Agenda
9/28/89

I. 301 Area

1) Rules

2) RCUH Contract

3) Other

II. Leasing and Drilling

III. Other (County, Mediation, RFP, DBED, etc.)

Agenda
September 14, 1989

1. Status of Rules

2. Status of Geothermal/Cable Development Consolidated Application Form

3. Status of RCUH contract

4. Irate phone callers/visitors

5. Status of Governor's response to Sharon B. Lunsford of Blue Ocean Preservation Society

6. Status of Annual Report to the Governor

7. Status of Geothermal Projects

8. Other

Agenda 8/31/89

1. Status of Administrative Rules (signed by Governor Waihee 8/25/89 and conveyed to Lt. Governor's office - rules effective 9/4/89)

2. Status of Geothermal/Cable Consolidated Application Form (retyped with changes from Department of Health - suggest other permitting agencies review to assure all permits are included and properly referenced)

3. Status of RCUH contract - met with Cora Chai and personnel specialist to draft announcements; have one librarian candidate recommended

4. Status of Annual Report - assembling forms on activities carried out; will prepare statistics and write report early next week

5. Status of geothermal projects

6. Newsclips (received late this week)

7. DBED Master Development Plan Consultant Meeting 8/29/89

8. Other

Mike please file "staff mtgs"

AGENDA 8/7/89

1. STATUS OF ADMINISTRATIVE RULES

2. STATUS OF GEOTHERMAL PROJECTS

RCUH CONTRACT

3. TELEPHONE CALL TO DR. JACKSON RE: LIBRARIAN

4. FOLLOW-UP ON PUBLIC RELATIONS SPECIALIST

5. DAGS REQUIREMENTS TO VERIFY RCUH SIGNATURE OTHER THAN DR. MATSUDA'S

6. OTHER

8/7/89

MEMORANDUM

TO: MANABU

FROM: JANET

SUBJECT: STAFF MEETING PUT OFF TODAY DUE TO MORE PRESSING MATTERS

JUST TO KEEP YOU INFORMED, THE ONLY PENDING MATTERS I HAVE OUTSIDE OF THE ADMINISTRATIVE RULES IS FOLLOW UP ON THE RCUH CONTRACT. SEVERAL MEETINGS AGO YOU ASKED ME TO CONTACT DR. CAROL TENOPIR OF THE UH SCHOOL OF LIBRARY SCIENCE TO FOLLOW UP ON THE INITIAL INQUIRY I MADE OF HER ABOUT FINDING A TEMPORARY COMPUTER TRAINED LIBRARIAN TO IMPLEMENT THE REPOSITORY FUNCTION OF THIS OFFICE, TO BE FUNDED FROM THE RCUH CONTRACT. I PHONED THE UNIVERSITY ON JULY 13, 1989 AND SPOKE TO THE DIRECTOR OF LIBRARY STUDIES, DR. JACKSON. HE INFORMED ME THAT DR. TENOPIR IS AWAY UNTIL THE LATTER PART OF AUGUST. I EXPLAINED WHAT I WANTED TO SPEAK TO HER ABOUT, AND HE SAID HE WOULD SEND ME A FORM TO FILL OUT IN ORDER TO FILL OUR JOB REQUEST. TO DATE THE FORM HAS NOT ARRIVED. AT THIS POINT, IF THERE IS NO URGENCY, IT MIGHT BE WISER TO WAIT AND SPEAK WITH DR. TENOPIR, SINCE SHE WAS THE PERSON RECOMMENDED TO TALK TO BY THE LIBRARIAN WHO SUCCESSFULLY STARTED A DATA BASE FOR DBED (MS. MARILYN MOORE). UNLESS YOU ADVISE ME THERE IS MORE URGENCY, I WILL WAIT UNTIL LATTER AUGUST AND SPEAK TO DR. TENOPIR.

AT THE SAME MEETING WHEN YOU ASKED ME TO CONTACT DR. TENOPIR, YOU SAID YOU WOULD LOOK AFTER THE PUBLIC RELATIONS PART OF THE RCUH CONTRACT TO GET SOMEONE ON BOARD FOR THAT POSITION. I DON'T KNOW THE STATUS OF THAT EFFORT.

ON THE RCUH CONTRACT, THERE HAS BEEN A PROBLEM WITH DAGS DUE TO THE FACT THAT AN INDIVIDUAL OTHER THAN DR. MATSUDA SIGNED THE CONTRACT FOR DR. MATSUDA. DAGS IS REQUIRING A NOTARIZED STATEMENT FROM THE INDIVIDUAL (MR. GILBERT OSHIMA, COMPTROLLER OF RCUH) STATING THAT HE IS THE COMPTROLLER. (WE HAVE ANOTHER DOCUMENT THAT SAYS OTHERS ARE ALLOWED TO SIGN, BUT IT DOES NOT SPECIFICALLY NAME OSHIMA.) WHEN DR. MATSUDA FOUND OUT ABOUT MR. OSHIMA'S SIGNATURE BEING QUESTIONED HE APPARENTLY WAS UPSET (ACCORDING TO CORA CHAI, RCUH STAFF) AND INITIATED PHONE CALLS TO FIND OUT WHY THIS RELATIVELY ROUTINE MATTER WAS BEING QUESTIONED. THE OUTCOME, PER ROY IN FISCAL, IS THAT DAGS IS NOW REQUIRING ONLY THIS NOTARIZED STATEMENT FROM MR. OSHIMA, A DOCUMENT THAT HE HAS BEEN PROVIDING TO OTHER AGENCIES WHEN HE SIGNS FOR DR. MATSUDA (ACCORDING TO ROY HE DID THIS FOR AQUATIC RESOURCES).

UNDER "OTHER", I HAD A CALL FROM BEVERLY OF COUNCILMAN WAYNE NISHIKI'S OFFICE COMPLAINING THAT PEOPLE WHO ATTENDED THE 7/28/89 BLNR MEETING REPORTED TO MR. NISHIKI THAT THEY HEARD DLNR STAFF INDICATE TO THE BOARD THAT COUNCILMAN NISHIKI HAD APPROVED THE PROPOSED RULES. BEVERLY SAID THE COUNCILMAN IS VERY UPSET ABOUT THIS AND SAID THAT IN NO WAY HAD HE APPROVED THESE RULES. I TOLD BEVERLY THAT THOSE REPORTS WERE INACCURATE - MY RECOLLECTION OF WHAT HAPPENED IS THAT DAN LUM TOLD THE BOARD IN HIS PRESENTATION THAT STAFF HAD CONTACTED OR MADE ATTEMPTS TO CONTACT THE COUNTY OFFICIALS WHO HAD CONCERNS ABOUT THE PREVIOUS VERSION OF THE RULES AND HAD WRITTEN IN THEIR CONCERNS. BOARD MEMBER ARATA ASKED IF COUNCILMAN NISHIKI WAS SATISFIED WITH THE RULES. DAN REPLIED THAT HE THOUGHT WE HAD ADDRESSED ALL THE ISSUES THAT HE WAS CONCERNED WITH. LATER, DR. EMMET ALULI SPOKE AND SAID HE DIDN'T THINK WAYNE NISHIKI WAS SATISFIED WITH THESE RULES. I TOLD BEVERLY I WOULD FIND OUT IF I COULD GET A TRANSCRIPT OF THE PROCEEDINGS THAT WOULD MAKE IT CLEAR WHAT HAD BEEN SAID AND GET BACK TO HER. I CALLED GERRY AT DLNR CHAIRMAN'S OFFICE AND LEARNED THAT THERE IS NO TRANSCRIPT MADE ROUTINELY, JUST A SUMMARY OF THE PROCEEDINGS. BUT INDIVIDUALS ARE ALLOWED TO COME TO THE OFFICE AND LISTEN TO THE TAPES. SHE TOLD ME THAT HER RECOLLECTION OF THE EVENTS WAS THAT DAN HAD SAID HE FELT STAFF HAD "ADDRESSED" THE COUNTY OFFICIALS' CONCERNS. SHE SAID THE WORDS ABOUT SATISFYING COUNCILMAN NISHIKI WERE ALULI'S WORDS. I TOLD DAN ABOUT THIS CONVERSATION AND HE SAID NOT TO WASTE TIME LISTENING TO THE TAPE (SINCE THERE WAS A TIME GAP BEFORE ALULI CAME TO SPEAK BEFORE THE BOARD) BUT TO GET BACK TO BEVERLY AND LET HER KNOW WHAT HAPPENED AND THAT SHE COULD WRITE IN TO THE CHAIRMAN IF SHE OR COUNCILMAN NISHIKI STILL HAS A CONCERN. I TRIED TO CALL BEVERLY TODAY BUT DID NOT GET THROUGH.

THE ONLY OTHER COMMENT TO BE RECEIVED BESIDES CYNTHIA THIELEN'S COMMENTS TO THE ACT 301 PROPOSED ADMINISTRATIVE RULES IS A FOLLOW UP LETTER FROM ESTHER UEDA OF THE LAND USE COMMISSION REQUESTING THAT WORDING BE ADDED IN THE RULES REQUIRING THE LAND USE COMMISSION BE COPIED ON ANY APPLICATIONS FOR DISTRICT BOUNDARY AMENDMENTS, AND ON ALL FINAL DECISIONS ON PETITIONS BY THE BOARD OF LAND AND NATURAL RESOURCES, ALONG WITH A COPY OF A MAP SHOWING THE RECLASSIFIED AREA. SHE SAYS THAT FOR OUR INFORMATION, THIS IS THE REQUIREMENT FOR DISTRICT BOUNDARY AMENDMENTS PROCESSED BY THE COUNTIES ALSO. I HAD TOLD RAY YOUNG (LUC STAFF) THAT WE WOULD CERTAINLY TAKE CARE OF THIS REQUEST ADMINISTRATIVELY, BUT THAT AT THE TIME OF MRS. UEDA'S REQUEST THE RULES HAD ALREADY BEEN PREPARED IN FINAL DRAFT FORM AND HAD BEEN SENT TO THE BOARD OF LAND AND NATURAL RESOURCES FOR ADOPTION. IS IT OK TO ADD THIS CHANGE ALSO TO THE RULES, AND TO SO NOTE TO THE BLNR ON AUGUST 11 WHEN WE GIVE THEM THE VERSION THAT WILL HAVE BEEN REVISED TO INCLUDE "AND" INSTEAD OF "OR" IN THE PORTION CITED BY CYNTHIA THIELEN?

Agenda 7/20/89

1. Last week's agenda (meeting didn't finish)

2. Question regarding response to Cynthia Thielen's request – she wants a copy of the rules as soon as they become public – at what point do they become public? Randy Young says when the BLNR adopts them, Sus says once they are on the agenda of the BLNR.

3. 7/18/89 meeting with Randy Young on 301 proposed rules; status of rules

4. Briefing books sent to BLNR members 7/19/89 for 7/28/89 7 a.m. briefing before 9 a.m. Board meeting

5. Status of geothermal projects

6. Other

Agenda 7/13/89

1. Proposed Administrative Rules Final Draft
2. Dean's trip to Hilo 7/11/89
3. Sus' trip to Hilo 7/11/89
4. Dan and Janet to BLNR meeting, Hilo, 7/14/89
5. Update on Status of Geothermal Projects
6. Other

Agenda 7/13/89

1. Proposed Administrative Rules Final Draft
2. Dean's trip to Hilo 7/11/89
3. Sus' trip to Hilo 7/11/89
4. Dan and Janet to BLNR meeting, Hilo, 7/14/89
5. Update on Status of Geothermal Projects
6. Other

Agenda 7/6/89

1. Revision of Act 301 Administrative Rules (July 7, 1989 is last day to receive comments - comments due from County of Hawaii and City and County of Honolulu)

2. RCUH Contract - unsigned copies delivered to Dr. Matsuda's office 6/30/89, Maile followed up 7/3/89

3. Xeroxing for Mr. Tolley available for pick-up 7/5/89 p.m. Transmittal letter available for Mr. Tagomori's signature

4. Travel for inspection of access road and drill pad site 6/30/89

5. Update on status of geothermal projects

6. Other

Maiie
geothermal staff mtg

Agenda 6/23/89

1. Public Hearing 6/21/89

a. Honolulu

b. Maui

c. Hilo

d. Kauai

(need to collect all sign in sheets and court reporter transcripts for the file)

2. Revisions to rules - are they substantive enough to require second public hearing? Need to go over Thielen's analysis - easy to add "intervenor" to definitions; easy to copy exactly LUC's rules, not attempt paraphrase as I did in proposed rules; easy to add a provision providing for direct appeal. On transfer of functions from LUC under 205.5, it is really hard to figure out what the statute means and therefore what is actually transferred. This is the part that evoked such uproar about home rule, and yet neither Randy Young nor LUC mentioned leaving out the County's role. (LUC's response letter is dated 6/21/89 to Manabu - this needs to be adressed also, but over the phone the suggestions sounded pretty mild). To resolve the wording on this matter, perhaps Thielen's language could be used. If the County Planning Commission's decision is subject to LUC approval, approval with modifications, or denial, then the wording of 13-185-3 (b) could be "After County Planning Commission approval, the department shall review and consider issuing special permits...". Randy Young (and Ray Young of LUC suggested this in conversation) asked if there shouldn't be standards for issuing the permit. The same standards could be used as in 205-5.1: "The department shall issue a special permit if it finds that the applicant has demonstrated by a preponderance of the evidence that: (1) the desired uses would not have unreasonable adverse health, environmental, or socio-economic effects on residents or surrounding property; and (2) The desired uses would not unreasonably burden public agencies to provide roads and streets, sewers, water, drainage, school improvements, and police and fire protection; and (3) That there are reasonable measures available to mitigate the unreasonable adverse effects or burdens referred to above.

On 13-185-4 wording can be added "transferred by the act to the department..." to satisfy Thielen's concerns. Regarding her concern about contested case provisions, the rules copy exactly the wording of the Act. However, we can add the words "The contested case would address all permit applications to be

issued by the agency which are subject to contested cases." after the word "jurisdiction" halfway into the paragraph. The words "contested case" can be added where Thielen suggests adding them.

On 13-185-6 "Streamlining", leave out the words if they are redundant - (the latter interpretation is the one that was intended).

On 13-185-14 "Conflict resolution process" Thielen reads this as applying to conflicts of authority, not "administrative conflicts". If administrative conflicts are seen to be innate aspects of permitting authority, not separable from the authority itself, then the Act is flawed because it contradicts itself. There cannot be a conflict resolution process if all conflicts are conflicts of authority but no agency's authority shall be affected or invalidated. However, if Thielen accepts that there is a difference between conflicts of authority and administrative conflicts, and that administrative conflicts are outside the realm of conflicts of authority, then this conflict resolution process should stand. Perhaps to make it clearer, at the beginning of each of section (a) and (b) wording could be added as follows: "In an administrative or procedural conflict (as opposed to a conflict of authority, which is not treated in this chapter) ...".

Section 13-185-15 on monitoring could have the suggested addition: "Any organization or private party can sue for injunctive relief where the applicant is violating permit terms and conditions, and the department is not enforcing compliance."

The Perry's suggestions are that 1) adjacent landowners be notified of any possible district boundary amendment or change in zoning. They cite a 300' boundary line definition of "adjacent" but suggest this should be increased. According to the Hawaii County Planning Department, these transferred functions will never come into play anyway, so perhaps using a 1,500' adjacent definition would be no problem and 2) that in no case should a "consolidated" geothermal permit be issued in less than one year. It is hard to say, given the range of application types that may come into the process, whether one year is too long a period to impose on every application that comes through the process. For a 500 MW consortium type project that comes in one huge application, one year will be a short time for processing all the required permits. In this case wording to that effect could be considered. One year could be too long for certain smaller aspects of a larger project, for example if an application were submitted through the 301 process to build support facilities in the area prior to drilling. I am not sure this arbitrary time limit should be imposed without knowing if it is meaniingful or not in terms of the entire range of types of applications to be submitted.

Barbara Bell's suggestions include establishing an Environmental Compliance Officer to be funded half by the geothermal industry. Perhaps this would be an appropriate position to fund through the monitoring and enforcement sections of the act. My reading however is that the enforcement functions only apply to tranferred functions. (The proposed rules go outside DLNR's 301-authorized bounds on the enforcement side, but no one complained about that.)

Bell asks for the information function to include information to the public, not just for developers (we have already been giving information to the public, at least on one occasion, a student requested information). Wording to this effect could be added: ..."center that will provide information to the public and guidance to potential applicants..."

Bell asks that the Annual Report be available to the public at no charge. Words could be added: "Copies of the annual report shall be made available to the public at no charge."

3. How to proceed from here on rules:

   1. get letter from LUC to complete inventory of concerns

   2. make new draft incorporating as possible all rules;

   3. see if new draft is ok in house

   4. contact Thielen regarding conflict resolution process? contact Planning Department when new version is ready to see if it is less offensive to home rule, contact LUC to see if changes comply with their recommendations.

   5. wait till July 7 for additional testimony, add if appropriate and check with originator if appropriate

   6. send draft to AG for final review or determination that second hearing is necessary

   7. if ok, submit to BLNR July 14 for adoption, sticking to existing time schedule; if not ok, make new time schedule with second public hearing

4. Status of Geothermal Projects
5. RCUH Request
6. Other matters
7. Status re Court Reporter incident.

Agenda
May 25, 1989

1. Preparation for Rescheduled Hearing 6/21/89 - who goes where? Alert supporters of geothermal to testify in favor of draft rules.

2. Current Status of Geothermal/Cable Applications to DLNR

3. Copy of RFP available? Per G. Lesperance copy sent from HECO to DLNR around May 3, 1989.

4. What kind of response desired to inquiries about geothermal/cable permitting regimes? Info only to be sent, info + letter, all through Manabu?

5. 301 Administrative Rules review -

   Comments from B&F regarding transfer of functions from DOT - request 301 group's opinion. B&F suggestion is to leave out confusing wording; DOT reviewed and left wording as proposed. Key area is can CDUA and DLNR differ in views over application - if Department differs (in DOT's role) then separate application would be necessary. Per Tom Fujikawa of DOT this only comes up rarely, such as in the Ala Wai or off Waikiki when navigational concerns may cause DOT to want a separate application. DOT apparently read the proposed rules as CDUA and DLNR (department) taking on these check and balance roles even within a single agency, whereas B&F read them as contradictory and confusing.

   Second comment from Ray Young of Land Use Commission questioning whether special permits for changes in land uses should be tranferred to DLNR - his reading of the Act is that this portion (b) of 205-3.1 does not relate to changes in zoning and therefore should not be transferred. My reading of the act was to include 205-5 as an entity and therefore I picked up each part of it, including part (b). Also he expressed concern that the careful criteria for boundary changes that are followed by Land Use Commission were not picked up in our rules. These criteria are in 205-17. I only picked up what was in 205-3.1 et seq. following the reference in the Act.

   I asked if we could sit down and go over these things in a meeting. Ray said he would go over his concerns with Mrs. Ueda, meanwhile sending us a copy of his comments. After she has had a chance to consider his comments he will let us know if a meeting would be helpful.

6. Should DLNR participate in Geothermal Roundtable meetings

including subcommittee meetings?

7. Need to develop an orientation package on Act 301 to take on the road, including general description of functions assigned to involved federal state and county agencies.

8. Need to review office procedures, logistical problems, and chain of command, to reduce processing time.

9. Proposed RCUH contract - need to define needs for contracted assistance in geothermal area (review status of HGP-A, librarian to set up computerized repository, etc.)

10. Other

11. Newsclips

REVISED DRAFT May 17, 1989

Proposed Timetable for Implementing Act 301 Administrative Rules

2/1/89	Wed.	Staff review of draft rules
2/9/89	Thurs.	Final staff review of draft rules
2/16/89	Tues.	Draft rules to Committee on Geothermal/Cable Permitting
		Committee writes/calls in comments.
2/27/89	Mon.	Draft #5 to AG for review as to form
3/10/89	Fri.	Prepare and send submittal for 3/23/89 BLNR approval, public hearings subject to the AG's and Governor's approval, and authorize hearings officer to conduct public hearings
3/14/89	Wed.	Committee on Geothermal/Cable Permitting final review of Act 301 Administrative Rules
3/23/89	Fri.	Receive Board approval to hold public hearings on draft rules subject to approval of AG and Governor
4/5/89	Wed.	Receive AG's preliminary review.
4/7/89	Fri.	Recieve final substantive changes to draft
4/12/89	Wed.	Transmit proposed rules to AG for preliminary approval
4/18/89	Tues.	Meet with OSP, B&F, et al.
4/21/89	Fri.	Receive AG's preliminary approval and transmit rules to Governor for preliminary approval
4/28/89	Wed.	Receive Governor's preliminary approval of proposed administrative rules. Submit notice of public hearing to newspapers
5/8-9/89	Mon.-Tues.	Publish 1st Notice of Public Hearing
5/10/89	Wed.	Distribute copies of proposed rules and hearing notice
5/16/89	Tues.	Publish 2nd Notice of Public Hearing

5/16/89	Tues. Receive word from AG that law re administrative rules has changed effective May 3, 1989, requires rescheduling hearings
5/18/89	Thurs. Mail rescheduled notice to those who received copies of proposed rules
5/22/89	Mon. Publish 1st Notice of Rescheduled Public Hearing (now 30 days in advance of hearing, not 20; notice must say "proposed rules will be mailed free of charge" and specify how people may request a copy)
	Draft rules available for public distribution at all DLNR Land Management Divisions
5/29/89	Mon. Publish 2nd Public Hearing Notice (23 days in advance)
6/14/89	Wed. Publish 3rd Notice of Public Hearing (7 days in advance)
6/21/89	Wed. Public Hearing held on Oahu.
	Public Hearing held on Kauai (Kauai hearing to be conducted by land agent Sam Lee, if available).
	Wed. Public Hearing held on Maui.
	Wed. Public Hearing held on Hawaii.
7/7/89	Thurs. Last day to receive written testimony on proposed rules (15 days after the close of the hearing).
7/12/89	Wed. Complete final revisions to the proposed rules. Type final draft and submit Board submittal to Chairperson's office for inclusion onto the July 14, 1989 Board meeting agenda.
7/14/89	Fri. Board approves adoption of administrative rules and authorizes submittal of rules to Governor for final approval. Submit rules to AG for their final approval.
7/21/89	Fri. Receive AG's final approval of proposed rules.
	Submit proposed rules to Governor for final approval.

7/28/89	Fri.	Receive final approval from Governor; Governor's office to forward rules to Lt. Governor's office where rules must sit for ten days prior to becoming effective.
8/7/89	Mon.	Act 301 Administrative Rules are in effect.

NOTICE OF RESCHEDULED PUBLIC HEARING

State of Hawaii
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Water and Land Development

Proposed Administrative Rules
for Geothermal and Cable System Development Permitting

Public hearings will be held by the Division of Water and Land Development, Department of Land and Natural Resources, to receive testimony on the proposed administrative rules to implement Act 301, Session Laws of Hawaii, 1988, "Geothermal and Cable System Development Permitting Act of 1988".

Act 301 provides for a consolidated permitting process for geothermal and cable system development projects, in which the Department of Land and Natural Resources shall be the lead agency. It provides coordination among agencies in order to streamline the often duplicative permitting requirements of the various agencies and it provides for developing a consolidated application form. It provides for an Interagency Group of all permitting agencies affected by such a project, and it provides for a consolidated review team to coordinate requirements such as environmental impact statements and public hearings. It provides that State and county agencies shall participate in the consolidated permitting process, and it assures full cooperation to federal agencies that may participate on a voluntary basis.

The Act provides for a joint agreement among the agencies to participate in the process for each project. The joint agreement will provide details of timetables and schedules for coordinating and consolidating whatever requirements can be processed jointly; the joint agreement also provides a process for resolving conflicts. The Act also provides for an information center and a repository of documents for prospective project applicants.

