING TO RENEWABLE ENERGY.

Chair Gabbard, Vice Chair English and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) would like to comment on the current draft of the SB 2421 because the bill as written does not help the permitting or development of renewable energy projects on conservation district lands since the bill does not amend the requirement for a conservation district use permit for renewable energy projects. The purpose of SB 2421 is to allow the establishment of wind turbines, wind farms, solar energy facilities, and low-impact hydropower facilities on State conservation district land, which already occurs with the granting of a conservation district use permit from the Board of Land and Natural Resources. The bill only allows for the establishment of certain types of renewable energy projects which already occurs on conservation district use lands.

Thank you for the opportunity to offer these comments.

Testimony before the Senate Committees on

Energy & Environment

S.B. 2421 – Relating to Renewable Energy

Thursday, February 4, 2010 3:00 pm, Conference Room 225

By Arthur Seki Director of Renewable Technology Hawaiian Electric Company, Inc.

Chair Gabbard, Vice Chair English and members of the Committee:

My name is Arthur Seki—I am the Director of Renewable Technology at Hawaiian Electric Company. I am testifying on behalf of Hawaiian Electric Company (HECO) and its subsidiaries, Maui Electric Company (MECO) and Hawaii Electric Light Company (HELCO).

We support S.B. 2421, which allows wind turbines, wind farms, solar energy facilities, or low-impact hydropower development in conservation districts. Land availability for renewable energy development continues to be an issue. We recommend that the renewable resources be broadened to include geothermal, biomass, biofuels, ocean energy and energy storage (i.e., pumped storage hydroelectric).

Thank you for the opportunity to present this testimony.

COMMITTEE ON ENERGY AND ENVIRONMENT

Senator Mike Gabbard, Chair, Senator J. Kalani English, Vice Chair

I OPPOSE SB 2421 for the following reasons:

- The intent of conservation district zoning is to "conserve, protect, and preserve" important natural resources within the districts. § 183C-1. As such, a thoughtful and detailed approach to establishing sub zones and accompanying permitted uses within conservation district subzones can already be found at HAR §13-5-22 through 25.
- The proposed language to amend §183C-4(d) is both vague and proposes additional uses not in concert with the intent of "good conservation practices."
- The proposed language would allow "certain renewable energy projects" defined as – but not limited to- facilities providing renewable energy from "wind turbines, wind farms, solar energy, or low-impact hydropower" but is ominously silent with respect to any limitation on size and scale, and does not comport with traditional farming, gardening, grazing, hunting and recreational pursuits now encouraged in these districts.
- The few energy facilities identified would each have vastly different footprints, impacts on the conservation districts in which placed, and effects on the environment. To ignore these distinctions is unwise.
- For example, a "limited" subzone within a conservation district currently "limits uses where natural conditions suggest constraints on human activities." §13-5-12. Siting a wind power plant in this type of subzone, as opposed to a solar facility, would have a much larger and potentially a more negative impact on the natural resources and open space and, during even a limited construction phase, virtually no "constraints" on human activity. Without careful oversight and regulation, such an outright permitted use could swallow the conservation district as a whole, in the process defeating the legislative intent to providing for regulation in conservation districts.
- Moreover, as written, the proposed amendment is ambiguous and vague with respect to the impact on existing provisions. What is the effect of the proposed amendment on §183C-3(5), which now permits the Board and Department to "[e]stablish categories of uses or activities on conservation lands, including allowable uses or activities for which no permit shall be required" (emphasis supplied), as opposed to §13-5-22 P-6 (and by reference §23) which currently requires "a board permit, and where indicated, a management plan"? Will the amendment make certain undefined, unlimited renewable energy projects outright allowable uses, for which no Board action

is required, or will the Board retain the discretion to consider a conservation district use permit (CDUP)?

- Under Chapter 196, Energy Resources, the Department of Land and Natural Resources is currently tasked with developing and publishing potential sites for renewable energy, see §196-41, rendering the proposed legislation unnecessary and premature.
- Finally, I would note that while the proposed amending language does not address §183C-4 (e), it is unacceptable that any hearing required by a change to the department's rules be held "in the county in which the land is located" and not on the host island.

In sum, the proposed amendment would have a negative impact on existing, well-established state regulatory authority. Providing a license to "allow" disparate, not fully defined and unlimited renewable energy facilities without regard to size or number (should <u>all</u> renewable energy projects be "allowed"?) is unwarranted and would set a dangerous departure from established uses of conservation districts.

I OPPOSE SB 2421 and urge this Bill be filed.

Thank you for this opportunity to testify to your Committee.

