

DAVID Y. IGE
GOVERNOR OF
HAWAII



DEPT. COMM. NO. 44

SUZANNE D. CASE
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COMMISSION ON WATER RESOURCE MANAGEMENT

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LAND
STATE PARKS

**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

November 1, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki, Speaker
and Members of the House of
Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Geothermal Royalties Dispositions and Status of Geothermal and Cable System Development Fiscal Year 2021 report, as required by Sections 182-18 and 196D-11, Hawaii Revised Statutes (HRS). In accordance with Section 93-16, HRS, a copy of this report has been transmitted to the Legislative Reference Bureau and the report may be viewed electronically at <https://files.hawaii.gov/dlnr/reports-to-the-legislature/2022/EN22-Geothermal-Report-FY21.pdf>.

Sincerely,

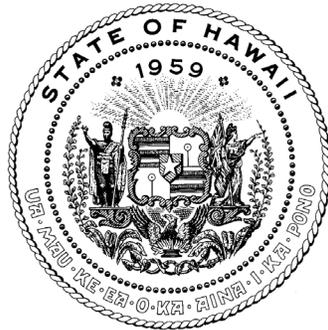
A handwritten signature in cursive script that reads "Suzanne D. Case".

SUZANNE D. CASE
Chairperson

Enclosure

Report to the Thirty-First Legislature
2022 Regular Session

**GEOHERMAL ROYALTIES DISPOSITIONS
and
STATUS OF GEOHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2021**



Prepared by the

Department of Land and Natural Resources
State of Hawaii

In response to
Sections 182-18 and 196D-11, Hawaii Revised Statutes

November 2021

**GEOTHERMAL ROYALTIES DISPOSITIONS
and
STATUS OF GEOTHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2021**

This report is prepared pursuant to Sections 182-18 and 196D-11, Hawaii Revised Statutes (HRS), and covers the period from July 1, 2020 through June 30, 2021.

Section 182-18, HRS – Geothermal Royalties

During Fiscal Year (FY) 2021, Puna Geothermal Venture (PGV) worked to restore electrical production after a long hiatus due to the 2018 eruption along the Kilauea East Rift Zone (KERZ). Existing geothermal wells were modified, and new wells were drilled to restore electrical production. PGV also began updating its power plant infrastructure by replacing older power generation equipment with more efficient units and refurbishing electrical substations with the goal of increased efficiency and clean energy production to meet its allowed energy production limits.

In FY 2021, geothermal royalties were received in the amount of \$232,705.45. Statutory distributions to the County of Hawaii (30% or \$69,811.64) and the Office of Hawaiian Affairs (20% or \$46,541.09) were made during this period.

Issued Permit(s)

8 (eight) permits were granted to maintain existing wells and to drill new geothermal wells.

Well Number	Well Type	Permit Type	Date Permit Granted
KS-17	Production	Maintenance	8/13/20
KS-18	Production	Maintenance	8/24/20
KS-19	Development	Drill	9/4/20
KS-14	Production	Maintenance	10/6/20
KS-18	Production	Maintenance	10/16/20
KS-18	Production	Maintenance	10/30/20
KS-20	Development	Drill	11/16/20
KS-11	Injection	Maintenance	2/17/21

Section 196D-11, HRS - Geothermal and Cable System Development

The Department of Land and Natural Resources is responsible for the effective management of geothermal resources and its development, to protect the health and safety of the public and to ensure the continued viability of the resource for the future. Currently, the Island of Hawaii is the only island benefiting from geothermal development. Power generation from geothermal energy began in May 1993 and, on average, annually provided more than 25% of the Island’s power demands. Currently power generation is ramping back up to reaccommodate those demands.

No program work was performed during the FY to effectuate the intent of this statute regarding an interisland deep water electrical transmission cable system.