The proposed administrative rules provide operating procedures to implement the provisions of Act 301 outlined above. The member agencies of the Interagency Group are named; the scope of the joint agreement is provided; the application procedure is provided, with addresses where to obtain and submit permits; a fee schedule is included; provision for transfer of certain permitting functions from the Land Use Commission and from the Department of Transportation to the Department of Land and Natural Resources for geothermal permitting purposes is provided; a conflict resolution process is provided, and provisions for monitoring the permitting process are provided.

The public hearings are being rescheduled from the May 30, 1989 date previously announced to June 21, 1989 at 7:00 p.m. at the following places:

Department of Land and Natural Resources
Board Room, Room 132, Kalanimoku Building
1151 Punchbowl Street, Honolulu, HI 96813

Maui Community College
Community Services Building
310 Kaahumanu Avenue, Kahului, HI 96732

State Conference Room
State Office Building, 2nd Floor
Lihue, Kauai 96766

University of Hawaii Hilo Campus
Campus Center, Rooms 306-307
Kawili Street, Hilo, Hawaii 96720

A copy of the proposed rules to be adopted will be mailed at no cost to any interested person who requests a copy. Requests may be made to the Division of Water and Land Development, Department of Land and Natural Resources, Room 227, 1151 Punchbowl Street, Kalanimoku Building, Honolulu, Hawaii 96813 (phone #548-7539) or to the Geothermal Permit Center, Department of Land and Natural Resources, Room 509, 677 Ala Moana Boulevard, Honolulu, Hawaii 96813 (phone #548-7443).

Copies of the proposed rules will also be available free of charge at the following locations:

State Office Building,
75 Aupuni Street, Hilo, Hawaii 96720

State Office Building
54 High Street, Wailuku, Maui 96793

State Office Building
3060 Eiwa Street, Lihue, Kauai 96766

Kaunakakai Library
395 Kaunakakai Street, Kaunakakai, Molokai 96748

All interested parties are urged to attend the hearings and submit comments, orally or in writing.

The Department of Land and Natural Resources will continue to accept written testimony until June 15, 1989. Testimony developed after the hearings should be mailed to the Division of Water and Land Development, P.O. Box 621, Honolulu, Hawaii 96809.

State of Hawaii
BOARD OF LAND AND NATURAL RESOURCES

WILLIAM W. PATY, Chairperson

Dated: May 17, 1989

Publish in:
Honolulu Star-Bulletin, issue of May 22, 29, and June 14, 1989
West Hawaii Today, issue of May 22, and June 14, 1989
Hilo Tribune Herald, issue of May 22, and June 14, 1989
Maui News, issue of May 22, and June 14, 1989
Garden Island, issue of May 22, and June 14, 1989

LIBRARY CONSULTANT

OBJECTIVE:

To establish library collections on Hawaii's geothermal resource development, undersea cable transmission of electrical energy, and related federal, state and county laws, rules, guidelines and permits.

SCOPE:

1. Determine user requirements.

2. Prepare outline of proposed library system including cataloging, classifying and retrieving processes.

3. Prepare plan to automate library system including networking with other appropriate libraries.

4. Determine library equipment and computer hardware needs.

5. Install library and train staff.

6. Develop operating manual especially relating to maintaining collection.

5/8/89

HAWAII ADMINISTRATIVE RULES

TITLE 13
DEPARTMENT OF LAND AND NATURAL RESOURCES

SUB-TITLE 7. WATER AND LAND DEVELOPMENT

Chapter 185
Rules of Practice and Procedure for Geothermal and Cable System Development Permitting

Subchapter 1. General

Section 13-185-1	Purpose
Section 13-185-2	Definitions
Section 13-185-3	Transfer of functions
Section 13-185-4	Consolidated permit application and review process
Section 13-185-5	Contested case provisions
Section 13-185-6	Streamlining
Section 13-185-7	Information services
Section 13-185-8	Annual Report

Subchapter 2. Consolidated permit application and review process

Section 13-185-9	Application and review procedure
Section 13-185-10	Application filing and fees
Section 13-185-11	Interagency group
Section 13-185-12	Consolidated permit application and review team
Section 13-185-13	Joint agreement
Section 13-185-14	Conflict resolution process

Subchapter 3. Regulation of consolidated geothermal and cable system development permitting

Section 13-185-15	Monitoring and enforcing applicant's compliance with terms and conditions of permits

Subchapter 1. General

Section 13-185-1 Purpose. The purpose of this chapter is to establish guidelines and procedures for consolidated geothermal and cable system development permitting. Consolidated permitting procedures are intended to coordinate and streamline permitting requirements of the diverse array of federal, state, and county land use, planning, environmental, and other related laws and regulations that affect geothermal and cable system development. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-2)

Section 13-185-2 Definitions. As used in this chapter: "Agency" means any department, office, board, or commission of the State or a county government which is a part of the executive branch of that government, but does not include any public corporation or authority that may be established by the legislature for the purposes of geothermal and cable system development.

"Applicant" means any person who, pursuant to statute, ordinance, rule, or regulation, requests approval or a permit for a geothermal and cable system development project.

"Approval" means a discretionary consent required from an agency prior to the actual implementation of a geothermal and cable system development project.

"Conflict" means a procedural disagreement between or among agencies as a result of conflicting permit, approval, or other requirements, procedures, or agency perspectives, not based on statute, ordinance, or rule established pursuant thereto, but based on administrative interpretation outside of statutory authority.

"Consolidated permit application form" means a package of forms comprising the form made for this purpose by the department of land and natural resources plus the forms of whatever federal and other agencies have permitting authority over a particular project and are required to use their own application form. Information provided in this package includes but is not limited to information identifying the applicant, the landowner, the location of the proposed geothermal and cable system development project, the types of permits required, environmental requirements, information on the geographic location of the project, a description of the proposed project, and plan information.

"Department" means the department of land and natural resources or any successor agency.

"Discretionary consent" means a consent, sanction, or recommendation from an agency for which judgement and free will may be exercised by the issuing agency, as distinguished from a ministerial consent.

"Environmental impact statement" means, as applicable, an informational document prepared in compliance with chapter 343, Hawaii Revised Statutes, or with the National Environmental Policy Act of 1969 (Public Law 91-190).

"Geothermal and cable system development project" or "project" means the commercial development, construction, installation, financing, operation, maintenance, repair, and replacement, including without limitation all applicable exploratory, testing, and predevelopment activities related to the foregoing, of:

(1) a geothermal power plant or plants, including associated equipment, facilities, wells, and transmission lines, on the islands of Hawaii or Maui, for the purpose of generating electric energy for transmission primarily to the island of Oahu through the cable system; and

(2) an interisland deep water electrical transmission cable system, including all land-based transmission lines and other ancillary facilities, to transmit geothermally generated electric energy from the islands of Hawaii or Maui, to the islands of Oahu or Maui, regardless of whether the cable system is used to deliver electric energy to any intervening point.

"Interagency group" means a group comprised of representatives from county, State, and federal agencies involved in geothermal and cable system development permitting activities whose permitting functions are not transferred by Sec. 196D-10, Hawaii Revised Statutes, to the department for the purpose of consolidating the permitting process for geothermal and cable system development projects.

"Permit" means any license, permit, certificate, certification, approval, compliance schedule, or other similar document or decision pertaining to any regulatory or management program which is related to the protection, conservation, use of, or interference with the natural resources of land, air, or water in the State and which is required prior to or in connection with the undertaking of the project.

"Person" includes any individual, partnership, firm, association, trust, estate, corporation, joint venture, consortium, any public corporation or authority that may be established by the legislature for the purposes of the project, or other legal entity other than an agency. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Secs. 196D-3, HRS 196D-6)

Section 13-185-3 Transfer of functions. The following functions are transferred to the department: the functions of the land use commission related to district boundary amendments as set forth in section 205-3.1 et seq., Hawaii Revised Statutes; and functions of the land use commission related to changes in zoning as set forth in section 205-5, Hawaii Revised Statutes; and permit approval and enforcement functions of the department of transportation related to use of or commercial activities in or affecting the ocean waters and shores of the State under chapter 266, Hawaii Revised Statutes.

(a) Regarding functions of the land use commission related to district boundary amendments as set forth in section 205-3.1 et seq., Hawaii Revised Statutes, for district boundary amendments involving land areas greater than fifteen acres, and for land areas fifteen acres or less in conservation districts, as they relate to a geothermal and cable system development project, the department shall process applications as follows. The applicant shall file a petition for boundary amendment with the department. The petition shall be in writing and shall provide a statement of the authorization or relief sought; the statutory provisions under which authorization or relief is sought; for petitions to reclassify properties from the conservation district to any other district, the petition shall include an environmental impact statement or negative declaration approved by the department for the proposed reclassification request; the legal name of the petitioner, and the address, description of the property, the petitioner's proprietary interest in the property, and a copy of the deed or lease, with written authorization of the fee owner to file the petition; the petition shall include the type of development proposed and details regarding the development including timetables, cost, assessment of the effects of the development, and an assessment of the need for reclassification. The department shall serve copies of the application upon the county planning department and planning commission within which the subject land is situated, upon the director of the department of planning

and economic development, or a designated representative, and upon all persons with a property interest in the property recorded in the county's real property tax records at the time the petition is filed, along with a notice of a public hearing on the matter, to be conducted on the appropriate island. The department shall set the hearing within not less than sixty and not more than one hundred eighty days after a proper application has been filed. The department shall also mail notice of the hearing to all persons who have made a timely written request for advance notice of boundary amendment proceedings, and notice of the hearing shall be published at least once in a newspaper in the county in which the land sought to be redistricted is situated as well as once in a newspaper of general circulation in the State at least thirty days in advance of the hearing. The notice shall comply with the provisions of section 91-9, shall indicate the time and place that maps showing the proposed district boundary may be inspected, and further, shall inform all interested persons of their rights regarding intervening in the proceedings. The department shall appear at the proceedings as a party in the petition and shall make recommendations relative to the proposed boundary change. The department shall admit any other department or agencies of the State and of the county in which the land is situated as parties upon timely application. The department shall admit any person who has some property interest in the land, who lawfully resides on the land, or who otherwise can demonstrate that they will be so directly and immediately affected by the proposed change that their interest in the proceeding is clearly distinguishable from that of the general public, as parties for intervention to the proposed boundary change. The department shall receive applications for leave to intervene from any member of the public. However, the department shall deny an application if it appears it is substantially the same as the position of a party already admitted to the proceeding or if admission of additional parties will render the proceedings inefficient and unmanageable. The petition for intervention shall be filed with the department within fifteen days after the notice of hearing is published in the newspaper. The petition shall make reference to the following:

(1) Nature of petitioner's statutory or other right;

(2) Nature and extent of the petitioner's interest, and if an abutting property owner, the tax map key description of the property;

(3) Effect of any decision in the proceeding on petitioner's interest.

Within a period of not more than one hundred and twenty days after the close of the hearing, the department shall, by findings of fact and conclusions of law, act to approve the petition, deny the petition, or to modify the petition by imposing conditions necessary to uphold the intent and spirit of the law or to assure substantial compliance with representations made by the petitioner in seeking a boundary change.

(b) Regarding transfer of the function of the land use commission concerning changes in zoning, the department shall review and consider issuing special permits as necessary in connection with applications for geothermal and cable system development projects on land zoned for agriculture and within rural districts. Such special permits may be issued at the department's discretion upon favorable review of the purpose of the request.

(c) Regarding permit approval and enforcement functions of the department of transportation related to use of or commercial activities in or affecting the ocean waters and shores of the State under chapter 266, Hawaii Revised Statutes, for any construction, dredging, or filling within the ocean waters of the State, including ocean waters, navigable streams and harbors belonging to or controlled by the State, to be undertaken as part of a geothermal and cable systems development project, a permit application form called "Application for Work in the Ocean Waters of the State of Hawaii", available at the Division of Water and Land Development, shall be filed by the applicant. Requirements to accompany the application include an environmental assessment or statement, a description of the shoreline, nature and extent of proposed work (such as construction, dredging, disposition of dredged material, filling, or other work), reference to public access, effects on adjacent property owners, and other information pertinent to the proposed work as required. In areas where a Conservation District Use Application (CDUA) is required, the Application for Work in the Ocean Waters of the State of Hawaii need not be filed. The requirements outlined above will be met via inter-division coordination within the department. A separate application for permit for work in the shorewaters of the State will no longer be necessary except when: (1) applicant's proposal is in the conservation district, but does not require a CDUA per the department's determination and (2) applicant applies for

CDUA, but in the review process the department expresses opposition or objection to the proposal. In areas where the proposed project is in the ocean waters, but not in the conservation district, the applicant is required to file with the department. The department shall inform and consult with, as appropriate, various agencies that have jurisdiction over navigable waters. When directed, the applicant shall notify the United States Coast Guard of such work for publication of a "Notice to Mariners". [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-10)

Section 13-185-4 Consolidated permit application and review process. In order to carry out the intent of the geothermal and cable system development permitting act of 1988, the department shall establish and administer a consolidated permit application and review process as provided in this chapter. The consolidated permit application and review process shall not affect or invalidate the jurisdiction or authority of any agency under the existing law, except to the extent that permitting functions have been transferred to the department for the purposes of the project, and each federal agency shall isssue its own permit or approval based on its own jurisdiction. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-5)

Section 13-185-5 Contested case provisions. Where the contested case provisions under chapter 91, Hawaii Revised Statutes, apply to any one or more of the permits to be issued by an agency for the purposes of the project, the agency may, if there is a contested case involving any of the permits, be required to conduct only one contested case hearing on the permit or permits within its jurisdiction. Any appeal from a decision made by the agency pursuant to a public hearing or hearings required in connection with a permit shall be made directly on the record to the supreme court for final decision subject to chapter 602, Hawaii Revised Statutes. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-5)

Section 13-185-6 Streamlining. The department shall monitor the processing of all permit applications under this chapter on an ongoing basis to identify inefficiencies, delays, and duplications of effort. The department shall track the status of permits of those agencies whose permitting functions are not transferred to the department for the purpose of consolidated permitting

for geothermal and cable system development projects. Any alternative suggestions and recommended changes in procedures will be brought to the interagency group as appropriate for consideration and adoption. The department may develop legislative proposals as appropriate to eliminate any duplicative or redundant permit requirements. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-7)

Section 13-185-7 Information services. (a) The department shall operate a permit information and coordination center that will provide guidance to potential applicants for geothermal and cable system development projects with regard to permits and procedures that may apply to the project. The center shall be known as the geothermal and cable system development permitting information and coordination center.

(b) The department shall maintain and update at the geothermal and cable system development permitting information and coordination center a repository of the laws, rules, procedures, permit requirements, and criteria of agencies whose permitting functions are not transferred to the department for the purpose of consolidated permitting and which have control or regulatory power over any aspect of geothermal and cable systems development projects and of federal agencies having jurisdiction over any aspect of these projects. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-8)

Section 13-185-8 Annual report. The department shall submit an annual report to the governor and the legislature on its work during the preceding year. The report shall include the status of geothermal and cable system development projects, any problems encountered, any legislative actions that may be needed to improve the consolidated permit application and review process, and to implement the intent of the geothermal and cable system development act of 1988. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-11)

Subchapter 2. Consolidated permit application and review procedures

Section 13-185-9 Application and review procedure. (a) The department shall provide the applicant with a geothermal/cable development consolidated permit application form. The consolidated permit application

form will be available during office hours 7:45 a.m. to 4:30 p.m. Monday through Friday, except holidays, at the following address:

Department of Land and Natural Resources
Division of Water and Land Development
1151 Punchbowl Street, Room 227
Honolulu, Hawaii 96813
Telephone: 548-7533
Telefax: 548-6052

The department shall provide necessary assistance for the applicant to fill out the consolidated geothermal/cable development application form.

(b) The department shall provide advice to any applicant when federal and other agencies have indicated that they will not participate in the consolidated permit application and review process. The department shall assist the applicant in applying directly to these agencies, and shall coordinate to the fullest extent possible the consolidated permitting process with the permitting processes of the non-participating federal and other agencies.

(c) Upon receipt of the properly completed consolidated permit application, the department shall notify all State and county agencies whose permitting functions are not transferred to the department for the purpose of geothermal/cable system development permitting, as well as all federal agencies that may have jurisdiction over any aspect of the proposed project as set forth in the application, and shall invite the federal agencies and shall require State and county agencies so notified to participate in the consolidated permit application and review process. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-5)

Section 13-185-10 Application filing and fees. The applicant shall attach to the consolidated permit application form a preliminary statement of project costs. A filing fee varying with the statement of project cost shall accompany the consolidated permit application as follows:

Project Cost	Fee
$0 - 999,999	$200
1,000,000 - 9,999,999	$400
more than 10,000,000	$600

The fee shall be payable by check which shall accompany the application and should be made payable to the State of Hawaii. The check and the geothermal/cable development consolidated application shall be submitted to:

State of Hawaii
Department of Land and Natural Resources
P.O. Box 621
Honolulu, Hawaii 96806

or delivered to:

Department of Land and Natural Resources
Division of Water and Land Development
1151 Punchbowl Street, Room 227
Honolulu, Hawaii 96813

Checks for filing fees required for filing applications with agencies participating in the consolidated permit application and review process but whose permitting functions have not been transferred to the department for the project shall be made out in separate amounts to the respective agencies but shall be attached to the consolidated permit application form.

Filing fees for federal and other agencies not participating in the consolidated permit application and review process shall be submitted directly to those agencies. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-5)

Section 13-185-11 Interagency group. In order to provide coordination amongst agencies to facilitate carrying out the consolidated permit application and review process, the department shall convene an interagency group comprised of representatives of federal and other permitting agencies whose permitting functions have not been transferred to the department including but not limited to the following:

U.S. Army Corps of Engineers
District Engineer (POD CO-O)
Building 230
Fort Shafter, Hawaii 96858

Commander in Chief
U.S. Pacific Fleet
Pearl Harbor, Hawaii 96860

Commander, U.S. Coast Guard
Fourteenth Coast Guard District (OAN)
300 Ala Moana Boulevard, Room 9153
Honolulu, Hawaii 96850

District Chief,
Water Resources Division
U.S. Geological Survey
300 Ala Moana Boulevard, Room 6110
Honolulu, Hawaii 96850

Pacific Islands Administrator
U.S. Fish and Wildlife Service
300 Ala Moana Boulevard, Room 5302
P.O. Box 50167
Honolulu, Hawaii 96850

National Marine Fisheries Service
Pacific Islands Coordinator
2570 Dole Street, Room 106
Honolulu, Hawaii 96822-2396

Environmental Protection Agency
Manager,
Pacific Islands Contact Office
300 Ala Moana Boulevard, Room 1302
Honolulu, Hawaii 96850

Pacific Area Director
National Park Service
300 Ala Moana Boulevard, Room 6305
Honolulu, Hawaii 96850

State of Hawaii
Department of Transportation
869 Punchbowl Street
Honolulu, Hawaii 96813

State of Hawaii
Office of State Planning
State Capitol, Room 410
Honolulu, Hawaii 96813

State of Hawaii
Department of Health
1250 Punchbowl Street
Honolulu, Hawaii 96813

State of Hawaii
Department of Business and
Economic Development
250 South King Street
Honolulu, Hawaii 96813

Mayor, County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96721

Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96783

Mayor, City and County of Honolulu
Honolulu Hale
530 South King Street
Honolulu, Hawaii 96813

State and county agencies having permitting authority in geothermal and cable systems development projects shall participate in the activities of the interagency group. Federal agencies with permitting authority are invited to participate and the department shall give them the fullest cooperation possible in coordinating federal and State permit requirements.

If the legislature establishes any public corporation or authority for the purposes of implementing geothermal and cable systems development projects, then upon its establishment, the public corporation or authority shall be a member of the interagency group. The department shall convene meetings of the interagency group as required, and in appropriate locations, to organize to participate and to participate in the consolidated permit application and review process. The department shall convene a meeting of the interagency group in a timely manner upon completion of the department's review of each properly completed geothermal/cable consolidated permit application.[Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-6)

Section 13-185-12 Consolidated permit application and review team. (a) The department shall select a working team known as the consolidated permit application and review team from among representatives of agencies having jurisdiction over any aspect of the project. The applicant shall designate a representative to be available to the consolidated application and review team for

purposes of processing the applicant's consolidated permit application. The consolidated application and review team shall work with the department to provide permitting coordination for each geothermal and cable system development project. The team shall consolidate the various permitting requirements for each project.

(b) The department and agencies, through the consolidated permit application and review team, shall cooperate with the federal agencies to the fullest extent possible to minimize duplication and where possible promote consolidation of federal and State requirements. To the fullest extent possible, this cooperation shall include joint environmental impact statements with concurrent public review and processing at both levels of government. Where federal law has requirements that are in addition to but not in conflict with State law requirements, the department and the agencies shall cooperate to the fullest extent possible in fulfilling those requirements so that all documents shall comply with all applicable laws. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Secs. 196D-5, 196D-6)

Section 13-185-13 Joint Agreement. Representatives of the State and county agencies participating on the consolidated application and review team shall sign a joint agreement committing them to meet and perform the following tasks for each project application:

(1) provide a listing of all permits required for the proposed project;
(2) specify the regulatory and review responsibilities of the department and each State, county, and federal agency and the responsibilities of the applicant;
(3) provide a timetable for regulatory review, the conduct of necessary hearings, preparation of an environmental impact statement, if necessary, and other actions required to minimize duplication and to coordinate and consolidate the activities of the applicant, the department, and the State, county, and federal agencies; the timetable shall accommodate existing statutes, ordinances, or rules established pursuant thereto, of each participating agency so that if one participating agency requires more time than another agency to process its portion of the consolidated permit application and cannot move up its schedule, the consolidated process shall defer to the agency with the longer time requirement.

(4) coordinate hearings required for a permit, and hold hearings on the island where the proposed activity shall occur;
(5) prepare alternatives for resolving conflicts and bring these to the affected agencies for resolution and if none of these alternatives is satisfactory to resolve a conflict, follow the conflict resolution process in section 13-185-14;
(6) approve a consolidated permit compliance monitoring program and schedule prepared by the department to take effect after a proposed project is approved, to be monitored by the department;
(7) provide that each agency shall monitor and enforce the respective terms and conditions of each agency's respective permits.

Federal agencies are invited to sign the joint agreement for a period not to exceed the term of the entire process for each geothermal and cable system development project application submitted to the department. Signing the joint agreement and thereby participating in the consolidated application process shall not affect or invalidate the jurisdiction or authority of any agency under existing law. Each agency shall issue its own permit or approval based on its own jurisdiction. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-4)

Section 13-185-14 Conflict resolution process. Should administrative or procedural conflicts arise that the consolidated permit application and review team cannot resolve, the following conflict resolution process shall be implemented:

(a) in a conflict between State departments, any affected State department head may declare that an impasse exists between that department and any department or departments of the State during any phase of the permitting process related to the geothermal and cable systems development project. The applicant may also seek an impasse declaration by filing in writing with the administrative director of the State that such a declaration should be issued if the processing of a permit application has not made significant progress for forty-five calendar days. The administrative director shall make the determination whether an impasse declaration should be made. Upon an impasse being declared, the involved department heads shall each submit a report in writing to the administrative director within ten calendar days from the date of the impasse declaration.

The reports shall list the chronological events leading to the impasse, the perceived causes of the impasse, and a suggested solution. The administrative director or the administrative director's designee shall meet with the involved directors within twenty calendar days from the impasse declaration date. Should the impasse still exist following this meeting, the administrative director shall report to the governor the latest position of the directors and a recommendation. Upon a decision of the governor resolving the impasse, the involved departments shall intiate implementing the governor's decision within three calendar days from the date of the final decision.

(b) in a conflict between State and county agencies, any State or county department head involved in processing an application related to the geothermal/cable project can declare that an impasse has developed between the involved county and State departments.