Sally Kaye P.O. Box 631313 511 Ilima Avenue Lanai City, HI 96763



Testimony of Warren Bollmeier Co-Chair - Renewable Energy Working Group Hawai'i Energy Policy Forum

Senate Committee on Energy and Environment Thursday, February 4, 2010 Tuesday, March 11, 2008 3:00 p.m.Conference Room 225

IN SUPPORT OF SB 2421- Relating to Renewable Energy

I am Warren Bollmeier, Co-Chair of the Renewable Energy Working Group of the Hawaii Energy Policy Forum ("Forum"). The Forum is comprised of 47 representatives from the electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. We have been meeting since 2002 and have adopted a common vision and mission, and a comprehensive "10 Point Action Plan," which serves as a framework and guide for meeting our preferred energy vision and goals.

The Forum supports passage of SB 2421. It enables the production of renewable energy that will benefit the state by reducing fossil fuel production and carbon emissions, and increasing the public health, safety, and welfare of our citizens.

SB 2421 would amend Section 183C-4(d), Hawaii Revised Statutes, to provide certainty and guidance that specified renewable energy production -- wind turbines. wind farms, solar energy facilities, and low-impact hydropower facilities -- can be considered as a permitted land use within established zones in the conservation district. And, we know that the Department of Land and Natural Resources can determine the value of the project and its impact on natural resources, including controling and safeguarding against any detrimental uses and activities.

Based on the foregoing, the Forum supports SB 2421 and respectfully urges passage of the bill.

Thank you for the opportunity to testify.

This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies or organizations.

Hawai'i Energy Policy Forum

- Ms. Stephanie Ackerman, The Gas Co.
- Mr. Robbie Alm, HECO
- Ms. Amy Asselbaye, Office of US Rep. Neil Abercrombie
- Ms. Madeleine Austin, World Business Academy Mr. Warren Bollmeier, Hawai'i Renewable
- Energy Alliance Mr. Carlito Caliboso, PUC (Observer)
- Mr. Albert Chee, Chevron
- Ms. Elizabeth Cole, The Kohala Center
- Mr. Kyle Datta, New Energy Partners
- Ms. Laura Dierenfield, People's Advocacy for Trails Hawai'i (PATH)
- Mr. Mark Duda, HI Solar Energy Asst.
- Sen. Kalani English, Hawai'i State Senate
- Mr. Mitch Ewan, UH HNEI
- Mr. Carl Freedman, Haiku Design & Analysis Sen. Mike Gabbard, Hawai'i State Senate
- Mr. Mark Glick, OHA
- Dr. Michael Hamnett, RCUH
- Dr. Robert Harris, Sierra Club
- Mr. William Kaneko, Hawai'i Institute for Public Affairs
- Mr. Darren Kimura, Energy Industries Holdings
- Ms. Kelly King, Sustainable Biodiesel Alliance
- Mr. Mike Kitamura, Office of US Senator Daniel K Akaka
- Mr. Kal Kobayashi & Victor Reyes, Maui County Energy Office
- Mr. Laurence Lau, State of Hawai'i DOH Mr. Allyn Lee, C&C of Honolulu Dept. of Design & Construction
- Dr. Stephen Meder, UH Center of Smart **Building & Community Design**
- Dr. Sharon Mivashiro, UH College of Social Sciences Public Policy Center
- Rep. Hermina Morita, Hawai'i State House of Representatives
- Mr. Dean Nishina, Div of Consumer Advocacy Mr. Tim O'Connell, USDA-Rural Development
- Ms. Melissa Pavlicek, Hawaii Public Policy Advocates
- Mr. Ted Peck, State of Hawai'i DBEDT Strategic Industries Division
- Mr. Randy Perreira, Hawai'i State AFL-CIO
- Dr. Rick Rocheleau, UH HNEI
- Mr. William Rolston, Hawai'i County Dept. of Research & Development
- Mr. Peter Rosegg, HECO
- Mr. Steven Rymsha, KIUC
- Mr. Riley Saito, PowerLight Corporation Mr. Glenn Sato, Kaua'i County Office of
- Economic Development Mr. Bill Short, BIA of Hawai'i
- Ms. Joelle Simonpietri, Simonpietri Enterprises
- Mr. H. Ray Starling, Hawai'i Energy Group LLC
- Mr. Lance Tanaka, Tesoro Hawai'i Corp. Dr. Don Thomas, UH Center for the Study of Active Volcanoes
- Ms. Maria Tome, State of Hawai'i DBEDT Energy Office Mr. Murray Towill, Hawai'i Hotel Association
- Mr. Joshua Wisch, Office US Representative Mazie Hirono
- Mr. Alan Yamamoto, Office US Senator Daniel Inouye