Such a declaration shall be in writing identifying the unresolved issues and the respective positions of the affected departments. The applicant may also seek an impasse declaration by filing a written request with the administrative director of the State or the county agency which shall be designated by the mayor. Such a request for impasse declaration may be made if the processing of a permit application has not made significant progress for forty-five calendar days. Unless objected to in writing by the reviewing county and State department or State departments, an impasse declaration shall be made within ten working days from the date that the request for impasse declaration was filed. Upon an impasse being declared, the affected State and county department heads shall each submit a report in writing to both the State administrative director and the designated county agency within ten days from the date of impasse declaration. The reports shall list the chronological events leading to the impasse, the perceived causes of the impasse, and a suggested solution. The administrative director or the administrative director's designee and the head of the mayor's designated county agency or that agency's designee, shall meet with the involved State and county department heads within twenty calendar days from the impasse declaration date. Should the impasse declaration still exist following the meeting, the administrative director shall render a decision. The involved State and county departments shall initiate implementing the administrative director's decision within three calendar days from the date of the final decision.

[Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-4)

Subchapter 3. Regulation of Geothermal and Cable System Development Permitting

Section 13-185-15 Monitoring applicants' compliance with terms and conditions of permits. Once a geothermal and cable systems development consolidated permit application has been approved by the review team, the department shall commence monitoring the applicant's compliance with the terms and conditions of the permits for which the department has full and direct responsibility, including those issued pursuant to functions transferred to the department by section 196D-10, Hawaii Revised Statutes. The department shall prepare a schedule for monitoring terms and conditions of consolidated permits that shall be accepted by the consolidated permit application and review team. The department shall monitor permitting agencies' monitoring activities to assure permit compliance is being monitored. The monitoring schedule will identify terms and conditions of compliance, dates of monitoring, federal and other agencies and individuals who shall carry out the monitoring activity, and the date the report of the monitoring activity shall be sent to the department. The department shall maintain a log of the monitoring activities and shall alert the appropriate permitting agency if monitoring for permit compliance is not being carried out on schedule. If necessary the department in conjunction with the affected agency or agencies shall enforce all terms and conditions related to any permit. [Eff:] (Auth: HRS Sec. 196D-9) (Imp: HRS Sec. 196D-5)

Mail

AGENDA 5/11/89

1. Hawaii Planning Commission Hearing 5/9/89 (about 100 people, good work on all parts - public, staff, commissioners; mediator Peter Adler selected, with four alternates)

2. Notice of Public Hearings published May 8 and 9; proposed rules marked 5/8/89 mailed to appropriate places 5/10/89; GPC mailing to individuals who call in.

3. Letters/memos to Manabu 5/8/89:

   letter to Gov. from Mr. Paty
   memo to AG from Mr. Paty
   memo to Johnson Wong from Mr. Paty
   memo from Manabu tq Esther Ueda
   memo from Manabu to Kochi
   memo from Manabu to Ed Rogoff, Karen Kuioka, Sandra Cirie
   memo from Manabu to Mr. Matsuzaki

4. Details to plan for Hearings:

   Opening Remarks
   re-confirm meeting places, times and arrangements to get keys; put up signs
   phone call to Sam Lee
   follow up to Mr. Matsusaki
   travel arrangements for Manabu and Janet, Dean and ?, enforcement personnel

5. Newsclips

6. Other

Mail

Agenda 5/3/89

1) BLNR Matsumoto hearing 4/20/89

2) Harry Olson Meeting 5/5/87

3) Hawaii County Planning Commission Hearing 5/9/89

4) 301 Administrative Rules Status: rules expanded in transfer of functions area per AG comments (first review did not include such a comment); other format changes and typographical errors corrected; draft public hearing notice, memoranda and letters prepared in anticipation of go-ahead; need okays on public hearing meeting places, dates and times to make P.O.'s for newspaper ads. To meet 5/30/89 public hearings date, need newspaper notification ASAP, certainly no later than first thing 5/8/89 a.m.

5) Draft form to keep statistics on 301 activities

6) Newsclips

7) Other

April 17, 1989

Proposed Timetable for Implementing Act 301 Administrative Rules

2/1/89	Wed.	Staff review of draft rules
2/9/89	Thurs.	Final staff review of draft rules
2/16/89	Tues.	Draft rules to Committee on Geothermal/Cable Permitting
		Committee writes/calls in comments.
2/27/89	Mon.	Draft #5 to AG for review as to form
3/10/89	Fri.	Prepare and send submittal for 3/23/89 BLNR approval, public hearings subject to the AG's and Governor's approval, and authorize hearings officer to conduct public hearings
3/14/89	Wed.	Committee on Geothermal/Cable Permitting final review of Act 301 Administrative Rules
3/23/89	Fri.	Receive Board approval to hold public hearings on draft rules subject to approval of AG and Governor
4/5/89	Wed.	Receive AG's preliminary review.
4/7/89	Fri.	Recieve final substantive changes to draft
4/12/89	Wed.	Transmit proposed rules to AG for preliminary approval
4/18/89	Tues.	Meet with OSP, B&F, et al.
4/21/89	Fri.	Receive AG's preliminary approval and transmit rules to Governor for preliminary approval
4/28/89	Wed.	Receive Governor's preliminary approval of proposed administrative rules. Submit notice of public hearing to newspapers
5/4/89	Thurs.	Publish 1st Notice of Public Hearing (20 days in advance of hearing)
		Draft rules available for public distribution at all DLNR Land Management Divisions
5/23/89	Fri.	Publish 2nd Public Hearing Notice (7 days

in advance)

5/2/89	Sat.	Publish 3rd Notice of Public Hearing (3 days in advance)
5/30/89	Tues.	Public Hearing held on Oahu.
		Public Hearing held on Kauai (Kauai hearing to be conducted by land agent Sam Lee, if available).
5/30/89	Tues.	Public Hearing held on Maui.
5/31/89	Wed.	Public Hearing held on Hawaii.
6/15/89	Wed.	Last day to receive written testimony on proposed rules (15 days after the close of the hearing).
6/20/89	Tues.	Complete final revisions to the proposed rules. Type final draft and submit Board submittal to Chairperson's office for inclusion onto the June 23, 1989 Board meeting agenda.
6/23/89	Fri.	Board approves adoption of administrative rules and authorizes submittal of rules to Governor for final approval. Submit rules to AG for their final approval.
6/30/89	Fri.	Receive AG's final approval of proposed rules.
		Submit proposed rules to Governor for final approval.
7/7/89	Fri.	Receive final approval from Governor; Governor's office to forward rules to Lt. Governor's office where rules must sit for ten days prior to becoming effective.
7/17/89	Mon.	Act 301 Administrative Rules are in effect.

"Geothermal and cable system development project" or "project" means the commercial development, construction, installation, financing, operation, maintenance, repair, and exploratory, testing, and predevelopment activities related to the foregoing, of:

(1) a geothermal power plant or plants, including associated equipment, facilities, wells, and transmission lines, on the islands of Hawaii or Maui, for the purpose of generating electric energy for transmission primarily to the island of Oahu through the cable system; and

(2) an interisland deep water electrical transmission cable system, including all landbase transmission lines and other ancillary facilities, to transmit geothermally generated electric energy from the islands of Hawaii or Maui, to the islands of Oahu or Maui, regardless of whether the cable system is used to deliver electric energy to any intervening point.

"Interagency group" means a group comprised of representatives from county, State, and federal agencies involved in geothermal and cable system development permitting activities whose permitting functions are not transferred by Section 196D-10, Hawaii Revised Statutes to the department for the purpose of consolidating the permitting process for geothermal and cable systems development projects.

"Permit" means any license, permit, certificate, certification, approval, compliance schedule, or other similar document or decision pertaining to any regulatory or management program which is related to the protection, conservation, use of, or interference with the natural resources of land, air, or water in the State and which is required prior to or in connection with the undertaking of the project.

"Person" includes any individual, partnership, firm, association, trust, estate, corporation, joint venture, consortium, any public corporation or authority that may be established by the legislature for the purposes of the project, or other legal entity other than an agency. [Eff:] (Auth: HRS §196D-3, HRS §196D-9) (Imp: HRS §196D-6)

§13-185-3 Transfer of functions. The following functions are transferred to the department: the functions of the land use commission related to district boundary amendments as set forth in Hawaii Statutes section 205-3.1 et seq.; and functions of the land use commission related to changes in zoning as set forth in Section 205-5, Hawaii Revised Statutes; and permit approval and enforcement functions of the department of transportation related to use of or commercial activities in or affecting the ocean waters and shores of the State under Chapter 266, Hawaii Revised Statutes.

(a) Regarding functions of the land use commisison related to district boundary amendments as set forth in Section 205-3.1 et seq., Hawaii Revised Statutes, for district boundary amendments involving land areas greater than fifteen acres, and

for land acreas fifteen acres or less in conservation districts, as they relate to a geothermal and cable system development project, the department shall process applications as follows. The applicant shall file a petition for boundary amendment with the department. The petition shall be in writing and shall provide a statement of the authorization or relief is sought, the statutory provisions under which authorization or relief sought, for petitions to reclassify properties from the conservation district

to any other district, the petition shall include an environmental impact statement or negative declaration approved by the department for the proposed reclassification request, the legal name of the petitioner, and the address, description of the property, reclassification sought and present use of the property, petitioner's proprietary interest in the property, and a copy of the deed or lease, written authorization of the fee owner to file the petition, type of development proposed and details regarding the development including timetables, cost, assessment of the effects of the development, an assessment of the need for reclassification. The department shall serve copies of the application upon the county planning department and planning commission within which the subject land is situated, director of the department of planning and economic development, or a designated representative, and all persons with a property interest in the property recorded in the county's real property tax records at the time the petition is filed, along with a notice of a public hearing on the matter, to be conducted on the appropriate island. The department shall set the hearing within not less than sixty and not more than one hundred and eighty days after a proper application has been filed. The department shall also mail notice of the hearing to all persons who have made a timely written request for advance notice of boundary amendment proceedings, and shall be published at least once in a newspaper in the county in which the land sought to be redistricted is situated as well as once in a newspaper of general circulation in the State at least thirty days in advance of the hearing. the notice shall comply with the provisions of Section 91-9, Hawaii Revised Statutes, shall indicate the time and place that maps showing the proposed district boundary may be inspected, and further shall inform all interested persons of their rights regarding intervening in the proceedings. The department shall appear at the proceedings as a party in the petition and shall make recommendations relative to the proposed boundary change. The department shall admit any other department or agencies of the State and of the county in which the land is situated as parties upon timely application. The department shall admit any person who has some property interest in the land, who lawfully resides on the land, or who otherwise can demonstrate that they will be so directly and immediately affected by the proposed change that their interest in the proceeding is clearly distinguishable from that of the general public, as parties for intervention to the proposed boundary change. The department shall receive applications for leave to intervene from any member of the public. However, the department shall deny an application if it appears it is substantially the same as the position of a

party already admitted to the proceeding or if admission of additional parties will render the proceedings inefficient and unmanageable. The petition for intervention shall be filed with the department in the newpater. The petition shall make reference to the following:

(1) Nature of petitioner's statutory or other right;

(2) Nature and extent of the petitioner's interest, and if an abutting property owner, the tax map key description of the property;

(3) Effect of any decision in the proceeding on petitioner's interest.

(a) Within a period of not more than one hundred and twenty days after the close of the hearing, the department shall, by findings of fact and conclusions of law, act to approve the petition, deny the petition, or to modify the petition by imposing conditions necessary to uphold the intent and spirit of the law or to assure substantial compliance with representations made by the petitioner in seeking a boundary change.

(b) Regarding transfer of the function of the land use commission concerning changes in zoning, the department shall review and consider issuing special permits as necessary in development projects on land zoned for agricultrual and compatable uses.

(c) Regarding permit approval and enforcement functions of the department of transportation related to use of or commercial acitivities in or affecting the ocean waters and shores of the State under Chapter 266, Hawaii Revised Statutes, for any construction, dredging, or filling withing the ocean waters of the State, including ocean waters, navigable streams and harbors belonging to or controlled by the State, to be undertaken as part of a geothermal/cable project, a permit application form called "Application for Work in the Ocean Waters of the State of Hawaii", available at the Division of Water and Land Development, shall be filed by the applicant. Requirements to accompany the application include an environmental assessment or statement, a description of the shoreline, nature and extent or proposed work (such as construction, dredging, disposition of dredged material, filling, or other work), reference to public access, effects on adjacent property owners, and other information pertinent to the proposed work as required. In areas where a Conservation District Use Application (CDUA) is required, the Application for Work in the Ocean Waters of the State of Hawaii need not be filed. The requirements outlined above will be met via inter-division coordination within the department. A separate application for permit for work in the shorewaters of the State will no longer be necessary except when: (1) applicant's proposal is in conservation district, but does not require a CDUA per the department's determination and (2) applicant applies for CDUA, but in review process the department expresses opposition/objection to the proposal. In areas where the conservation district, the applicant is required to file with the department. The department shall inform and consult with, as appropriate, various agencies that have jurisdiction over navigable waters. When directed, the applicant shall notify the

United States Coast Guard of such work for publication of a "Notice to Mariners". Monitoring and enforcement activities in connection with transferred functions is discussed under Section 13-185-15 below. [Eff:] (Auth: HRS Section 196D-9) (Imp: HRS Section 196D-10)

§13-185-4 Consolidated permit application and review process. In order to carry out the intent of the geothermal and cable system development permitting act of 1988, the department shall establish and administer a consolidated permit application and review process as provided in this chapter. The consolidated permit application and review process shall not affect or invalidate the jurisdiction or authority of any agency under existing law, except to the extent that permitting functions have been transferred to the department for the purposes of the project, and each federal agency shall issue its own permit or approval based on its own jurisdiction. [Eff:] (Auth: HRS §196D-9) (Imp: HRS §196D-5)

§13-185-5 Contested case provisions. Where the contested case provisions under Hawaii Revised Statutes chapter 91 apply to any one or more of the permits to be issued by an agency for the purposes of the project, the agency may, if there is a contested case involving any of the permits be required to conduct only one contested case hearing on the permit or permits within its jurisdiction. Any appeal from a decision made by the agency pursuant to a public hearing or hearings required in connection with a permit shall be made directly on the record to the supreme court for final decision subject to chapter 602, Hawaii Revised Statutes. [Eff:] (Auth: HRS §196D-9) (Imp: HRS §196D-5)

§13-185-6 Streamlining. The department shall monitor the processing of all permit applications under this chapter on an ongoing basis to identify inefficiencies, delays, and duplications of effort. The department shall track the status of permits of those agencies whose permitting functions are not transferred to the department for purpose of geothermal and cable system development projects. Any alternative suggestions and recommended changes in procedures will be brought to the interagency group as appropriate for consideration and adoption. The department may develop legislative proposals as appropriate to eliminate any duplicative or redundant permit requirements. [Eff:] (Auth: HRS §196D-9) (Imp: HRS §196D-7)

§13-185-7 Information services. (a) The department shall operate a permit information and coordination center that will provide guidance to potential applicants for geothermal and cable system development projects with regard to permits and procedures that may apply to the project. The center shall be known as the geothermal and cable system development permitting information and coordination center.

(b) The department shall maintain and update at the geothermal and cable system development permitting information

ACT 301, SLH 1988 STATISTICS

DATE_____

I. INFORMATION REQUESTED OF CENTER

A. HOW REQUESTED

1. TELEPHONE
2. IN PERSON
3. MAIL
4. ELECTRONIC MAIL
5. FAX
6. OTHER (SPECIFY)

B. WHO REQUESTED - INDICATE NAME OF INDIVIDUAL AND/OR ORGANIZATION

C. WHY REQUESTED - INDICATE PURPOSE OF REQUEST

D. HOW REQUEST MET

II. INFORMATION REQUESTED BY CENTER

A. HOW REQUESTED

1. TELEPHONE
2. IN PERSON
3. MAIL
4. ELECTRONIC MAIL
5. FAX
6. OTHER (SPECIFY)

B. WHO REQUEST MADE TO - INDICATE NAME OF INDIVIDUAL AND/OR ORGANIZATION

C. PURPOSE OF REQUEST

D. HOW REQUEST MET

III. MEETINGS ATTENDED

A. PURPOSE

B. INDIVIDUALS AND/OR ORGANIZATIONS REPRESENTED

IV. PROJECTS UNDERTAKEN BY CENTER (INCLUDE MEMOS, PRESS RELEASES)

A. SUBJECT MATTER

B. PRINCIPAL ASSIGNEE

Geothermal well drilling due on Big Island later this year

By David Waite
Advertiser Staff Writer

A Wyoming-based company with an office in Honolulu announced plans yesterday to begin drilling an exploratory geothermal well in Big Island's Puna District by the second half of this year.

Hank True, managing partner of True Geothermal Energy Co., said in a telephone interview from Wyoming yesterday that his firm has submitted the final documents necessary to begin drilling.

"A lot is still riding on the permit process, but we expect to begin work on the access road and to do some of the preliminary site work in the next couple of months," True said.

Final state approval to begin the drilling should be received "momentarily" from the Board of Land and Natural Resources and the Department of Health, True said.

At present, the firm is gearing up to send a drilling rig, formerly used for oil exploration, to the Big Island. The rig is capable of drilling to a depth of 22,000 feet, but True said the geothermal wells on Campbell Estate land will probably be no deeper than 7,000 feet. The big rig will allow the company to "slant drill" so that surface environmental disruption at the well site can be kept to a minimum.

The conservation district use permit issued by the state will allow True Geothermal to drill as many wells as necessary to produce 100 megawatts of electricity, True said. "Wild-guess" estimates show that each well will cost $1.5 million to $2 million to drill, he said.

"We plan to take things one step at a time. The reality is that we can only process about 25 megawatts of electricity at the present," True said.

Those initial 25 megawatts of electricity will be sold to Hawaii Electric Light Co. to meet Big Island electricity needs. Once that is accomplished, True said the company hopes to supply as much as 100 of the 500 megawatts of geothermal-generated electricity Hawaiian Electric hopes to begin delivering to Oahu by 1995 via an undersea cable.

(Five hundred megawatts represents about half of Oahu's energy usage today.)

True said his company is subleasing the Puna site's mineral rites from Campbell Estate, which holds the master lease to state-owned property.

While the promise of geothermal power has been discussed for nearly two decades, only a state-run, 2.2-megawatt demonstration plant is in operation today.

But at least one other private sector firm, Nevada-based Ormatt Energy Systems, plans to have a 12.5-megawatt system on line by the end of the year.

HAWAII TRIBUNE-HERALD
4-26-89

G-power zoning request opposed

Noise is driving people from their homes, pollution is threatening their health, and property values are plummeting in the neighborhood surrounding an experimental HGP-A geothermal energy producing plant in Poihiki.

That is what several residents from the area said when testifying Thursday against a proposal to rezone additional Pohoiki property for geothermal drilling.

Landowner Roy Matsumoto, seeking to change the zoning on 40 acres to allow geothermal drilling and exploration in Pohoiki was met with emotional opposition from neighboring property owners at a hearing of the state Board of Land and Natural Resources in Hilo.

Matsumoto wants to change the zoning of his property from agricultural to Geothermal Resource Subzone, which would allow drilling and exploration for geothermal energy.

Matsumoto wants to combine the property with 18 acres he already owns adjacent to the existing HGP-A experimental gerothermal energy plant to form a 58-acre geothermal industrial park.

The three-megawatt HGP-A plant was started in 1981 by Natural Energy Laboratories of Hawaii under a contract with Hawaii Electric Light Co.

Matsumoto said he needs the rezoning because farming is not profitable on his property.

Matsumoto said however that he doesn't intend to drill exploratory wells. He only wants to use it for potential commercial users who would use energy drawn from potential wells on his existing property or the HGP-A plant.

Several people, including Maurice Kaya of the state Department of Business and Economic Development, told the board Matsumoto does not need

See G-POWER, Page 8

G-POWER: Zoning request opposed

From Page 1

to rezone for the commercial agricultural projects he wants on the property.

And residents of neighboring properties, fearing the drilling of new wells, complained about noise, air pollution, poor maintenance and declining property values as a result of the existing HGP-A plant.

A Leilani Estates subdvision resident broke down in tears while telling board members of his seven-year struggle for relief from pollution generated by the nearby HGP-A plant.

Whenever the plant is vented he must leave his home and take his animals because the noise is unbearable, he said, and the value of his home has dropped to $5,000 from $12,000 when he bought it in 1981.

Another Leilani Estates resident who is also a real estate agent in Puna said property values surrounding the HGP-A plant have dropped about 60 percent since the plant was built.

Dave Laughlin said the proposed project would make him "thin meat in a geothermal sandwich." His property is located within a mile of the HGP-A plant and approximately 1,000 feet from the site of several proposed new geothermal "observation holes" proposed to be dug in a separate project on each side of his property. Matsumoto's parcel proposed for rezoning is adjacent to the rear of Laughlin's property.

Laughlin wants the state either to require a buffer of at least 3,500 feet between geothermal wells and homes or to buy the homes.

"I'm going to be right down wind from it," he said.

The public hearing is technically still open for comments either for or against the project for 15 days following Thursday's meeting in Hilo, said Manabu Tagomori, manager of the Water and Land Development division.

The DLNR staff will then review the testimony and transcript of the hearing and prepare a recommendation for the Board of Natural Land and Resources, which wil decide whether to rezone the property.

The staff recommendation should be ready by June, Tagomori said.

—By D. Hunter Bishop

Hon. Advertiser
4-25-89

Top geothermal foe hit with drug, arms charges

By Hugh Clark
Advertiser Big Island Bureau

KEALAKEHE, Hawaii — Ralph Palikapu Dedman, a leader of the Pele Defense Fund that took its effort to stop geothermal development to the U.S. Supreme Court, was charged yesterday with 15 gun and drug counts.

Dedman and two other Ka'u men were arrested Saturday by Kona vice officers at the end of what officials said was a two-month surveillance that included federal drug agents and officers from several police units.

Dedman

Police spokesman Lt. Daniel Minan yesterday said Dedman was charged with 10 firearms counts for the shotgun and four rifles police seized at his Wailau home, mauka of Pahala. He also was charged with five drug offenses, including commercial promotion of marijuana.

He was held in the Kona cellblock in lieu of $6,925 bail last night, and was expected to be transferred to Hilo jail.

Dedman was arrested with a Pahala man, age 40, and a Volcano man, age 42, at his Wailau property Saturday where police said they had been tending marijuana patches in the mauka Ninole and Wailau areas.

The other two were released while a case is prepared for the grand jury.

The three suspects were observed for more than two months by members of the intelligence unit, vice section and criminal investigation section as well as Drug Enforcement Administration agents, according to police detective Julian Shiroma.

In Court

When the raid was conducted Saturday, police seized a pound of freshly harvested marijuana, 320 plants ranging to four feet, 1.2 pounds of processed marijuana and 46 black pills that are still undergoing laboratory analysis.

Dedman has been an outspoken opponent of development in the Ka'u district and joined with others last year in sponsoring Mainland newspaper advertisements that said geothermal was "ugly, toxic, costly and sacrilegious." The ads urged readers to help prevent the industrialization of Hawaii.

Dedman was identified in news accounts as the spokesman for the fund and shown as its president in the paid advertisements. The ads also contained the names of Molokai physician Emmett Aluli and activist Lehua Lopez.

Dedman and Aluli went to the U.S. Supreme Court in an attempt to overturn a Hawaii Supreme Court ruling that concluded geothermal development did not infringe on Hawaiians' right to worship Pele, the fire goddess.

The federal district court last year let stand the Hawaii Supreme Court decision.

Geothermal controversy bubbling on Big Isle

By Rod Thompson
Big Island correspondent

PAHOA, Hawaii — While one property owner near the state's only geothermal energy plant wants to develop geothermal energy, a lot more may try to get it out of their backyard.

Roy S. Matsumoto, president of Integrated Resources Inc. of Honolulu, is asking the state Board of Land and Natural Resources to declare a 40-acre parcel near the Big Island power plant to be a Geothermal Resource Subzone.

But members of the Kapoho Community Association are gearing up to ask the land board to remove the subzone designation from their property.

The state now has four areas designated for geothermal development, three on the Big Island and one on Maui. The subzone designation is needed by anyone wanting to create electricity from geothermal steam, but is not needed for direct uses of the steam, such as drying fruit.

Matsumoto's application says geothermal development on his property could be for either electricity or direct use of the heat.

But Matsumoto told the Star-Bulletin that the application is 3 years old, and he has no intention of producing electricity.

Instead, he wants to develop a geothermal spa integrated with geothermally heated nurseries.

Although his property is directly across the road from the state's 2.2-megawatt geothermal plant near Pahoa and the site where Ormatt Energy Systems plans to develop a 25-megawatt plant, neither will guarantee it will supply the used, but still hot, geothermal water from its operation, he said.

So Matsumoto expects to have to drill his own well, with financial assistance from about four backers, he said.

In written comments to the state land board, Hawaii County Planning Director Duane Kanuha was skeptical about the whole thing.

Matsumoto hasn't demonstrated an ability to develop a geothermal well, has provided limited data on his plans, and hasn't demonstrated why the subzone designation is needed, Kanuha wrote.

Meanwhile, many people around the geothermal plant don't like having it as a neighbor and balk at the idea of further development.

Some of the complaints against it are alleged health problems, crop damage, and ground-water contamination.

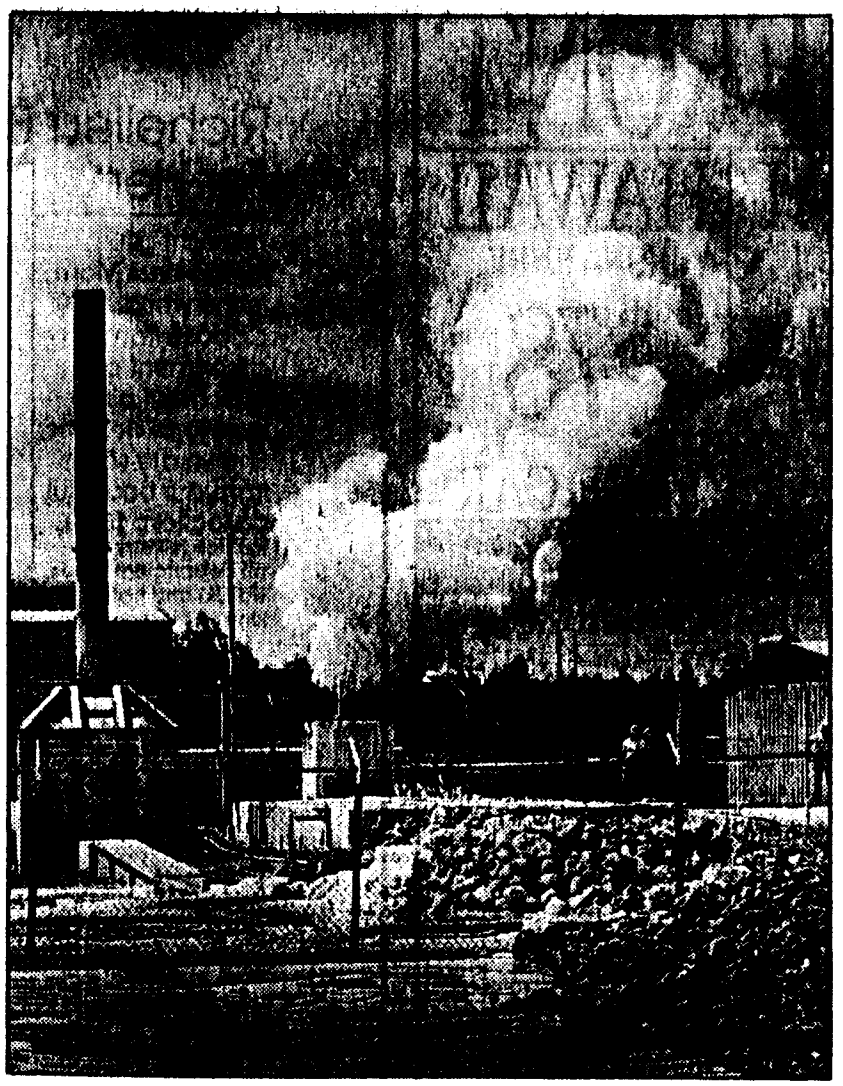
The Kapoho Community Association has written to about 275 people whose property is within the geothermal subzone, suggesting they try to get out.

"This is a method to wake up the Department of Land and Natural Resources," said Karen Kimmerle, who is working on the withdrawal effort.

A few people tried to withdraw their land a few years ago but were erroneously told they couldn't do so, Kimmerle said.

Land department Director William Paty has now assured people that withdrawal applications are permitted, although they would require a vote of the land board, Kimmerle said.

A community association meeting on withdrawal from the subzone, set for 7 p.m. on May 4 at the Pahoa Community Center, will give a reading on how many people want to join the withdrawal movement, Kimmerle said.



By Rod Thompson, Star-Bulletin

Foul-smelling steam poured out of the state's only geothermal energy plant yesterday after a pipe ripped open at the Pahoa site.

Geothermal pipe bursts on Big Isle, causing a foul smell

By Rod Thompson
Big Island correspondent

PAHOA, Hawaii — Part of the piping at the state's only geothermal energy plant ripped open yesterday, causing uncontrolled venting of foul-smelling steam for several hours, the Hawaii Electric Light Co. said.

The incident began at the plant 3½ miles east of Pahoa at about 5:45 a.m., said HELCO spokesman William Stormont.

A 4-inch valve blew off a flash separator, a device that separates geothermal steam from hot water, he said. Bolts holding the valve in place broke, apparently due to metal fatigue caused by vibration and corrosion, he said.

By 10 a.m. technicians were able to vent the steam through a rock muffler designed for such emergency use, reducing some of the noise and smell, and by 2 p.m. the plant was operating normally again, Stormont said.

The plant is owned by the state and operated by HELCO. Designed with a capacity of about three megawatts of electricity when it became operational in 1981, its capacity has declined to 2.2 megawatts, Stormont said. The plant produced 2.4 percent of the power consumed on the Big Island last year, he said.

HAWAII TRIBUNE-HERALD
4-25-89

Tuesday report

Dedman charged for drugs, rifles

A prominent anti-geothermal activist was arrested Saturday and charged yesterday on several drug and firearms violations.

Ralph Palikapu Dedman, 42, of Wailau, Ka'u was arrested with two other men by Kona police following a two-month surveliance of a marijuana patch in the Ninole-Wailau area of Ka'u.

Dedman is a spokesman for the Pele Defense Fund aimed at stopping geothermal development on the Big Island.

Police conducted a search of Dedman's residence and reportedly found freshly harvested and dried marijuana, unidentified pills and five rifles. Police also found 320 marijuana plants in fields the men were allegedly tending.

Dedman, a self-employed fisherman, was charged yesterday with three counts of second-degree promotion of a detrimental drug, one count of third-degree promotion of a detrimental drug, five counts of being a felon in possession of firearms, five counts of failing to register the firearms, and one count of trespassing.

The other men, a 40-year-old Pahala resident and a 42-year-old Volcano resident, were released pending pending further investigation, police said.

Dedman was a co-complainant in an unsuccessful lawsuit that went to the U.S. Supreme Court last year. He and co-complainant Dr. Emmett Aluli of Molokai sought to have the court overturn a Hawaii Supreme Court decision that said geothermal development did not infringe on Hawaiians' right to worship the goddess Pele. The high court let the state decision stand.

Dedman posted bail totaling $6,925 and was released from jail last night.

Agenda 4/19/89

1. Hawaii County Planning Commission Hearing 5/9/89

2. BLNR Meeting 4/20/89

3. B&F, DBED Meeting 4/18/89

4. Stand. Com. Rep. No 1245 Hearing 4/17/89

5. Revised Proposed Timetable of 4/17/89

6. Memoranda/Letters:

   Memorandum to Governor Waihee
   Draft Public Announcement
   Retyped Copy of Proposed Rules
   Memoranda to Warren Price
   Letter to Mr. Williamson
   Letter to Mr. Haak
   Materials from Esther Ueda
   Missing March 7, 1989 Response from Aquatic Resources

7. Geothermal Permit Center Lease on BLNR 4/14/89 Agenda

8. Newsclippings (attached)

9. Other

April 17, 1989

Proposed Timetable for Implementing Act 301 Administrative Rules

2/1/89	Wed.	Staff review of draft rules
2/9/89	Thurs.	Final staff review of draft rules
2/16/89	Tues.	Draft rules to Committee on Geothermal/Cable Permitting
		Committee writes/calls in comments.
2/27/89	Mon.	Draft #5 to AG for review as to form
3/10/89	Fri.	Prepare and send submittal for 3/23/89 BLNR approval, public hearings subject to the AG's and Governor's approval, and authorize hearings officer to conduct public hearings
3/14/89	Wed.	Committee on Geothermal/Cable Permitting final review of Act 301 Administrative Rules
3/23/89	Fri.	Receive Board approval to hold public hearings on draft rules subject to approval of AG and Governor
4/5/89	Wed.	Receive AG's preliminary review.
4/7/89	Fri.	Recieve final substantive changes to draft
4/12/89	Wed.	Transmit proposed rules to AG for preliminary approval
4/18/89	Tues.	Meet with OSP, B&F, et al.
4/21/89	Fri.	Receive AG's preliminary approval and transmit rules to Governor for preliminary approval
4/28/89	Wed.	Receive Governor's preliminary approval of proposed administrative rules. Submit notice of public hearing to newspapers
5/4/89	Thurs.	Publish 1st Notice of Public Hearing (20 days in advance of hearing)
		Draft rules available for public distribution at all DLNR Land Management Divisions
5/23/89	Fri.	Publish 2nd Public Hearing Notice (7 days

in advance)

5/27/89 Sat. Publish 3rd Notice of Public Hearing (3 days in advance)

5/30/89 Tues. Public Hearing held on Oahu.

Public Hearing held on Kauai (Kauai hearing to be conducted by land agent Sam Lee, if available).

5/30/89 Tues. Public Hearing held on Maui.

5/31/89 Wed. Public Hearing held on Hawaii.

6/15/89 Wed. Last day to receive written testimony on proposed rules (15 days after the close of the hearing).

6/20/89 Tues. Complete final revisions to the proposed rules. Type final draft and submit Board submittal to Chairperson's office for inclusion onto the June 23, 1989 Board meeting agenda.

6/23/89 Fri. Board approves adoption of administrative rules and authorizes submittal of rules to Governor for final approval. Submit rules to AG for their final approval.

6/30/89 Fri. Receive AG's final approval of proposed rules.

Submit proposed rules to Governor for final approval.

7/7/89 Fri. Receive final approval from Governor; Governor's office to forward rules to Lt. Governor's office where rules must sit for ten days prior to becoming effective.

7/17/89 Mon. Act 301 Administrative Rules are in effect.

Planners defer geothermal action, mediation suggested

By GORDON Y.K. PANG
West Hawaii Today

HILO — Puna residents concerned about geothermal development in their district got an unexpected lift when county Civil Defense Administrator Harry Kim told the county Planning Commission that a mediator should help resolve the concerns of the public.

Following a lengthy meeting, which heard testimony from more than 30 of the jampacked crowd of over 75 boisterous geothermal objectors, the commission chose to continue the hearing, thereby deferring action on the University of Hawaii's plan for scientific observation holes (SOHs) pending site observation in Puna.

In all, the university is proposing four SOHs be drilled at different sites in Puna "to evaluate the geology, hydrology and subsurface thermal regime" in the area, according to an environmental assessment done by the UH Hawaii Natural Energy Institute. Three of the SOH requests are before the county Planning Commission, the other before the state Land Use Commission because it is on state land.

According to Dr. Harry Olson, the holes are not designed as production wells or to produce fluids, nor would they be flow tested or produced.

However, Puna residents testified that geothermal development of any kind in their area would bring excessive noise and possibly health consequences.

Kim, a Puna resident himself, said that while he is a backer of geothermal development, "concerns expressed by the residents, landowners and businesses in the areas of the proposed (SOHs) prompts this request for mediation."

Under mediation, which would begin 10 days following the close of the public hearing, a mediator selected by the commission would hear the complaints of residents, as well as the arguments of the university, and try to come to a solution.

Calling for the county Planning Department to be a part of the mediation, he said "it is important that the concerns expressed of the proposed sites be thoroughly reviewed at this stage so as to minimize problems, of hopefully, a solid, well-planned geothermal energy industry that has taken into account our energy needs of this state, and the residents whose lifestyle will be changed to varying degree."

The Planning Department is recommending the commission approval the application for a geothermal resource permit, although with conditions.

Kim said the commissioners should be mindful of a "blow out" which occurred at a pipe system connected to a Hawaii Geothermal Project Abbott (HGPA) exploratory well in 1983.

A break in the pipe system near the Leilani Estates subdivision resulted in "uncontrollable leakage" of hydrogen sulfide gas. Civil Defense workers evacuated three families. They stayed in a Hilo hotel until the leak could be repaired.

Kim said danger to residents during that episode were minimal — the odor factor was the most unhealthy thing for residents, and those in the most danger were workers repairing the pipe and exposed directly to the gas.

However, for the sake of public safety, he said, pre-plans for emergency response should be submitted by the university.

Lon Rankin, president of the Kapoho Community Association, said there are four major subdivisions within a three mile radius of the one of the proposed SOHs, including about 7,000 lots, 830 homes, 2,000 people and at least 28 agricultural enterprises.

Among those within a one-mile radius are 78 lots, 26 homes, 57 people and 19 agricultural enterprises, Rankin said.

He said during discussions with the county Planning Department and others concerned with the project, the community association "discovered that they really had no idea how many people lived in the Kapoho area or who we were, or to what extent the area was thriving agriculturally."

Rankin presented a petition with 200 signatures from people protesting the SOHs.

Teresa Bonahan said she and her husband own an 18-acre citrus and flower farm half a mile from the so-called SOH 2 site Rankin cited. Bonahan echoed comments made by others giving testimony.

For one, she said, loud drilling 24 hours a day during development stages would make living "unbearable" for residents.

In addition, successful drillings at the SOHs would lead to "extensive geothermal development" which would "blemish the natural beauty of Kapoho with an industrial eyesore making it unpleasant for thos who live, work and visit the Kapoho area."

She also said geothermal development could have an adverse impact on ground water resources the agricultural nature of Kapoho. "Surfacing

See GEOTHERMAL Page 4A

...geothermal

From Page 3A

geothermal gases may cause acid rain that will damage crops, flowers and foilage," she said. "This sort of contamination could go undetected until it is made evident through future water well testing. Once the ground water table is contaminated, the damage is irreversible."

The Planning Department's staff report, in recommending approval, said the project "would not have unreasonable adverse health, environmental or socio-economic effect on residents or surrounding property" and "would not unreasonably burden public agencies" to provide infrastructural improvements. In addition, the staff believes "there are reasonable measures to mitigate...unreasonable adverse effects or burdens."

The conditions imposed by the department include submission and approval of noise monitoring and air quality monitoring plans prior to drilling. The university must also submit a plan of action to deal with emergency situations, which would need approval from the Civil Defense Agency.

In addition, the petitioner must "publish a telephone number for use by local residents in case of noise or odor complaints and have an employee available at the drill site, 24 hours a day, to respond to any local complaints."

Noise levels would need to be kept at 55 decibels during daylight hours and 45 decibels at night.

Hon. Star-Bulletin
4-13-89

Puna folks smell 'geothermal' and don't like it

By Rod Thompson
Big Island correspondent

HILO — Geothermal by any other name would still steam residents in the Big Island's Puna district.

Hawaii County officials rediscovered that Tuesday when two state agencies asked the county for permission to drill deep, geothermal-like holes, despite an attempt to downplay the use of the word, geothermal.

Four "scientific observation holes" is what the Hawaii Natural Energy Institute and the Research Corporation of the University of Hawaii told the county Planning Commission they want.

But farmers and residents in the area and believers in the Hawaiian volcano goddess Pele objected. And before the matter can be voted on by the commission, it will go through a mediation process called for by county Civil Defense Director Harry Kim.

The program needs county approval to drill three of the holes and state Board of Land and Natural Resources permission for the fourth.

On a 15-mile stretch of the Puna area, the holes could not be used for geothermal energy production.

But they would be used to gather information to promote geothermal development, said Maurice Kaya, representing the state Department of Business and Economic Development.

The 1988 state Legislature earmarked $3 million for the holes for that purpose, he said.

Commission Chairman Gary Mizuno told an overflow audience of about 60 people in a small conference room, "The state's position is to develop geothermal over other uses."

That set the stage for a clash with the majority of the audience.

Delan "Rusty" Perry told the commission that he has 75 acres of papayas, bananas and other fruits immediately bordering one of the hole sites. Geothermal development would be a "severe detriment" to his farming, he said.

HAWAII TRIBUNE-HERALD
4-13-89

UH G-power project draws strong rebuke

By Dave Harada-Stone
Tribune-Herald

A plan by University of Hawaii researchers to drill a series of geothermal "observation holes" in lower Puna drew nearly unanimous opposition from area residents during a Planning Commission hearing yesterday.

HARRY KIM
...asking mediation

Farmers and others living in the vicinity of the proposed drilling sites told commissioners the proposed activity has the potential to ruin their livelihoods and lifestyles and urged the panel to reject the application for a Geothermal Resource Permit.

Speaking for the project, however, were representatives of the county Planning Department, the state Department of Business and Economic Development, the university and Hawaiian Electric Co. All argued that the state needs to reduce its dependency on imported oil and that geothermal power appears to be the best means to do that.

The commission voted to defer action on the request. The delay is to allow members time to visit the project sites and to allow the public to submit additional testimony.

The university's Hawaii Natural Energy Institute is seeking to drill four "scientific observation holes" to determine whether the geothermal resevoir heated by Kilauea Volcano is sufficient to produce the 500 megawatts of electricity that state and utility planners hope to someday export to Oahu. State lawmakers last year approved a $3 million appropriation for the drilling project.

Scientific Observation Hole (SOH) 1 would be in a former papaya field at the junction of

See GEOTHERMAL, Page 8

GEOTHERMAL: Residents protest UH project

From Page 1

the Pahoa-Kapoho and Pahoa-Pohoiki roads about 3,000 feet north of the current HGP-A geothermal well in Pohoiki. SOH 2 would be located about 2,200 feet north-northeast of of Halekamahina Crater near Soga Camp Road. SOH 3 and 4 are planned on Campbell Estate land in a central portion of Kilauea's east rift zone.

The university needs county approval for three of the four holes. The fourth is on land in the state's Conservation District and is under the purview of the state Board of Land and Natural Resources.

Opponents focused on SOH 2 in Kapoho as a source of concern. Lon Rankin, president of the recently formed Kapoho Community Association, told commissioners that there are 838 homes and 2,100 residents within a three-mile radius of the site, including those in Chow Farm Lots, Waa Waa Subdivision, Nanawale Estates and Leilani Estates.

Noting that the subdivisions in the area have the potential of being home to up to 10,000 residents, Rankin said, "proposing to put geothermal development in an area with this much population is completely inappropriate."

Rankin submitted a petition signed by about 200 residents opposed to the drilling program.

Once drilling commences at a site, it is to continue 24 hours a day, with the area lighted at night. The noise, one resident said, would make life in the vicinity of the site "unbearable." Others among the 40 or so people testifying said they were worried the drilling might lead to contamination of groundwater in the area.

Harry Olson, the university's principal investigator on the project, insisted during his testimony that the SOH program is purely a research program. The wells will be neither flow tested nor put into production, he said, adding that there should be no gaseous emissions. He said the drilling sites will be returned to their original state after the project is completed.

But opponents noted that the project is being conducted in cooperation with two private geothermal developers: Puna Geothermal Venture and True/Mid-Pacific Geothermal Venture.

Those testifying against the SOH project argued that the commission should consider the overall impacts of commercial geothermal development and not just the impacts specifically associated with the research effort.

They won some support for that position from county Civil Defense Administrator Harry Kim, who urged the panel to "look upon this application with its total implications on possible geothermal development for the area and not just one of a Scientifc Observation Hole Program."

HAWAII TRIBUNE-HERALD
4-14-89

Kapoho Community Association fighting geothermal development

By Dave Harada-Stone
Tribune-Herald

The Kapoho Community Association is urging property owners in lower Puna to withdraw their parcels from state-designated Geothermal Resource subzones.

The zones were designated by the state Board of Land and Natural Resources for the exploration and development of geothermal resources to produce electricity.

There are currently three such subzones on the Big Island. The Kapoho subzone comprises about 6,800 acres east of Pahoa on both sides of Highway 132 and running from the Lava Tree State Park to about a mile mauka of the lighthouse at Cape Kumakahi. West of the Kapoho subzone are the the Kamaili subzone, about 5,405 acres in size, and the Kilauea middle-east rift subzone, which covers 9,014 acres.

A fourth Geothermal Resource Subzone is located on Haleakala on Maui.

The association is opposed to any geothermal development in the area, arguing the activity will harm crops, reduce property values, contaminate ground water supplies and endanger the health of area residents.

Both state and county officials have supported geothermal energy development as a clean, home-grown alternative to imported oil for power generation in Hawaii. State and utility planners hope to eventually develop enough of the resource on the Big Island to export up to 500 megawatts of the power to Oahu.

Though a request by individual property owners will have no effect on the right of geothermal developers to drill on land they own or control, KCA Vice President Barbara Bell said the effort is intended to send a message.

"The association believes that if enough property owners withdraw their land from a GRS, there will be a clear message to the state, county and private business that there is a definite

See GEOTHERMAL, Page 8

GEOTHERMAL: Kapoho group in opposition

From Page 1

land-use conflict in some areas, and therefore geothermal development would be inappropriate," Bell said.

State regulations allow for the boundaries of a Geothermal Resource Subzone to be modified at the request of owners of property within the subzone, subject to the approval of the state Board of Land and Natural Resources.

The regulation requires that before granting a request to modify the boundaries of a subzone, the board must find "by a preponderance of the evidence that the area is no longer suited for (its) designation."

The regulation adds, however, that "within an existing subzone with active geothermal development activities, the area may not be modified or withdrawn."

Because the Kapoho subzone is already the site of some geothermal development, including the University of Hawaii's experimental HGP-A power plant, the success of the KCA's effort could hinge on the board's interpretation of the regulation.

DLNR geologist Dan Lum said this morning that he is unsure whether the language in the rule is intended to apply only to parcels on which there has been geothermal development, or to all parcels within the zone. He said the matter would likely be referred to state attorneys should it come before the board.

KCA officials hope to combine individual requests for withdrawals for presentation to the board at one time. "This will be a much easier process as a group than if (residents) were to do it on their own," she said.

She is urging interested property owners to call the association at 965-7119 or write to the group at P.O. Box 1371, Pahoa, Hawaii 96778.

Those who want to know whether their property is within a Geothermal Resource Subzone can call the DLNR at 548-7541.

VOLUME VII • NO. 3 MARCH 1989

Geothermal energy, cable link sought

Five hundred thousand kilowatts of geothermal-produced electricity transmitted by underwater cable from the Big Island to other islands of the state may become a reality by 1995, according to the State of Hawaii and Hawaiian Electric Company.

The State and Heco last month announced plans to seek proposals in early May for a private consortium to finance and develop the Big Island's geothermal energy resource and to transmit that electricity to Oahu, and possibly Maui.

Successful completion of geothermal development and underwater cable transmission would save millions of barrels of fuel oil used to generate electricity on Oahu and would be a giant leap toward meeting the State's goal of becoming energy self-sufficient.

The joint State-Heco request for proposals is being issued this year even though geothermal energy wouldn't be transmitted by 1995 in order to allow Heco to consider other generating alternatives for Oahu if responses to the request for proposals shows geothermal development to be uneconomical.

Selection of a developer—should a proposal prove economical and practical—would take place by the end of 1990.

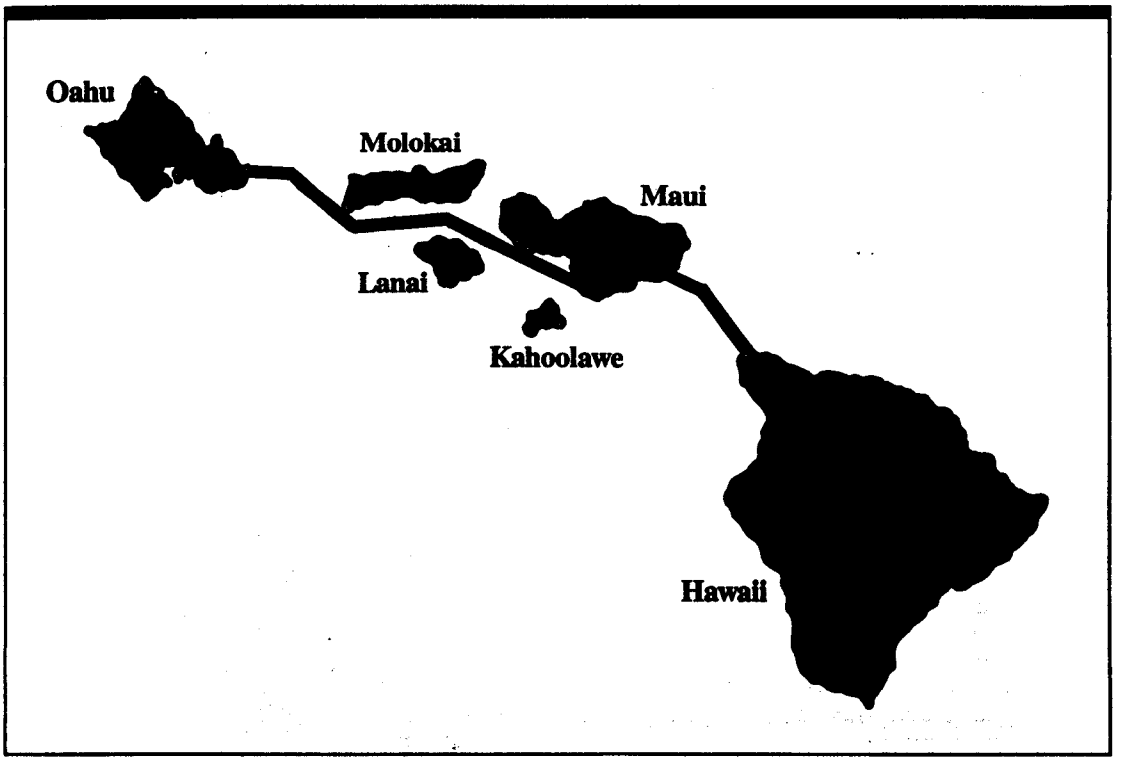
The total project is estimated to cost more than $1.7 billion.

Researchers have estimated that at least 500,000 kilowatts of geothermal energy resource exists in the subzone of the Kilauea East Rift Zone of the island's Puna District.

Early last year, the Governor's Advisory Committee on the Geothermal/Cable project endorsed geothermal energy as technically feasible.

The State Legislature in 1988 did its part to pave the way for geothermal development by streamlining permitting procedures and funding exploration and reservoir analysis.

(Continued on back page)



Produced by Corporate Communications, Hawaiian Electric Co., for customers of Hawaiian Electric, Maui Electric and Hawaii Electric Light Co. • Consumer Lines • PO Box 2750 • Honolulu, HI 96840 • Ph: 543-5670

March 16, 1989

MEMORANDUM

TO: DAGS Parking Control

FROM: Manabu Tagomori, Parking Coordinator
Department of Land and Natural Resources

SUBJECT: Special Function Parking Permits

I would like to request two parking permits for Wednesday, March 26, 1989, from 12:30 p.m. - 3:00 p.m. This meeting is for DLNR staff meeting on Geothermal/Cable Permitting.

Please call my secretary Sharon, at Ext 7539 when the passes are ready for pick up.

MANABU TAGOMORI

MT:mh

AGENDA

MARCH 16, 1989

1. March 10, 1989 BLNR Meeting (Decisions on ORMAT amendments, Subzone hearing)

2. Draft Administrative Rules (comments from Corps of Engineers Office of State Planning, DBED, awaiting comments from Coast Guard; no repsonse to preliminary draft #5 to AG)

3. Questions for AG (should we make formal inquiry or not?)

4. Draft minutes of 9/29/88 and 2/14/89 Interagency Group meetings (need help with spellings of certain attendees names and affiliations)

5. Revised tentative schedule for promulgating administrative rules.

6. Gold Bond Office - (Hawaii Revised Statutes Books, Volumes 1-12 w/pamphlets, and Insurance Policy is ready for pick up at Lieutenant Governor's Office)

   In process of getting magnetic board chart (coordinating with Forestry.)

7. Other Business

TITLE 13

DEPARTMENT OF LAND AND NATURAL RESOURCES

SUB-TITLE 7. WATER AND LAND DEVELOPMENT
Chapter 185

Rules of Practice and Procedure for
Geothermal and Cable System Development Permitting

Subchapter 1. General

§13-185-1 Purpose
S13-185-2 Definitions
S13-185-3 Transfer of functions
S13-185-4 Consolidated permit application and review process
S13-185-5 Contested case provisions
S13-185-6 Streamlining
S13-185-7 Information services
S13-185-8 Annual report

Subchapter 2. Consolidated permit application and review procedures

S13-185-9 Application and review procedure
S13-185-10 Application filing and fees
S13-185-11 Interagency group
S13-185-12 Consolidated permit application and review team
S13-185-13 Joint agreement
S13-185-14 Conflict resolution process

Subchapter 3. Regulation of consolidated geothermal and cable system development permitting

S13-185-15 Monitoring and enforcing applicants' compliance with terms and conditions of permits

Subchapter 1

General

S13-185-1 Purpose. The purpose of this chapter is to establish guidelines and procedures for consolidated geothermal and cable system development permitting. Consolidated permitting procedures are intended to coordinate and streamline permitting requirements of the diverse array of federal, state, and county land use, planning, environmental, and other related laws and regulations that affect geothermal and cable system development. [Eff:] (Auth: HRS S169D-2) (Imp: HRS S169D-9)

S13-185-2 Definitions. As used in this chapter:

"Agency" means any department, office, board, or commission of the State or a county government which is a part of the executive branch of that government, but does not include any public corporation or authority that may be established by the legislature for the purposes of geothermal and cable system development.

"Applicant" means any person who, pursuant to statute, ordinance, rule, or regulation, requests approval or a permit for a geothermal and cable system development project.

"Approval" means a discretionary consent required from an agency prior to the actual implementation of a geothermal and cable system development project.

"Consolidated permit application form" means a package of forms comprising the form made for this purpose by the department of land and natural resources as a cover, plus the forms of whatever federal and other agencies have permitting authority over a particular project and are required to use their own application form. Information provided in this package includes but is not limited to information identifying the applicant, the landowner, the location of the proposed geothermal and cable system development project, the types of permits required, environmental requirements, information on the geographic location of the project, a description of the proposed project, and plan information.

"Department" means the department of land and natural resources or any successor agency.

"Discretionary consent" means a consent, sanction, or recommendation from an agency for which judgement and free will may be exercised by the issuing agency, as distinguished from a ministerial consent.

"Environmental impact statement" means, as applicable, an informational document prepared in compliance with Hawaii Revised Statutes chapter 343, or with the National Environmental Policy Act of 1969 (Public Law 91-190).

"Geothermal and cable system development project" or "project" means the commercial development, construction, installation, financing, operation, maintenance, repair, and exploratory, testing, and predevelopment activities related to

the foregoing, of:

(1) a geothermal power plant or plants, including associated equipment, facilities, wells, and transmission lines, on the islands of Hawaii or Maui, for the purpose of generating electric energy for transmission primarily to the island of Oahu through the cable system; and

(2) an interisland deep water electrical transmission cable system, including all landbase transmission lines and other ancillary facilities, to transmit geothermally generated electric energy from the islands of Hawaii or Maui, to the islands of Oahu or Maui, regardless of whether the cable system is used to deliver electric energy to any intervening point.

"Interagency group" means a group comprised of representatives from county, State, and federal agencies involved in geothermal and cable system development permitting activities whose permitting functions are not transferred by HRS 196D S10 to the department for the purpose of consolidating the permitting process for geothermal and cable systems development projects.

"Permit" means any license, permit, certificate, certification, approval, compliance schedule, or other similar document or decision pertaining to any regulatory or management program which is related to the protection, conservation, use of, or interference with the natural resources of land, air, or water in the State and which is required prior to or in connection with the undertaking of the project.

"Person" includes any individual, partnership, firm, association, trust, estate, corporation, joint venture, consortium, any public corporation or authority that may be established by the legislature for the purposes of the project, or other legal entity other than an agency. [Eff:] (Auth: HRS S169D-3, HRS S169D-6) (Imp: HRS S169D-9)

S13-185-3 Transfer of functions. For the purpose of this chapter the following functions are transferred to the department: the functions of the land use commission related to district boundary amendments as set forth in Hawaii Revised Statutes section 205-3.1 et seq.; and functions of the land use commission related to changes in zoning as set forth in Hawaii Revised Statutes section 205-5; and permit approval and enforcement functions of the department of transportation related to use of or commercial activities in or affecting the ocean waters and shores of the State under Hawaii Revised Statutes chapter 266. [Eff:] (Auth: HRS S169D-10) (Imp: HRS S169D-9)

S13-185-4 Consolidated permit application and review process. In order to carry out the intent of the geothermal and cable system development permitting act of 1988, the department shall establish and administer a consolidated permit application and review process as provided in this chapter. The consolidated permit application and review process shall not affect or invalidate the jurisdiction or authority of any agency under existing law, except to the extent that permitting functions have

been transferred to the department for the purposes of the project, and each federal agency shall issue its own permit or approval based on its own jurisdiction. [Eff:] (Auth: HRS S169D-5) (Imp: HRS S169D-9)

S13-185-5 Contested case provisions. Where the contested case provisions under Hawaii Revised Statutes chapter 91 apply to any one or more of the permits to be issued by the agency for the purposes of the project, the agency may, if there is a contested case involving any of the permits be required to conduct only one contested case hearing on the permit or permits within its jurisdiction. Any appeal from a decision made by the agency pursuant to a public hearing or hearings required in connection with a permit shall be made directly on the record to the supreme court for final decision subject to chapter 602, Hawaii Revised Statutes. [Eff:] (Auth: HRS S169D-5) (Imp: HRS S169D-9)

S13-185-6 Streamlining. The department shall monitor the processing of all permit applications under this chapter on an ongoing basis to identify inefficiencies, delays, and duplications of effort. The department shall track the status of permits of those agencies whose permitting functions are not transferred to the department for purpose of geothermal and cable system development projects. Any alternative suggestions and recommended changes in procedures will be brought to the interagency group as appropriate for consideration and adoption. The department may develop legislative proposals as appropriate to eliminate any duplicative or redundant permit requirements. [Eff:] (Auth: HRS S169D-7) (Imp: HRS S169D-9)

S13-185-7 Information services. a. The department shall operate a permit information and coordination center that will provide guidance to potential applicants for geothermal and cable system development projects with regard to permits and procedures that may apply to the project. The center shall be known as the geothermal and cable system development permitting information and coordination center. The address of the center shall be as follows:

Department of Land and Natural Resources
Geothermal and Cable System Development Permitting
Information and Coordination Center
Gold Bond Building, Room 509
677 Ala Moana Boulevard
Honolulu, Hawaii 96813
Telephone: 548-8702
Telefax: 548-6233

and shall maintain office hours 7:45 a.m. to 4:30 p.m. Monday through Friday except holidays.

b. The department shall maintain and update at the above address a repository of the laws, rules, procedures, permit requirements, and criteria of agencies whose permitting functions are not transferred to the department for the purpose of consolidated permitting and which have control or regulatory power over any aspect of geothermal and cable systems development

projects and of federal agencies having jurisdiction over any aspect of these projects. [Eff:] (Auth: HRS S169D-8) (Imp: HRS S169D-9)

S13-185-8 Annual report. The department shall submit an annual report to the governor and the legislature on its work during the preceding year. The report shall include the status of geothermal and cable systems development projects, any problems encountered, any legislative actions that may be needed further to improve the consolidated permit application and review process, and to implement the intent of the geothermal and cable system development act of 1988. [Eff:] (Auth: HRS S169D-11) (Imp: HRS S169D-9)

Subchapter 2

Consolidated permit application and review procedures

S13-185-9 Application and review procedure. a. The department shall provide the applicant with a geothermal/cable development consolidated permit application form. The consolidated permit application form will be available during office hours 7:45 a.m. to 4:30 p.m. Monday through Friday, except holidays, at the following address:

Department of Land and Natural Resources
Geothermal and Cable System Development Permitting
Information and Coordination Center
Gold Bond Building, Room 509
677 Ala Moana Boulevard
Honolulu, Hawaii 96813
Telephone: 548-8702
Telefax: 548-6233

The department shall assist the applicant to fill out the consolidated geothermal/cable development application form.

b. The department shall advise the applicant which federal and other agencies have advised that they will not participate in the consolidated permit application and review process. The department shall assist the applicant in applying directly to these agencies, and shall coordinate to the fullest extent possible the consolidated permitting process with the permitting processes of the non-participating federal and other agencies.

c. Upon receipt of the properly completed consolidated permit application, the department shall notify all State and county agencies whose permitting fuctions are not transferred to the department for the purpose of geothermal/cable system development permitting, as well as all federal agencies that may have jurisdiction over any aspect of the proposed project as set forth in the application, and shall invite the federal agencies

and shall require State and county agencies so notified to participate in the consolidated permit application and review process. [Eff:] (Auth: HRS S169D-5) (Imp: HRS S169D-9)

S13-185-10 Application filing and fees. The applicant shall attach to the consolidated permit application form a pro forma statement of project costs. A filing fee dependent upon project cost shall accompany the consolidated permit application as follows:

Project cost	Fee
$0 - 999,999	$200
1,000,000 - 9,999,999	400
more than 10,000,000	600

The check for the filing fee shall accompany the application and should be made payable to the State of Hawaii. The check and the geothermal/cable development consolidated application shall be submitted to:

State of Hawaii
Department of Land and Natural Resources
P.O. Box 621
Honolulu, Hawaii 96806

or delivered to:

Department of Land and Natural Resources
Division of Water and Land Development
1151 Punchbowl Street, Room 227
Honolulu, Hawaii 96813

Checks for filing fees required for filing applications with agencies whose permitting functions have not been transferred to the department for the project shall be made out in separate amounts to the separate agencies but shall be attached to the consolidated permit application form.

Filing fees for federal and other agencies not participating in the consolidated permit application and review process shall be submitted directly to those agencies. [Eff:] (Auth: HRS S169D-5) (Imp: HRS S169D-9)

S13-185-11 Interagency group. In order to provide coordination amongst agencies to facilitate carrying out the consolidated permit application and review process, the department shall convene an interagency group comprised of representatives of federal and other permitting agencies whose permitting functions have not been transferred to the department including but not limited to the following:

U.S. Army Corps of Engineers
District Engineer (POD CO-O)

Building 230
Fort Shafter, Hawaii 96858

Commander in Chief
U.S. Pacific Fleet
Pearl Harbor, Hawaii 96860

Commander, U.S. Coast Guard
Fourteenth Coast Guard District (OAN)
300 Ala Moana Boulevard, Room 9153
Honolulu, Hawaii 96850

District Chief,
Water Resources Division
U.S. Geological Survey
300 Ala Moana Boulevard, Room 6110
Honolulu, Hawaii 96850

Pacific Islands Administrator
U.S. Fish and Wildlife Service
300 Ala Moana Boulevard, Room 5302
P.O. Box 50167
Honolulu, Hawaii 96850

National Marine Fisheries Service
Pacific Islands Coordinator
2570 Dole Street, Room 106
Honolulu, Hawaii 96822-2396

Environmental Protection Agency
Manager,
Pacific Islands Contact Office
300 Ala Moana Boulevard, Room 1302
Honolulu, Hawaii 96850

Pacific Area Director
National Park Service
300 Ala Moana Boulevard, Room 6305
Honolulu, Hawaii 96850

State of Hawaii
Department of Transportation
869 Punchbowl Street
Honolulu, Hawaii 96813

State of Hawaii
Office of State Planning
State Capitol, Room 410
Honolulu, Hawaii 96813

State of Hawaii
Departmentt of Health
1250 Punchbowl Street
Honolulu, Hawaii 96813

Department of Business and
Economic Development
250 South King Street
Honolulu, Hawaii 96813

Mayor, County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96721

Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96783

Mayor, City and County of Honolulu
Honolulu Hale
South King Street
Honolulu, Hawaii 96813

State and county agencies having permitting authority in geothermal and cable systems development projects shall participate in the activities of the interagency group. Federal agencies with permitting authority are invited to participate and the department shall give them the fullest cooperation possible in coordinating federal and State permit requirements.

If the legislature establishes any public corporation or authority for the purposes of implementing geothermal and cable systems development projects, then upon its establishment, the public corporation or authority shall be a member of the interagency group. The department shall convene meetings of the interagency group as required, and in appropriate locations, to organize to participate and to participate in the consolidated permit application and review process. The department shall convene a meeting of the interagency group in a timely manner upon completion of the department's review of each properly completed geothermal/cable consolidated permit application. [Eff:] (Auth: HRS S169D-6) (Imp: HRS S169D-9)

S13-185-12 Consolidated permit application and review team. a. The department shall name a working team known as the consolidated permit application and review team from among representatives of agencies having jurisdiction over any aspect of the project. The applicant shall designate a representative to be available to the consolidated application and review team for purposes of processing the applicant's consolidated permit application. The consolidated application and review team shall work with the department to provide permitting coordination for each geothermal and cable system development project. The team shall work to consolidate the various permitting requirements for each project.

b. The department and agencies through the consolidated permit application and review team shall cooperate with the federal agencies to the fullest extent possible to minimize duplication and where possible promote consolidation of federal and State requirements. To the fullest extent possible, this

cooperation shall include joint environmental impact statements with concurrent public review and processing at both levels of government. Where federal law has requirements that are in addition to but not in conflict with State law requirements, the department and the agencies shall cooperate to the fullest extent possible in fulfulling their requirements so that all documents shall comply with all applicable laws. [Eff:] (Auth: HRS S169D-5, HRS S169D-6) (Imp: HRS S169D-9)

S13-185-13 Joint agreement. Representatives of the State and county agencies participating on the consolidated application and review team shall sign a joint agreement committing them to meet and perform the following tasks for each project application:

(1) provide a listing of all permits required for the proposed project; and

(2) specify the regulatory and review responsibilities of the department and each State, county, and federal agency and the responsibilities of the applicant;

(3) provide a timetable for regulatory review, the conduct of necessary hearings, preparation of an environmental impact statement, if necessary, and other actions required to minimize duplication and to coordinate and consolidate the activities of the applicant, the department, and the State, county, and federal agencies;

(4) coordinate hearings required for a permit, and hold hearings on the island where the proposed activity shall occur;

(5) prepare alternatives for resolving conflicts and bring these to the affected agencies for resolution and if none of these alternatives is satisfactory to resolve a conflict, follow the conflict resolution process in S13-185-14 of this chapter;

(6) approve a consolidated permit compliance monitoring program and schedule prepared by the department to take effect after a proposed project is approved, to be monitored by the department; and to;

(7) provide that each agency shall monitor and enforce the respective terms and conditions of each agency's respective permits.

Federal agencies are invited to sign the joint agreement, but once they agree to participate in the consolidated permitting process, they are committed to continue to participate throughout the entire process fo each geothermal and cable system development project application submitted to the department. Signing the joint agreement and thereby particpating in the consolidated application process shall not affect or invalidate the jurisdiction or authority of any agency under existing law. Each agency shall issue its own permit or approval based on its own jurisdiction. {Eff:] (Auth: HRS S169D-4) (Imp: HRS S169D-9)

S13-185-14 Conflict resolution process. Should conflicts arise that the consolidated permit application and review team cannot resolve, the following conflict resolution process shall be implemented:

(a) in a conflict between State departments, any affected State department head may declare that an impasse exists between that department and any department or departments of the State during any phase of the permitting process related to the geothermal and cable systems development project. The applicant may also seek an impasse declaration by filing in writing with the administrative director of the State that such a declaration should be issued if the processing of a permit application has not made significant progress for forty-five calendar days. The administrative director shall make the determination whether an impasse declaration should be made. Upon an impassee being declared, the involved department heads shall each submit a report in writing to the administrative director within ten calendar days from the date of the impasse declaration. The reports shall list the chronologic perceived causes of the impasse, and a suggested solution. The adminstrative director or his designee shall meet with the involved directors within twenty calendar days from the impasse declaration date. Should the impasse still exist following this meeting, the adminstrative director shall report to the governor the latest position of the directors and a recommendation. The involved departments shall initiate implementing the governor's decision within three calendar days from the date of the final decision.

(b) in a conflict between State and county agencies any State or county department head involved in processing an application related to the geothermal/cable project can declare that an impasse has developed between the involved county and State departments. Such a declaration shall be in writing identifying the unresolved issues and the respective positions of the affected departments. The applicant may also seek an impasse declaration by filing a written request with the administrative director of the State or the county agency which shall be designated by the mayor. Such a request for impasse declaration may be made if the processing of a permit application has not made significant progress for forty-five calendar days. Unless objected to in writing by the reviewing county and State department or State departments, an impassee declaration shall be made within ten working days from the date that the request for impasse declaration was filed. Upon an impasse being declared, the affected State and county department heads shall each submit a report in writing to both the State administrative director and the designated county agency within ten calendar days from the date of impasse declaration. The reports shall list the chronological events leading to the impasse, the perceived causes of the impasse, and a suggested solution. The administrative director or the administrative director's designee and the head of the mayor's designated county agency or that agency's designee, shall meet with the involved State and county department heads within twenty calendar days from the impasse declaration date. Should the impasse still exist following the meeting, the administrative director shall render a decision. The involved State and county departments shall initiate implementing the administrative director's decision within three

calendar days from the date of the final decision.

(c) for conflicts between agencies within the County of Hawaii, County of Maui or the City and County of Honolulu, each county involved in implementing Hawaii Revised Statutes chapter 169D shall adopt a conflict resolution process by July 31, 1989. If a process is not adopted by July 1, 1989, the department with the approval of the administrative director shall develop a conflict resolution process that shall be deemed adopted.

(d) for conflicts between agencies between the County of Hawaii, County of Maui and the City and County of Honolulu, all counties involved in implementing Hawaii Revised Statutes §169D shall adopt a conflict resolution process by July 31, 1989. If a process is not adopted by July 1, 1989, the department with the approval of the administrative director shall develop a conflict resolution process that shall be deemed adopted. [Eff] (Auth: HRS §169D-4) (Imp: HRS §169D-9)

Subchapter 3

Regulation of Geothermal and Cable System Development Permitting

§13-185-15 Monitoring applicants' compliance with terms and conditions of permits. Once a geothermal and cable systems development consolidated permit application has been approved by the review team, the department shall commence monitoring the applicant's compliance with the terms and conditions of the permitting functions for which the department has full and direct responsibility, including functions transferred to the department by HRS §169D-10. The department shall prepare a schedule for monitoring consolidated permit terms and conditions that shall be accepted by the consolidated permit application and review team. The department shall monitor the permitting agencies' monitoring activities to assure permit compliance is being monitored. The monitoring schedule will identify terms and conditions of compliance, dates of monitoring, federal and other agencies and individuals who shall carry out the monitoring activity, and the date the report of the monitoring activity shall be sent to the department. The department shall maintain a log of the monitoring activities and shall alert the appropriate permitting agency if monitoring for permit compliance is not being carried out on schedule. If necessary the department in conjunction with the affected agency or agencies shall enforce all terms and conditions related to any permit. [Eff:] (Auth: HRS §169D-5) (Imp: HRS §169D-9)

Thursday, March 9, 1989

1. 3/6/89 Meeting with DBED/Harry Olson
2. Minutes of 9/29/88 Interagency Group Meeting in draft
3. Meeting 3/10/89 with Maurice Kaya on Draft Admin. Rules
4. March 15, 1989 Meeting of Governor's Advisory Board
5. 3/7/89 Telecon with Gerry Lesperance re: Marilyn Moore, librarian
6. Gold Bond Building Move
7. Other Business

AGENDA

3/29/89

8:00 a.m.

Attendance: Sus, Dan, Dran, Janet, Hale

1. Telephone conversation with Ralph Masuda (suggested county staffs get together to discuss conflict resolution portion of draft - if no one else interested, he will come by himself. Can Sus meet with county reps? Should rep. from AG's office be present? Robin Foster of C&C Land Ut. will come; Gary Okino of General Planning will come; Lynn Maunakea out of town, secretary put it on her schedule tentatively for Wed. April 5, 1989 9:00 a.m. room 227 conference room, room available per Sharon)

2. Progress on PERT/GANTT chart

3. Status of Draft #5 Review by AG's office

4. Office status

5. Other

March 23, 1989

Memorandum

To: Manabu Tagomori, Susumu Ono

From: Janet Swift

Subject: Conversation with Ralph Masuda

I called Mr. Masuda to let him know I had brought his concerns regarding the 301 draft administrative rules to your attention. I asked him if he had any specifics in mind as a substitute for the conflict resolution portion of the draft as it is now written. I pointed out that according to the Act there has to be some kind of provision for resolution of possible conflicts. We talked about his suggestion for all the parties to sit down, once the application has been received. He had nothing specific in mind in writing. I asked him if he would like to meet with the other County people. He asked if I had heard from any of them, and I said no, I just had the one comment from the Office of State Planning regarding the City Council's authority over the SMA permit. The comment being that their role would be outside of 301.

Mr. Masuda suggested I contact the other County staff people and find out if they would like to meet to hash this out, because he said there are conflicts between the rules and the statutes that should be looked at. He said even if they are not interested, at least he will come over to talk about this. I told him I would contact the County people on the interagency Council and get back to him after the weekend.

(the other County people)

1409

U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southwest Region • Pacific Area Office
2570 Dole St. • Honolulu, Hawaii 96822-2396

RECEIVED
89 MAR 17 P1:58
DIV. OF WATER & LAND DEVELOPMENT
DEPT. OF LAND & NATURAL RESOURCES
STATE OF HAWAII

March 13, 1989 F/SWRx2:DEG

William W. Paty
Chairperson
State of Hawaii
Department of Land and
Natural Resources
Commission on Water Resource
Management
P.O. Box 621
Honolulu, Hawaii 96809

Dear Bill:

Thank you for the opportunity to review and comment on the draft administrative rules for Act 301, 1988, regarding Geothermal and Cable System Development Permitting. The rules appear to be clear, well written, reasonable and prudent in the main, however, one sentence relating to the joint agreement, first sentence, last paragraph, page 185-19, is troublesome and may prevent our agency and other federal agencies from signing a joint agreement. That sentence now reads:

> "Federal agencies are invited to sign the joint agreement, but once they agree to participate in the consolidated permitting process, they are committed to continue to participate throughout the entire process for each geothermal and cable system development project application submitted to the department".

That sentence as written appears to require federal agencies to make commitments that they, in fact may not be able to meet. While my agency, NOAA Fisheries, may be able to advise you that we intend to participate throughout the entire permit process we cannot unequivocally assure you that we will have the resources to do so. Also, the permitting process may require several years to complete although the State of Hawaii is doing its very best to foreshorten the time period. Our agency inter alia cannot necessarily make commitments binding on future administrations. Accordingly I suggest that you consider rewriting the sentence to read:

> "Federal agencies are invited to sign the joint agreement, for a period not to exceed the term of the entire process for each geothermal and cable system development project application submitted to the department".

I am taking the liberty of forwarding a copy of your request to the Southwest Region, NOAA Fisheries for further review. We will inform you of additional comments, if any, on this matter.

Sincerely yours,

Doyle E. Gates
Pacific Islands Coordinator

cc: F/SWR, E.C. Fullerton (w/encl.)
GCSW, M. Hochman (w/encl.)

HAWAII TRIBUNE-HERALD
3-5-89

Geothermal hearing is delayed

The county Planning Commission has postponed a hearing on the University of Hawaii's application for a permit to drill several "scientific observation holes" to monitor geothermal resources in the Puna area.

The hearing, originally scheduled for Tuesday, will be held April 11 to give researchers at the university's Hawaii Natural Energy Institute time to complete an environmental impact statement for the project.

The holes, four in all, are to be drilled in the eastern portion of Kilauea Volcano's east rift zone. One drilling site would be in a former papaya field at the junction of the Pahoa-Kapoho and Pahoa-Pohoiki roads about 3,000 feet north of the current HGP-A geothermal well.

INTERAGENCY GROUP
GEOTHERMAL/CABLE PERMITTING
Meeting on February 14, 1989

ROLL CALL:

The following were in attendance:

MEMBERS:
Chairperson, William W. Paty
Mr. Stan Arakaki, U.S. Army Corps of Engineers
Mr. William Meyer, U.S. Geological Survey
Mr. William Kramer, U.S. Fish and Wildlife Service
Mr. Doyle Gates, National Marine Fisheries Service
Mr. Bryan Harry, National Park Service
Mr. Charles Wegenroth, U.S. Coast Guard
Mr. Peter Garcia, State of Hawaii, Department of Transportation
Mr. Douglas Tom, State of Hawaii, Office of State Planning
Ms. Mary Lou Kobayashi, State of Hawaii, Office of State Planning
Mr. James Ikeda, State of Hawaii, Department of Health
Mr. Thomas Arizumi, State of Hawaii, Department of Health
Mr. Denis Lau, State of Hawaii, Department of Health
Mr. Leslie Matsubara, State of Hawaii, Department of Business & Economic Development
Mr. Gerald Lesperance, State of Hawaii, Department of Business & Economic Development
Ms. Susan Labrenz, County of Hawaii
Mr. Ralph Masuda, County of Maui
Mr. Robin Foster, C&C of Honolulu, Department of Land Utilization
Mr. Gary Okino, C&C of Honolulu, Department of General Planning

STAFF:
Mr. Manabu Tagomori, State of Hawaii, Department of Land and Natural Resources
Mr. Sus Ono, State of Hawaii, Department of Land and Natural Resources
Mr. Dan Lum, State of Hawaii, Department of Land and Natural Resources
Ms. Janet Swift, State of Hawaii, Department of Land and Natural Resources
Ms. Maile Holt, State of Hawaii, Department of Land and Natural Resources

OTHERS:
Mr. Arthur Seki, Hawaii Natural Energy Institute
Dr. Harry Olson, Hawaii Natural Energy Institute
Mr. Maurice Richard, ORMAT Energy Systems, Inc.
Mr. Rod Moss, True/Mid-Pacific Geothermal Venture
Dr. Don Thomas, Hawaii Institute of Geophysics

Interagency Group on Geothermal and Cable Development

Draft Minutes

Second Meeting, February 14, 1989
Department of Land and Natural Resources
Board Room
1151 Punchbowl Street
Honolulu, Hawaii 96813
10:00 a.m.

I. Opening Remarks

Mr. Manabu Tagomori opened the meeting at 10:00 a.m. for Mr. William Paty who was unavailable. Mr. Tagomori welcomed the attendees and asked them to introduce themselves. Mr. Tagomori summarized the work done by the group since its first meeting in September 1988. He said that the administrative rules for Act 301 would be going out to the group later in the week, and he requested comments on the rules before the next meeting. He mentioned that staff has now been hired and office space has been secured at the Gold Bond Building, Room 509. He said that the details on the office would be provided to the members.

II. Presentation on Current Geothermal Activities in Hawaii

Mr. Tagomori called on Dr. Harry Olson of the Hawaii Natural Energy Institute for a presentation on the slim holes project.

Dr. Olson indicated on a map the 6 experimental drilling sites for which his agency is currently seeking permits. Four holes are on the island of Hawaii, two are on the island of Maui. Dr. Olson said that the application for a Geothermal Resource Permit has been submitted to the County of Hawaii, and that there is a hearing scheduled for March 7, 1989 to consider that permit application.

Dr. Olson described the observation holes that his application proposes. There would be various size holes to various depths, using rigs with cores of different sizes and materials, until a depth of about 4,000 feet, more or less, is reached. That is the average depth for reaching the top of a reservoir area. Once the holes have reached the reservoir area, geophysical logs will be taken to monitor for temperature and pressure. The holes will be monitored for several years or until the holes cave in, at which time they would be abandoned by standard closing procedures. Dr. Olson said that initially he had hoped to start drilling in the spring of 1989, but there may be delays until September 1989.

Next, Mr. Tagomori called on Mr. Maurice Richard of Ormat Energy Systems, Inc. to discuss his company's proposals.

Mr. Richard said that for background, Ormat acquired Puna Geothermal Venture in July 1988, which essentially comprised an Environmental Impact Statement, three wells in Puna, and a lease and energy contract for 25 MW of power. He said that his firm has made efforts to improve the approaches to the project. In December he said he submitted an application to the County of Hawaii, and is now in the process of working out details regarding form, content and wording of the application. In mid December, a plan of operations was submitted to the Department of Land and Natural Resources. He said an "authority to construct" for the well field and for the plant would be available within the next two weeks.

Mr. Richard then presented a video tape on Ormat's technology and various successful projects in Utah and Nevada. After the video presentation Mr. Richard presented diagrams of how the technology would be modified for application in Hawaii, using back pressure turbines that work like a windmill, to extract a certain amount of heat, since Hawaii's is one of the hottest geothermal resources in the world.

Several technical questions followed Mr.Richard's presentation. Mr. Kaya asked about differences between Ormat's approach considering information from the existing HGPA plant, and Dr. Olson's research. Mr. Kaya's concern was about injecting brine, which is a different method from that used at HGPA where the liquid is steamed. Mr. Richard said the liquid would be recombined and reinjected.

Someone asked Mr. Richard if his project would have corrosion inhibitors and he answered no. Another question was what per cent of electricity generated would be from non-turbine methods and what per cent from the regular method. Mr. Richard said there would be 10 back pressure turbines and 10 "EOC's", which would net 25 MW and gross between 28 and 30 MW of power.

Mr. Kaya asked Mr. Richard to compare his operation with the steam flash unit which produces 14 lbs of steam per kw hour. Mr. Richard said there would be air cooling and therefore there would be no plume like that produced by the HGPA plant.

Mr. Tagomori asked if Mr. Richard's plan calls for using any of the Kapoho holes. Mr. Richard said they are looking at KS2 and think they can recover KS2. He added that usually the least productive well is your injection well. He said he is proposing 6 well pads, but it doesn't mean they will all be used.

Next, Mr. Tagomori called on Mr. Rod Moss of True Mid-Pacific Geothermal Venture. He gave a history of his firm's involvement in the geothermal area in Hawaii. He gave a slide presentation on locations and permits. He said his project could commence in four months after the permits are received.

Mr. Kaya asked Mr. Moss how much money his firm must invest before they can actually start selling 25 MW of electricity. Mr. Moss said about $45 million. He said that each well costs about two and a half million dollars, so the expense will be between fourteen and fifteen million dollars just for the wells. Mr. Kaya commented that he just wanted people to be aware of the size of the investment we are talking about in these projects.

Mr. Tagomori brought up the subject of the recent Request for Proposals (RFP) by Hawaiian Electric Company for a combined State and HECO geothermal and cable project. He called on Mr. Jerry Lesperance to provide some information. Mr. Lesperance said that the goal is 1990 to go ahead with the 500 MW project including the cable. He said the RFP is being developed by the Department of Business and Economic Development and will go out in May 1989. The estimated cost of the project is $1.7 billion.

Mr. Kaya asked about economics of scale, whether more power is better for the development companies. Mr. Moss said that because of the economy of scale, it would be better to develop 500 MW. Mr. Richard said that his firm wants to participate in the development of the proposed 500 MW of power, but wants to learn from the installation of the 25 MW plant first.

Mr. Tagomori mentioned the bill before the legislature currently on the geothermal corridor. He said the Department would be monitoring the status of the bill and would keep the Interagency Group informed.

III. Status Report on the Implementation of Act 301

Mr. Tagomori then called on Mr. Dan Lum of the Division of Water and Land Development to update the group on the progress made in implementing Act 301.

Mr. Lum summarized the intent of Act 301, to provide a consolidated permitting process for geothermal and cable projects. He said that the agencies have cooperated by sending in copies of their respective permitting rules and regulations and permit application forms. The 301 staff has had a chance to identify what permits may be required for various projects, and to study and learn the permitting requirements. The administrative rules are in final draft, and will be distributed to the Interagency Group for their review within the week. Staff has been hired, and office space for the 301 process is being prepared for occupancy. Items are being assembled for the information center function of Act 301, and for the repository for all geothermal and cable information.

Mr. Tagomori said that a copy of Act 301 will be included in the mailing with the draft administrative rules. He asked that the agencies send in their comments to the administrative rules draft.

IV. Future Meeting Date

Mr. Tagomori called for the next meeting of the Interagency Group to be held March 14, 1989, at the same time and location.

V. Other Business

Mr. Tagomori called on the various County representatives to comment on their activities in the area of geothermal permitting. Mr. Ralph Masuda of Maui County said that the draft rules for Geothermal Resource Permits have been prepared, and that there would be a public hearing on the rules at the end of May. He said hopefully the rules would be adopted in July or August.

Mrs. Susan Labrenz, Managing Director of Hawaii County, commented that Hawaii County officials may be perceived to be cautious in the geothermal area, but she said it is because the County wants to do the project right the first time, and is looking for a good track record.

Mr. Jerry Lesperance said there is an environmental assessment on the 500 MW cable being reviewed in draft at the Department of Business and Economic Development, and it should be ready for publication in March 1989.

Mr. Paty returned from hearings at the legislature and urged the group to push on in working out the consolidated permitting process, because all involved are on a tight time schedule. He said it is this group that can make the geothermal project happen, but the timing is very important.

Mr. Tagomori said that the schedule calls for the administrative rules to be ready around the fourth of July. He colsed the meeting on that note, andn with a reminder that the next meeting will be on March 14, 1989, same time of day and the same location.

INTERAGENCY GROUP
GEOTHERMAL/CABLE PERMITTING
Meeting on September 29, 1988

ROLL CALL:

The following were in attendance:

MEMBERS:
Chairperson William W. Paty
Mr. John Emmerson, U.S. Army Corps of Engineers
Mr. Stanley Ichioka, U.S. Pacific Fleet
Mr. Kiyoshi Takasaki, U.S. Geological Survey
Mr. William Kramer, U.S. Fish and Wildlife Service
Mr. Doyle Gates, National Marine Fisheries Service
Mr. Peter Garcia, State of Hawaii, Department of Transportation
Mr. Douglas Tom, State of Hawaii, Office of State Planning
Mr. James Ikeda, State of Hawaii, Department of Health
Mr. Gerald Lesperance, State of Hawaii, Department of Business & Economic Development
Mr. Tom O'Brien, State of Hawaii, Department of Business & Economic Development
Mr. Ronald Ibarra, County of Hawaii
Mr. Ralph Masuda, County of Maui
Mr. Robin Foster, C&C of Honolulu, Department of Land Utilization
Mr. Harry Hayase, C&C of Honolulu, Department of General Planning

STAFF:
Mr. Manabu Tagomori, State of Hawaii, Department of Land and Natural Resources
Mr. Sus Ono, State of Hawaii, Department of Land and Natural Resources
Mr. Dan Lum, State of Hawaii, Department of Land and Natural Resources

OTHERS:
Mr. Clyde Nakata, Hawaii Electric Light Co.
Mr. Dennis Tanigawa, Hawaii Electric Light Co.
Mr. Allan G. Kawada, True/Mid-Pacific Geothermal Venture
Mr. O.K. Stender, Campbell Estate
Mr. Herman Clark, Campbell Estate
Mr. Rod Moss, True/Mid-Pacific Geothermal Venture
Ms. Ilene Aleshire, Honolulu Advertiser
Mr. William Quinn, Governor's Advisory Board
Mr. Randall Young, Office of the Attorney General
Dr. Harry Olson, Hawaii Natural Energy Institute

Draft Minutes
Interagency Group for Geothermal/Cable Permitting

September 29, 1988
10:00 a.m.
1151 Punchbowl Street
Honolulu, Hawaii 96813

I. Opening Remarks

Mr. Paty opened the meeting, putting the geothermal project into perspective as the largest project the State has ever contemplated doing, and as such, requiring some forty or more permits. He said that Act 301 was established to assist in coordinating the permitting effort so that potential developers can be assured that not only is there a resource to develop, but also that they will be getting some assistance in the permitting area, so as to minimize unanticipated delays.

II. Introduction of Members

Mr. Paty had the Interagency Group members introduce themselves and identify which agency they represented.

III. Report on the State's Energy Program - Department of Business ad Economic Development

Mr. Paty called on Mr. Gerald Lesperance for an update on the geothermal program. Mr. Lesperance called on his boss Mr. Tom O'Brien who gave an introduction to the Energy Division program. He said that the program is based on the Hawaii State Plan and the Energy Functional Plan which call for providing dependable economical statewide energy capable of supporting the needs of the people, and for achieving increased energy self sufficiency. Geothermal energy is the component of the State energy program that is Hawaii's best base load source of energy, so this is the component that the program is concentrating on.

Mr. Lesperance gave a presentation that included information on electricity production for 1987. Oahu, Maui, Big Island and Kauai produce relative amounts of electricity in that respective order. In terms of energy source, oil is by far the greatest source. This is of concern because the state is 90% dependent on foreign oil, and also because the price of oil is

expected to increase drastically during the next decade. The geothermal resource is the only large scale indigenous resource whose conversion to base load electricity is commercially mature.

Next, Mr. Lesperance then discussed the location of the geothermal resource. He said that there is a low probability of a high temperature resource on Maui, but on the Big Island there is a 90% probability of drilling a hole and hitting extremely high temperatures, particularly in the Kilauea east rift zone and the Kilauea south rift zone. There are estimates that the electricity needs of the entire State of Hawaii could be met for the next century using the resource of the east rift zone. That is just someone's estimate, but the State's goal is to supply roughly half of the State's electricty from the geothermal resource. This is so that no one resource is the sole resource that is depended on - it is better to spread the dependency. Mr. Lespearnce then spoke about the history of geothermal development in Hawaii. He said that there was some shallow exploration for geothermal resources in the 60's. In 1976 the University of Hawaii started developing the HGPA plant. In 1981 the plant was generating three MW of power. During the period 1980 to 1985, six private wells were drilled. Three wells did not produce; three did. In 1983 the legislature passed legislation providing for a geothermal resource subzones assessment and designation. Three geothermal resource subzones were designated on the Big Island and one on Maui in the Haleakala soutwest rift zone. Mr. Lesperance said that at present there are two developers, True/ Mid-Pacific Geothermal Venture and Ormat Energy Systems, Inc. Ormat (Puna Geothermal Venture) plans to be able to be able to make 12 1/2 MW of electricity available to HELCO by 1991.

Next, Mr. Lesperance reported that the Department of Business and Economic Development is conducting an environmental assessment to be published by the end of the year. It is DBED's own project, not a requirement of the environmental statutes, but one a project that the agency is conducting to assess for itself the impact of developing 500 MW of power in the Kilauea east rift zone. Mr. Lesperance presented a chart showing a scenario of a number of 50 MW plants. This would be the average plant size. About 125-150 wells would be required to produce 500 MW of electricity, including a percentage of wells that would be injection wells, wells drilled for the purpose of reinjecting the geothermal liquids back into the ground at depth. Mr. Lesperance said this is the way it is done in other geothermal plants in other parts of the world - Northern California, Italy, Iceland, and New Zealand. He went on to discuss the environmental issues associated with geothermal development. Issues he cited are noise, especially during open venting, air quality, erosion, visual intrusion. Next Mr. Lesperance discussed the path of the cable required to bring electricity to Oahu. The cable would go from the Puna geothermal fields overland towards Hilo and then either through the Saddle Road area or over north of Mauna Kea, and then into the ocean, through the Alenuihaha Channel at depths exceeding 6,500 feet. The cable will be trenched as it passes through the land/ocean interface and some distance out into the ocean, to a depth of 100 feet or so. For the most part the cable

will lie on the ocean bottom. The cable will be aluminum, and will carry DC current. It weighs 22 pounds per lineal foot out of water, 20 pounds per lineal foot in water. Mr. Lesperance said the ongoing geothermal program has been a combined federal/state effort, with 22 million dollars in federal U.S. Department of Energy money and 44 million State of Hawaii money. As far as impacts on the environment, the cable will have the usual temporary impacts during construction, there will be some biota interference both on land and in the ocean; overland portions of the cable will be supported either on solid poles or on lattice towers. This will involve some disruption of the soil and potential for erosion, as well as visual intrusion. One concern is the health issue of living in close proximity to a high voltage AC cable. Mr. Lesperance said that there is a consideration that health impacts are lessened if the cable is DC rather than AC. As to cost of the system, Mr. Lesperance said that to develop 500 MW of power, the wells and the steam field would cost something over half a billion dollars, and the cable with rectifiers and including the land portion, and with the conversion from AC to DC and back to AC, about a half a billion, for a total, of 1.5 billion. The hope is that this will be private dollars, with some assistance from the State. Mr. Lesperance went on to introducing the former Governor Bill Quinn. He said that Mr. Quinn chairs the Governor's Advisory Board on the Geothermal/Cable Project. This board determined that the geothermal and cable aspects of the project are inseperable, and so when we discuss the geothermal project we must include the cable as an integral portion of that project. It was Mr. Qquinn's board that was responsible for introducing the bill that became Act 301. Mr. Lesperance said that the 25MW project is scheduled to be completed by 1991; HECO hopes to be accepting electricity from the 500 MW project from the Big Island in 1995. But it may take up to ten years to get the full 500 MW available and the cables, each capable of sustaining 250 MW, the third is a spare for redundancy. Finally Mr. Lesperance referred to a library of some 480 titles, with the titles on computer. He offered the use of this data base to anyone interested. In conclusion, Mr. Lesperance quoted from Governor John Waihee's statement from a letter he wrote to the Public Utilities Commission: "I am committed to the development of Hawaii's indigenous energy resources to reduce dependence on foreign petroleum. At the present time geothermal is the primary viable indigenous energy resource for the State. This administration must support the development of geothermal energy and use all means to get the job done.

Next, Mr. Paty called on Mr. Clyde Nakata representing the Utilities. Mr. Nakata explained that the project he is discussing is the 25MW project, which is entirely separate from the 500 MW prject, since it is only for Big Island. Mr. Nakata explained that in March 1986 the utility had signed a purchase power contract with Thermal Power Company to supply energy to HELCO, 12 1/2 MW in 1989 and another 12 1/2 MW in the 1991-1993 time frame. Mr. Tanigawa, project engineer, explained using

maps, how his company proposed power plant areas. The utility brought in an environmental planning firm to find the areas in which the transmission lines would be a least constraint, where they would have the least amount of adverse effect. After they idenified these areas, they were to find two alignments within the corridors, meaning the exact location where the pole line should be installed. Also they were asked to look at three different methods of transmission - traditional overhead lines, an underground line, and submarine cable. They found that overhead transmission line was the best method in their broad scale analysis.

The route would be from the Pohoiki site to the Puna switching station. In the broad scale analysis the consultants looked at exclusionary areas, soil conditions, geologic hazards, biological factors, socioeconomic factors, recreation sites, land use, land ownership, land regulations, and cost factors, which included land values, maintenance costs, and accessibility to the transmission line sites. After the consultants had identified three corridors, they did a more in depth study. They sent various scientists, including archaeologists, botanists, entymologists, geologists, and landscape specialists to look at the three corridors. Their job was to identify any further constraints within these corridors, in order to come up with the final alignment, the one with the fewest constraints. At this point, Mr. Nakata introduced Mr. Dennis Tanigawa who explained from a map the exact alignment that was proposed from the various studies. Mr. Tanigawa pointed out the exact location within the Pohoiki area where the Ormat geothermal plant is proposed, and then he pointed out the Puna substation in Keaau where the transmission lines would lead. Mr. Tanigawa said they tried as much as possible to stay out of subdivisions, and when they had to cross them they did so in the least populated areas. Mr. Nakata added that they also tried as much as possible to minimize the visual impact of the lines by running them closer to areas that had vegetation that would screen them from view. But the major consideration was to stay out of subdivisions as much as possible. He pointed out from the map that where they did go through subdivisions there was no choice because the subdivision goes all the way from Highway 130 to the ocean and from Highway 130 to the volcano area. He also said that this is not necessarily the route that will ultimately be taken. This is the consultant's recommendation, but the utility will be doing further analysis and making adjustments as necessary. Mr. Nakata said the utility had had a number of meetings with public agencies and with public associations and community members. He said that informational workshops have also been held regarding some of the community concerns, among them health concerns and property values. Mr. Nakata said that the utility had contacted the real property tax office in Hilo and had found out that property values had not been affected by the installation of a transmission line elsewhere in Hilo in 1974. Also, in the area of health and safety, Mr. Nakata said that the transmission lines would be protected by relay devices which

would de-energize the circuit as soon as a fault is detected. Other concerns Mr. Nakata addressed were TV and radio interference. He said that if it's cable there should be no problem; if it is over the air type of reception like radio, there are times in which through wind some of the connectors may get a little loose, and there may be some interference, but, he said, as long as the utility is notified, they can send their technicians out to identify the problem and locate and correct it or change the hardware. As far as visual intrusion is concerned, which is another concern, an effort has been made to use natural landscape as much as possible to mitigate the visual intrusion. As far as concern over transmission loads is concerned, Mr. Nakata said he stressed to the public that these lines are only for the 25 MW project, they are 69 KV lines, not the type that would be used for the 500 MW project. The 69 KV lines do not have the capacity to handle 500 MW, so these lines are not intended for bulk transmission of power. Finally, Mr. Nakata gave a summary of where the utility is on the 25MW project. He said the routing study just reported on has been completed and transmitted to various agencies. He said they are working on the EIS portion of the study now, and Ormat Energy Systems has taken over the project. He said that basically the utility end of the project was on hold for some time, from August 1987, because of the pending sale from Thermal Power Company to other companies. There was no commitment as to whether they were going to continue or not. Now that Ormat has taken over, the utility is meeting with them to finalize contracts and schedules. On the alignment, the utility is working to finalize it. He said that one of the suggested alignments is using Highway 130. He said the utility is working with the telephone company and the State of Hawaii to utilize the right of ways on the highway. He said the utility needs their okays. He said they need to submit design drawings, which has already been done to Department of Transportation, and as yet there has been no feedback. He stated that HELCO does need the power since continued high growth is anticipated in the east and west Hawaii areas. In that regard he mentioned that anticipated peak demand is the reason why the utility will be going ahead with installing a combustion turbine on the Big Island next year.

Mr. Paty thanked Mr. Nakata for his presentation, and called on former Governor William Quinn to say a few words.

Governor Quinn spoke about the Governor's Advisory Board on Geothermal/Cable Development of which he serves as Chair. He said that the Advisory Board was named in August 1987. Mr. Paty is on the Board, Roger Ulveling, Mayor Carpenter, and a small but distinguished group of business and labor people. Governor Quinn reiterated that the Board quickly reported to the Governor that the cable couldn't be separated from the rest of the geothermal project, and so those two have been combined in everyone's thinking since then. He reported that the Advisory Board met with five cable developers from Norway, Sweden, France, Italy and Japan, all of whom felt the project was feasible. But, he said,

they were all concerned with permits. He said that as the Board and DBED looked at it, they found there were forty some permits, which is intimidating, and which is the reason the Board felt a single permitting process would be better than repeating over and over similar presentations and requests but in slightly differing formats for forty or more authorizing agencies. He said that every aspect of the project would be scrutinized and laid before the public, but in a coordinated fashion, through a lead agency, to coordinate State and County permitting, and hopefully with the federal agencies cooperating on a voluntary basis. He said that Hawaiian Electric Company is under a time constraint because they believe that they must know by mid 1990 whether there is going to be a geotherrmal resource available to them to provide power to Oahu. He said that during the past week the Board at Hawaiian Electric's urging decided that Hawaiian Electric ought to go forward with developing a request for proposals, put it out, in the name of the State of Hawaii, to show the State's support for the project, and by the time the private company or consortium came in, the permitting process would also start. Governor Quinn said that might be as early as eight months from the present time. He said he was very pleased to see everyone participating in the meeting to see whether it's possible to do this with everyone cooperating in a one-time permit situation.

IV. Report on DLNR's Geothermal Activities

Next Mr. Paty called on Mr. Dan Lum of the Division of Water and Land Development to give a presentation on the various subzones.

Mr. Lum said he would highlight the department's activities in a summary fashion since much had already been covered by Mr. Lesperance in his talk. He said that the department had created the ad hoc geothermal technical advisory committee which identified the potential geothermal areas in the State. The Puna rift zone is the area determined to have a very high potential of geothermal resource, with a 90% or better probability. Mr. Lum pointed to other areas on the map with varying percentages of likelihood for geothermal resource. He said that in July 1976 the first well was put in by the University of Hawaii. This well is known as the HGPA well. Subsequent to 1976 the Legislature had amended the statute governing mineral disposition within the state by defining a mineral to include geothermal energy, and based on that amendment to the statute the department wrote administrative rules governing the leasing of the geothermal resource and the drilling of geothermal wells. In 1979 the department issued its first geothermal lease to the natural energy laboratory of Hawaii for the HGPA well. In 1981 the department issued the next lease, R2, to Kapoho Land Partnership. Also in 1981 the department issued another lease, R3, to Barnwell Drilling Company and in 1982 they issued another lease, R4, to Kapoho Land Partnership. In 1987 the department issued a geothermal mining lease to Campbell

Estate for approximately 9,000 acres. During the early 1980's the legislature passed legislation giving authority to the Board of Land and Natural Resources to designate subzones throughout the State wherein geothermal exploration and development activities could occur. In August 1984 the department promulgated rules under that legislation governing subzone designation. Mr. Lum pointed out the subzones on the map - the Kapoho subzone, 5,700 acres; the Kamaili subzone; Haleakala subzone; and the Kilauea southwest rift zone that is pending designation depending on a requested contested case hearing. Mr. Lum went on to describe the geothermal wells that have been drilled in the area. They are the HGPA first discovery well, three wells by Puna Geothermal Venture, known as Kapoho State 1, Kapoho State 1A, and Kapoho State 2. Mr. Lum pointed out on the map which wells found geothermal resource below 4,000 feet. He said Barnwell Geothermal Company drilled two wells, Lanipuna 1 and Lanipuna 6, both of which found geothermal heat below 4,000 feet, but they would not flash. That is, they tried to unload the water column to release the pressure, but the wells did not flash for some reason. They drilled a third well known as Ashida 1 which likewise found temperature but would not flash. These wells are all capped at present. Barnwell's final attempt was to drill a directional hole, but it did not work. Two other wells were drilled on the western slopes of Punalai which were known as Punawaa wells F and B number 1, and F and B number 2. Neither of these found geothermal resource. Current activities on file in the department include Ormat Energy company of Nevada's take over of Puna Geothermal Venture which originally consisted of Thermal Power Company, Dillingham and Amfac. Ormat Energy company now has controlling interest in that operation, and of the 25 MW facility that is now being proposed. They have Puna Geothermal Venture which currently has Kapoho State 1 and Kapoho State 2 plugged. They have a permit to plug Kapoho State 1A, they also hold a permit to drill a directional hole at Kapoho State 2 in an attempt to increase the yield there. Now that Ormat Energy company has taken over Puna Geothermal Venture, our understanding is that they are requesting an extension of the permit to make a directional hole out of Kapoho State 2 and we understand they are planning to submit a plan of operations as required under the State lease process. Also True Mid-Pacific Geothermal company has obtained all the necessary permits to CDUA and they have indicated to the department that they do not plan to begin exploratory drilling until the legal question concerning their parcel is clarified or answered. Barnwell Geothermal Company to our best knowledge has ceased all geothermal exploration activities. Pending regulatory activities by the department at the present time the legislature has passed amendments to existing statutes calling for the revision of the leasing and regulation of geothermal resources. We have legislation passed calling for the amendment of the administrative rules for subzone designation. The amendment is to clarify within a geothermal resource subzone direct use applications. Direct use means using the resource directly such as for drying of foodstuffs. The amendment would clarify that this is an acceptable use within

the geothermal resource subzones. Currently Mr. Lum said the department has an application pending to designate a sliver of land of about 40 acres as a geothermal resource subzone. The intent there is to use that area for direct use applications of the geothermal resource, presumably from the existing wells.

Mr. Paty thanked Mr. Lum for his presentation and asked if anyone had any questions up to this point. Someone asked if the successful holes are in such a small area, could it be that this is the exception rather than the rule. He said he could see that enough for 25 MW is there, but to develop 500 MW there needs to be evidence of a lot more resource.

Mr. Lesperance responded that the Department of Planning and Business Development had recently had $3 million dollars appropriated to it by the legislature in the 1988 session to stimulate the private sector through exploration and resource assessment. He said the DBED is working with the University on a plan to look at areas other than where holes have been drilled so far to get a start on exploration. Also we know that True Mid-Pacific is just waiting for that legal action to be clarified so that it can bring in a rig and start drilling holes in the western most rift zone.

Mr. Lum said he thinks the answer is that more drilling has to be done.

Next, Mr. Paty called on Mr. Roger Evans who heads the Conservation District Use Application process. Mr. Evans said that his office will come into the process any time a Conservation District Use Permit is required. A conservation district permit could be expected to come in if any part of the proposed project was located in the conservation district. If it's located on land close to where the previous geothermal development took place he said it could be expected to come in; also it could be expected to come in by way of being on the submerged floor of the ocean. So at some point this office could expect to become involved. When the application comes in, Mr. Evans said his office will make two basic assumptions, one, based on our past experience, that as a part of the conservation process, there will be a request for a contested case. The other assumption that will be made is that not withstanding any decision, the probability would be high that it will be in court. On the issues, Mr. Evans said that some of the kinds of issues that you can expect are for example, from one of the earlier applications where the estate of James Campbell applied to the Board on March 2, 1982 for a conservation application to explore and develop at Kohaalea. At the request of various individuals in the vicinity who would be affected by the proposal, the Board conducted a three week contested case hearing. The final argument was made on February 10, 1983. That was a period of 11 months. The hearing itself required 17 days, there were more than 45 witnesses and over 300 exhibits were introduced. The transcript of the hearing exceeds 4,200 pages. That particular

hearing was for the exploration and development of the Campbell project. But this kind of process may be expected for the cable also. In terms of the kinds of issues presented to the Board, Mr. Evans said there were two types of issues, procedural and substantive. END OF TAPE ONE The substantive issue include issues such as the hydrogen sulfide issue - the gas that smells like rotten eggs. There are other issues such as soil, geology, the methods that were used to derive wind conditions, the climatology, the noise quality, and the various types of noises - ambient noise, drilling noise, venting noise, power plant noise - the impacts on flora, data that was presented on the flora, the impacts on fauna, the cultural quality, the archaeology, social quality and economics, to name a few. About 160 different issues came before the Board. What happens in a contested case hearing, Mr. Evans said, is that the role of the Board changes and they become much morea quasi-judicial body in that people become parties and the parties call witnesses, and the witnesses present evidence, and one party cross examines that party's evidence or that party's statement, and it becomes much more a trial-like setting. In terms of the staff, the staff role changes, so that we become, if you will, helpers to the Board in carrying out their job. It is the Board that develops the findings of facts and conclusions of law, and it is the Board who then based upon that issues its decision and order. Mr. Evans repeated that when a geothermal project CDUA is filed, one should expect at least in the order of what transpired in the past, something comparable in terms of time and process.

V. Discussion of Act 301, SLH 1988

Next Mr. Paty called on Mr. Susumu Ono to discuss Act 301. He said Act 301 is the reason why we are all here, to try to expedite our permitting efforts.

Mr. Ono asked if he could find out before getting into a discussion of Act 301 what is the status of the suit that has been filed against the Land Board. An attorney from the Office of the Attorney General answered that the latest case in federal court involves a claim by people who had previously unsuccessfully sued in State court to negate a land exchange between the Department of Land and Natural Resources and the Campbell Estate. That litigation went all the way to the U.S. Supreme Court and lost. So now they are in federal court claiming that the land exchange violates their civil rights in some unspecified fashion. The spokesperson said that the status of that case is that the Office of the Attorney General is presently revising the draft motion to dismiss the case. It was felt that there is good grounds to dismiss it the case since the plaintiffs were also plaintiffs in the State litigation and most of the issues should have or in fact were litigated in the State court forum, so he said, his office would be filing as soon as all the studies and research are in. He said the office does not want to go to trial on it, but is planning to file a motion prior to the trial setting date.

Mr. Ono went over the legislation that created the Interagency Group. He referred to a flow chart that was handed out that provides the crux of the procedure for 301. He said that all of the agencies represented need to do certain things, and DLNR has some added responsibilities, which shows up in the tentative work plan.

VI. Discussion of Tentative Interagency Group's Work Plan

Mr. Ono referred to the tentative work plan handout which would affect all of the agencies represented. Item number one is to identify what permits are required for a geothermal project. Mr. Ono stressed that this means permits in a very broad sense, because anything that requires a governmental action requires a "permit" in terms of Act 301. He said it is not a limited definition. So he asked that if a representative feels that his or her particular agency may require some kind of action in regard to a geothermal project, to please identify those actions or permits and letthe department know. He said there would be some kind of reporting deadline. Also, he said that if Act 301 did impact an agency and it does require some changes in the procedures, forms, rules, the department needs to know about that. He went on to say that if the representative things that the impact upon their agency is such that it is going to pose a legal problem, the department needs to know because the department may have to go back and consider having that portion amended by the legislature. On item number four, Mr. Ono said that if anyone present knows of any agency that is not represented on the Interagency Group but that should be, even if there's a remote possibility that it should be, then the department should be informed. Mr. Ono said that for item number five, DLNR has the responsibility of setting up a repository, so the department will need from each of the agencies one set of forms, instructions, rules, whatever the agency uses that ties into a permitting process. In summary he said items one through five apply to all agencies. However, for the federal agencies, if they have some problems complying because of their procedures or because of the fact that they don't have to participate in this consolidated review process, they can qualify their portion and submit something or say they are not submitting because of whatever reason, the department will understand; but county and State agencies should complete items one through five by November 30, 1988.

Someone asked about which agencies are on the Interagency Group. Mr. Ono said the list includes federal, county, and State agencies that have permit requirements. He said that there are fifty something, perhaps forty some odd permits. He said the department is going to need the help of those agencie to get a complete listing developed.

Mr. Ono went on to say that items six through fourteen will be DLNR's responsibility - to identify its particular role

and function to comply with all of the provisions of Act 301, to develop a process to resolve conflicts between and among agencies. He said that the department may run across some very sensitive areas, but will have to proceed anyway and come up with a resolution. Mr. Ono said he felt that with enough discussion conflicts could be worked out as they arise. He said the Act also calls for a consolidated application form, and a rule of operation, a rule of conduct for the Interagency Group, which the Act calls a joint agreement. Also the Act calls for a monitoring procedure to oversee the applicant's work after the permits are issued. In this area DLNR would work through the particular agency issuing the permit, relying heavily on that agency to determine if the applicant is or is not complying with all of the terms and conditions that were part of that particular permit. The Act says each agency will continue to issue its own permits, but provides two instances where functions will be transferred to the Land Board. These are the Land Use Commission functions and some parts of the Harbors responsibilities, including the monitoring aspects. So that except for those two instances, DLNR will have to work through the issuing agency. The Act also calls for the establishment of a permit information and coordination center. This is really to help an applicant or a prospective applicant to come in and get all of the information that would be available. And the repository would have to be kept current. The final item pertains to the usual administrative duties to be performed by DLNR.

Someone from the City and County of Honolulu expressed that it is not clear exactly what the extent of development on land on Oahu will be. So it is hard to say what permits would come into play.

Mr. Ono said it is hard at this point in time to visualize what kinds of permits or which agencies would be involved, but he stressed that if an agency representative thinks there is even the slightest possibility that his or her agency may get involved, then that should be included as a possibility. He said that one must imagine the transmission lines coming in off Waimanalo and overland, andn think of what that might do, and what kind of permits would normally be required by the City for such a thing. Even if there isi a remote possibility, it is safer t

list the permit and include it, as it may become part of the process

VII. Discussion of Future Meeting Date

Mr. Paty asked if there were any more questions or comments. He did not have a definite date for the next meeting but suggested mid November, and suggested the group might want to look to someone to serve as vice Chairman.

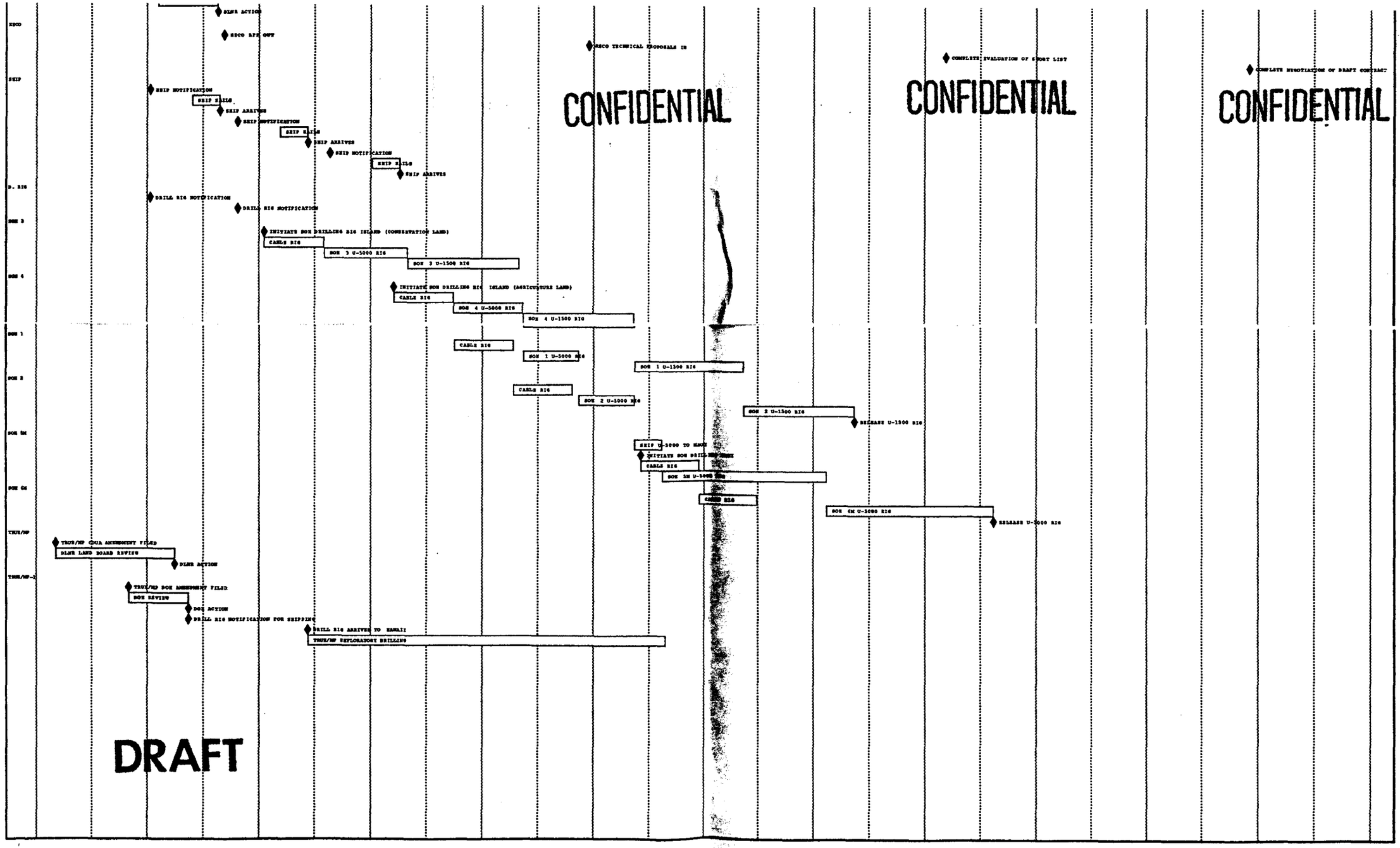
Someone asked Mr. Lesperance how many injection wells will be created. He said he thought the figure was one for every three or four production wells.

One of the developers responded that that is the correct ratio. There would be about 25 injection wells for 100 production wells. He went on to say that that is pulling numbers out of the air, but that's the best guess that can be made at the moment. He said we have to make sure we have enough resources to do the job.

Mr. Paty said the group is looking at 12 1/2 MW or 25 MW to move into the HELCO grid on the Big Island, and get our feet wet with that, but we've got a larger job after that.

Mr. Ono suggested that if anyone has any questions to please call 548-7523 or 548-7539 and the department will follow up on those questions right away. He also said he would be glad to sit down separately with any agency on any aspect of the Act or the 301 process.

Mr. Paty thanked everyone for coming out to participatte in this very major effort on the part of everybody in the State. He said he hoped in due course it can be brought to a successful conclusion.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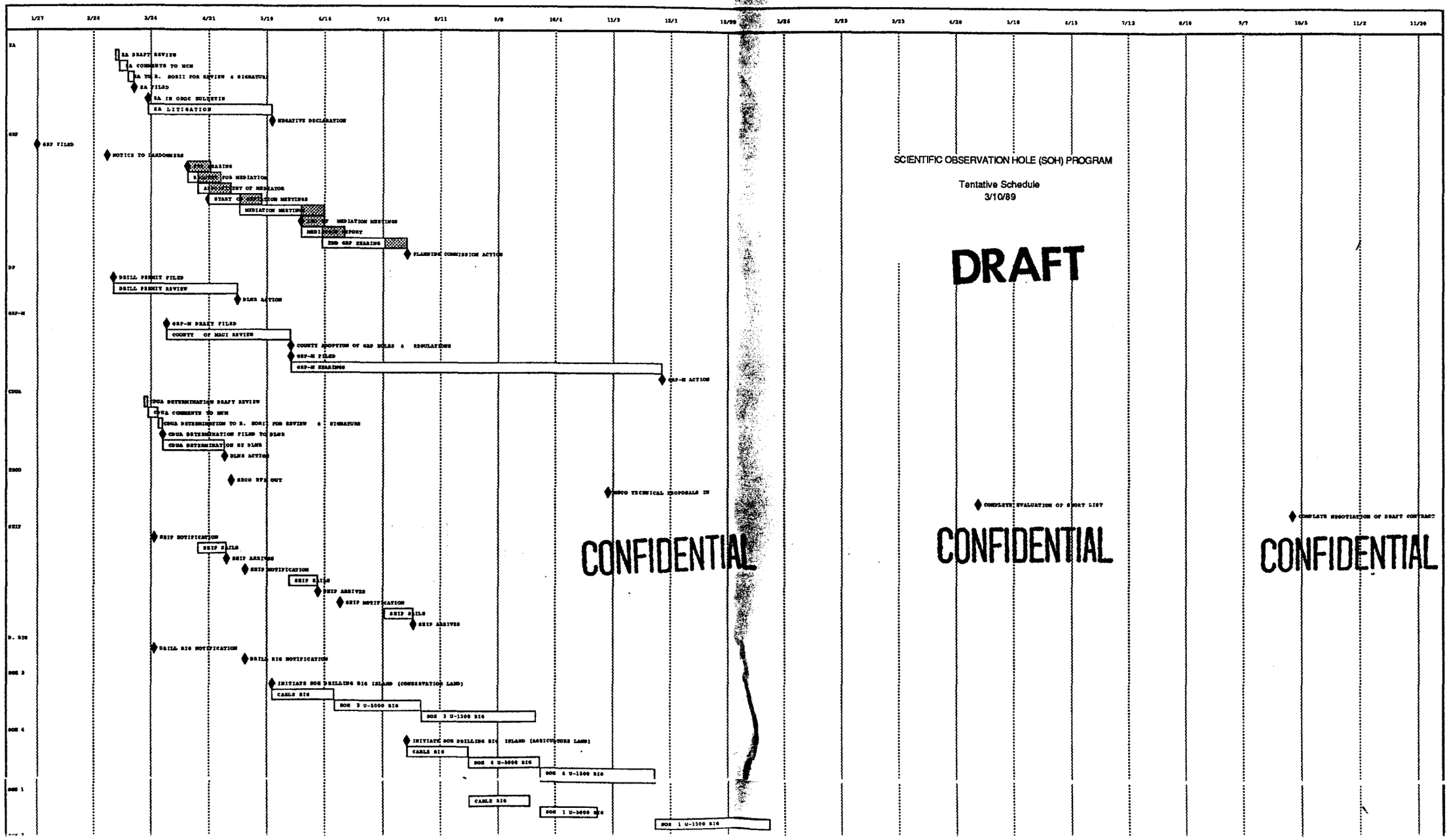
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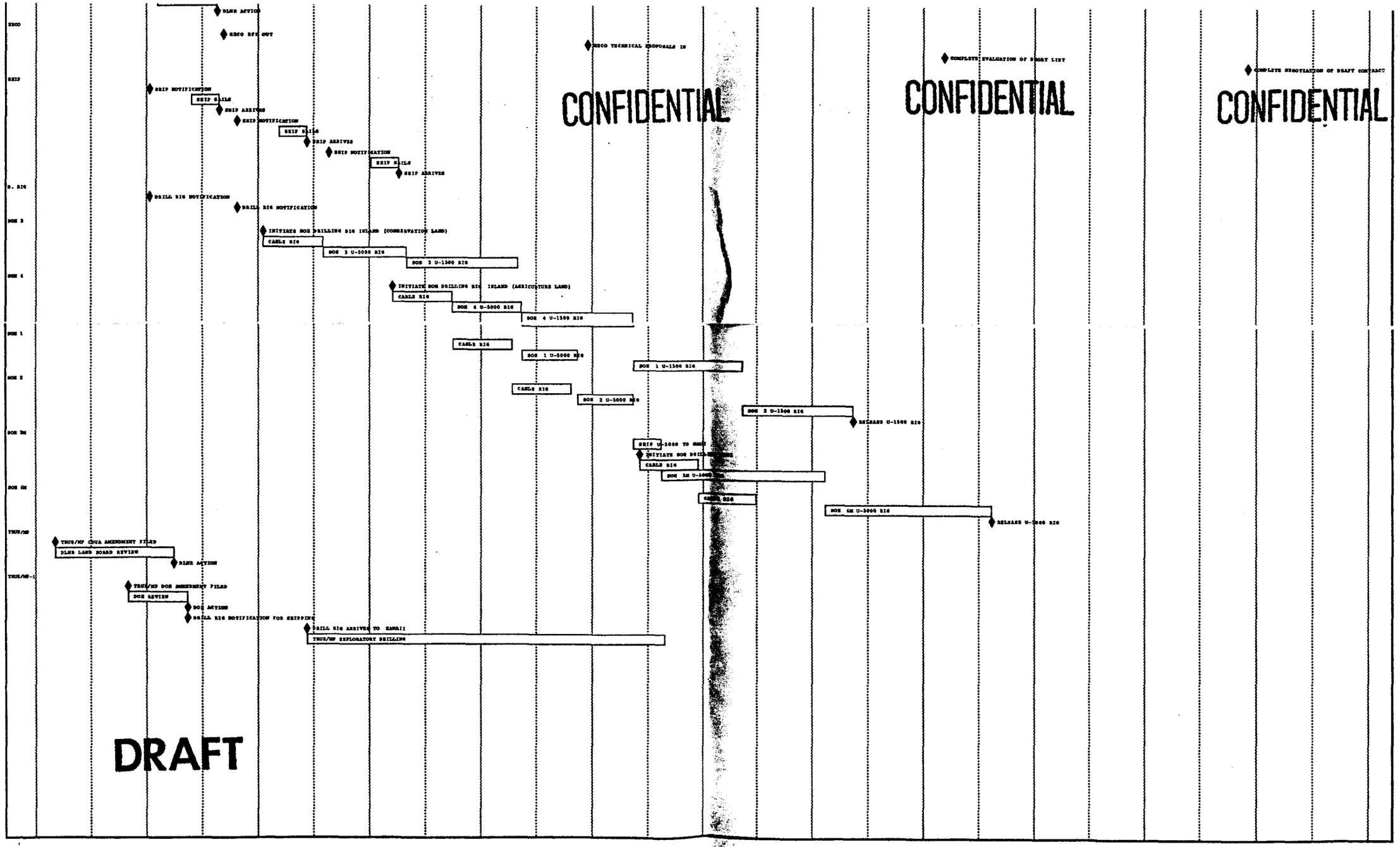
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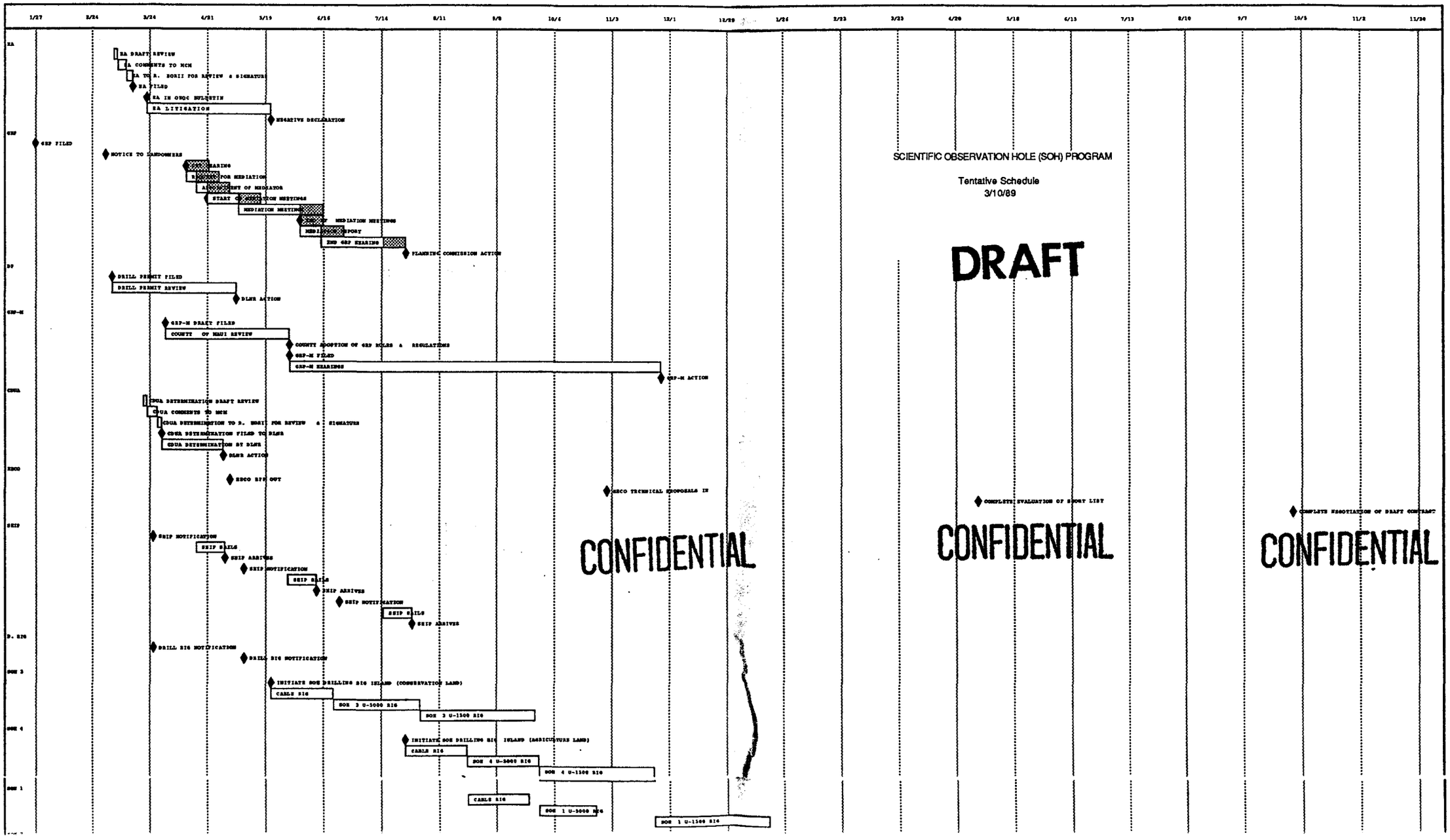
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Tentative Schedule
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COMPLETE NEGOTIATION OF DRAFT CONTRACT
CONFIDENTIAL

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Agenda
3/22/89

1. Update on office procedures, outstanding correspondence
   1) ltr to WP on Geothermal Activities.
2. Update on office equipment, furniture, supplies
3. Permit info requests still outstanding
4. Substantive comment from Ralph Masuda of Maui County.
5. Received communication from Harry Olson
6. Other

a) Board Mtg.
added agenda item - per: Sus
Re: Lease for Gold Bond Bldg.

b) Re: letters from residents from Big Island: Concerns, Sus to coordinate w/DBED.

Bring up: Making runs - for work purposes have someone make it a routine to drop off work in the morning to Gold Bond Bldg.

Or How can we work out something so we receive Act 301 work. (Typing, etc.)

Manabu gave approval on ordering Xerox + Computers.

March 17, 1989

Memorandum

To: Manabu Tagomori, Dan Lum, Susumu Ono

From: Janet Swift

Subject: Word Processing/Data Base Needs for Geothermal Permit Center, Prices for Two Computer Systems

I have checked with various agencies regarding matching equipment with possible data base needs for the repository and information functions of the geothermal permit center, including the State Library, DBED Library, the University of Hawaii Library, Hawaii Institute of Geophysics Library and others. The individuals I spoke with told me that any of the well known brands of computer would be able to hook up with data bases by means of a modem. As to using the DBED geothermal collection, a program called ASK SAM, available for $265.95 from Software Library, can accept data from DBASE III+ and is said to be a better program for building a textural data base.

The computers recommended were Apple, IBM and Wang. Of those, many prefer IBM, because there is more software available and more training available for the IBM. All but the Apple are on the State bid list. However, the prices for the IBM have expired and have not as yet been renewed, per B & F.

One of the computer people I spoke with recommended getting the IBM System Two Model 30 slightly upgraded model. Budget and Finance also recommended against the IBM system two model 30 that is on the bid list. That one costs about $1500; I called Microage Computer store to get prices to lease or buy two IBM System Two upgraded model 30's with color monitors, one Proprinter III and one HP Laser Printer, cables, modem and external disk drive. The total to purchase is approximatel $10,000; the lease price is about $500 per month. Since leasing over two years would be more costly than purchasing, and the computer is likely to be usable for more than two years, it would probably be wiser in this case to purchase the equipment.

Dave Wharton of DLNR recommends the Wang Model 280 because it is IBM compatable and therefore can use all the IBM software, is expandable for additional uses later, and it also can access the State's network. Dave says he has had no mechanical problems with his Wang, whereas others in the Department have had a lot of trouble with their IBMs. I had two years experience managing an office that purchased about $70,000 of IBM equipment, and there was a considerable number of equipment failures,

including two hard disk failures, and need for frequent service calls.

The prices of the two systems are listed below:

IBM Model 30 286 E21	$1920	X2=	3840
IBM 8513 monitor	570	X2=	1140
IBM DOS 4.0	120	X2=	240
memory to 1 meg	189	X2=	378
Proprinter III	520	X1=	520
cable	20	X2=	40
HP Laser Series II	1825	X1=	1825
cable	25	X1=	25
modem	499	X1=	499
ext. disk dr.	(est.)500	X1=	500
	Total		$9,007

Software (prices from Software Library):

Ask Sam	$265.95
Word Perfect	259.00
Total	524.95

Grand Total, Equipment and Software: $9,531.95

PC280 SAMPLE CONFIGURATION
(Configured as a locally attached VS workstation)

ITEM	DESCRIPTION	QTY	UNIT PRICE	EXTENDED PRICE	PLAN W MO. MAINTENANCE	ANNUAL MAINTENANCE
PC-280-1	8-slot/640K memory/1.2MB diskette drive/80286 processor includes HDD-4201-PC2, 42MB hard disk drive	1	$3,000.14	$3,000.14	$6.00	$72.00
MON-1450-PC2	Color monitor	1	$534.82	$534.82	$1.00	$12.00
PC2-CK-US	MS DOS 3.2, Basic, Tutorial Diagnostic Utilities, Keyboard and Power Cord	1	N/C	$0.00	$9.00	$108.00
WPS-SYSER-PC2-9	Wang User-modifiable Menu Environment	1	$63.96	63.96	$5.00	$60.00
WPS-IWP-PC2-9	Integrated Word Processing for Wang PC200/300	1	328.33	328.33	$5.00	$60.00
VS-WLOC-PC2-9	Local Office Connection for PC200/300 (software incld.)	1	$724.88	$724.88	$7.00	$84.00
	TOTAL PC PRICE			$4,652.13	$33.00	$396.00

PC280 SAMPLE CONFIGURATION
(Configured as a remotely connected VS workstation)

ITEM	DESCRIPTION	QTY	UNIT PRICE	EXTENDED PRICE	PLAN W MO. MAINTENANCE	ANNUAL MAINTENANCE
PC-280-1	8-slot/640K memory/1.2MB diskette drive/80286 processor includes HDD-4201-PC2, 42MB hard disk drive	1	$3,000.14	$3,000.14	$6.00	$72.00
MON-1450-PC2	Color monitor	1	$534.82	$534.82	$1.00	$12.00
PC2-CK-US	MS DOS 3.2, Basic, Tutorial Diagnostic Utilities, Keyboard and Power Cord	1	N/C	$0.00	$9.00	$108.00
WPS-SYSER-PC2-9	Wang User-modifiable Menu Environment	1	$63.96	63.96	$5.00	$60.00
WPS-IWP-PC2-9	Integrated Word Processing for Wang PC200/300	1	328.33	328.33	$5.00	$60.00
PS-CONNECT-9	Remote WSN Connection	1	$422.14	$422.14	$5.00	$60.00
COM-0001-PC2	Synch/Async Comm. Card	1	$251.57	$251.57	$2.00	$24.00
	TOTAL PC PRICE			$4,600.96	$33.00	$396.00

*Maintenance pricing does not include 4% State Tax.

Sue, Dean, Janet, Mark
Absent: Marapu + Dan

Thursday, March 2, 1989

1. Puna Community Council Meeting 2/23/89 (minutes draft)

2. BLNR Briefing 2/23/89

3. DBED/Olson Meeting 3/1/89

4. Janet's meeting with Gerry Lesperance to inspect technical library (would require at minimum three 6-shelf bookcases, three lateral file cabinets, and one or two standing file cabinets to store)

5. 301 permitting system analysis status (still awaiting permitting information from various DLNR divisions)

6. SB 430 Status (as amended) (update promised to Interagency Group)

7. Future meetings

3/7/89 Hawaii Planning Commission Meeting
3/10/89 BLNR Meeting - ORMAT - Approval Public Hrg - Form Board
3/14/89 Interagency Group Meeting (tentative agenda - what kind of presentation desired on 301 process? internal changes to 301 rules - eliminate reference to specific address of permit center)

ask not to have mtg

8. Gold Bond Building office status - desks and chairs, supply cabinet, typewriter, FAX machine received; telephones to be installed 3/2/89; need transcription equipment - should we purchase recording equipment as well or rely on DOWALD's (purchase only transcriber)

9. Other business

Memo to DAGS Parking Control - Sent out. 3/2
letters to Interagency Members sent to WP for Signature 3/1.

TENTATIVE
AGENDA
GEOTHERMAL/CABLE INTERAGENCY GROUP

March 14, 1989
10:00 a.m.
1151 Punchbowl Street
Honolulu, Hawaii
Board Room, Room 132

I. Opening Remarks - William W. Paty, Chairperson
Board of Land and Natural Resources

II. Update on Current Geothermal Activities in Hawaii - DLNR Staff

III. Discussion of Final Draft Administrative Rules for Act 301, SLH 1988 (Chapter 196D, HRS) - DLNR Staff

IV. Status Report on the Implementation of Act 301 - DLNR Staff

input → Discussion on legislation

V. Discussion of Future Meeting Dates - Chairperson

VI. Other Business

February 23, 1989

1. Meeting with Roger Evans 2/21/89

2. Meeting with DBED/Harry Olson 2/21/89

3. Interagency Group meeting minutes (draft)

4. 301 Administrative Rules draft 5 status (being retyped)

5. Update on S.B. 430 (commitment to keep Interagency Group informed)

6. Gold Bond Building and equipment status

   a. 2 desks delivered
   b. lease papers to DLNR
   c. phones still not in
   d. FAX ordered
   e. awaiting telephone installation, rest of furniture
   f. awaiting computer decision
   g. awaiting xerox decision
   h. Tape recorder for Mtgs. — get

Mail

I. Parking Permits (for March)

7. Upcoming meetings

   a. PCC 2/23/89
   b. BLNR 2/23/89

8. Other

letters going out. - for Sig. & Bill Patty.
Re: Typing correspondence on
Geothermal matters.

February 22, 1989

Memorandum

To: Dan Lum, Manabu Tagomori, Sus Ono

From: Janet Swift

Subject: Meeting February 22, 1989 with Roger Evans

Dean Nakano and I met with Roger Evans regarding questions about True Mid Pacific's request to modify the Board's D&O and whether or not or how that would affect processing Harry Olson's slim holes project. The question put to Roger was does the fact that True Mid Pacific is requesting a modification to the D & O mean that their CDUA permit cannot be used by Harry's project until the modification request is resolved.

Dean and I summarized for Roger the changes True Mid Pacific is requesting and referencing in their Plan of Operations, to the D&O for their CDUA permit. Roger said in his opinion these are changes that only the Board can authorize. He said it is a question of process - the D&O was made through a process. Any changes to it must be made through the same process. It is not the same as getting a ministerial ok to a plan of operation that follows the D & O.

On the question of another project using the same CDUA, Roger said the permit goes with the land, not with the individual. Therefore anyone can use the CDUA as long as they have the OK of the land owner or lessee and as long as they abide by the D&O. That means that the slim holes project does not have to get a new CDUA. However, it does have to abide by the terms of the original D&O.

Dean and I understood from our meeting with Roger that Harry would need a drilling permit, a letter to the Chairman from Campbell approving Olson's activity on their permitted area, and a letter to the Chairman from Harry providing details on what he proposes to do and how he will meet the conditions of the D&O to Campbell's CDUA permit.

February 22, 1989

Memorandum

To: Dan Lum, Manabu Tagomori, Sus Ono

From: Janet Swift

Subject: Meeting with DBED and Harry Olson

Dean and I met with Harry Olson, Maurice Kaya, William Bonnet, Don Thomas, Art Seki, Jerry Lesperance and Marilyn Metz at the Energy Conference Room at 335 Merchant Street at 3:00 p.m. 2/21/89 regarding Harry Olson's slim holes project.

DBED has hired consultant Marilyn Metz to assist Harry Olson prepare the materials required to allow the slim holes project to proceed. The first topic discussed was the Environmental Assessment. Marilyn Metz explained that whenever state lands or state funds are involved there is an agency action and an environmental assessment is required. For the three holes in Hawaii County she said the University of Hawaii would be the proposing agency. The negative declaration will be done by the proposing agency. Marilyn said she would draft the letters required to secure Harry permission to sign, and that she would prepare the documents so that there would be no problem getting the negative declaration. She plans to file with the OEQC on March 16, 1989.

Discussion followed on what other documentation Harry would need. Dean explained that in order to use Campbell's CDUA Harry would need a letter from Campbell acknowledging their ok for use of their land for Harry's purpose. Further, Harry would need a letter describing in some detail the scope of activity and asking the Chairman's ok to use the CDUA permitted area. This would require no board action because the permit is already in place. However, the letter should be as detailed as possible. Further, Harry should explain how he proposes to meet the requirements of the D & O to the CDUA. The question was discussed as to how True Mid Pacific's requested changes to the D & O could hold up Harry's plan because Harry was counting on using their access road for access. The access road is part of True's plan of operation which will be held back until the D & O requested changes are resolved, which will require Board action.

Marilyn Metz said she would get a copy of the D&O and itemize how Harry's project would meet each of the conditions, or explain why the condition was not applicable to this research type project.

* It was not clear how the question of development of an access road would be resolved.

Marilyn said she would have all the documents prepared by February 27, 1989.

There was discussion on the March 7, 1989 Hawaii County Planning Committee meeting. If the outcome of this meeting is positive, and if there is no problem about the environmental assessment and negative declaration which could be in place 60 days after March 16, the slim holes project could be underway for the holes under Hawaii County permitting jurisdiction by May 22, 1989.

DRAFT

Interagency Group on Geothermal and Cable Development

Draft Minutes

Second Meeting, February 14, 1989
Department of Land and Natural Resources
Board Room
1151 Punchbowl Street
Honolulu, Hawaii 96813
10:00 a.m.

I. Opening Remarks

Mr. Manabu Tagomori opened the meeting at 10:00 a.m. for Mr. William Paty who was unavailable. Mr. Tagomori welcomed the attendees and asked them to introduce themselves. Mr. Tagomori summarized the work done by the group since its first meeting in September 1988. He said that the administrative rules for Act 301 would be going out to the group later in the week, and he requested comments on the rules before the next meeting. He mentioned that staff has now been hired and office space has been secured at the Gold Bond Building, Room 509. He said that the details on the office would be provided to the members.

II. Presentation on Current Geothermal Activities in Hawaii

Mr. Tagomori called on Dr. Harry Olson of the Hawaii Natural Energy Institute for a presentation on the slim holes project.

Dr. Olson indicated on a map the 6 experimental drilling sites for which his agency is currently seeking permits. Four holes are on the island of Hawaii, two are on the island of Maui. Dr. Olson said that the application for a Geothermal Resource Permit has been submitted to the County of Hawaii, and that there is a hearing scheduled for March 7, 1989 to consider that permit application.

Dr. Olson described the observation holes that his application proposes. There would be various size holes to various depths, using rigs with cores of different sizes and materials, until a depth of about 4,000 feet, more or less, is reached. That is the average depth for reaching the top of a reservoir area. Once the holes have reached the reservoir area, geophysical logs will be taken to monitor for temperature and pressure. The holes will be monitored for several years or until the holes cave in, at which time they would be abandoned by standard closing procedures. Dr. Olson said that initially he had hoped to start drilling in the spring of 1989, but there may be delays until September 1989.

Next, Mr. Tagomori called on Mr. Maurice Richard of Ormat Energy Systems, Inc. to discuss his company's proposals.

Mr. Richard said that for background, Ormat acquired Puna Geothermal Venture in July 1988, which essentially comprised an Environmental Impact Statement, three wells in Puna, and a lease and energy contract for 25 MW of power. He said that his firm has made efforts to improve the approaches to the project. In December he said he submitted an application to the County of Hawaii, and is now in the process of working out details regarding form, content and wording of the application. In mid December, a plan of operations was submitted to the Department of Land and Natural Resources. He said an "authority to construct" for the well field and for the plant would be available within the next two weeks.

Mr. Richard then presented a video tape on Ormat's technology and various successful projects in Utah and Nevada. After the video presentation Mr. Richard presented diagrams of how the technology would be modified for application in Hawaii, using back pressure turbines that work like a windmill, to extract a certain amount of heat, since Hawaii's is one of the hottest geothermal resources in the world.

Several technical questions followed Mr.Richard's presentation. Mr. Kaya asked about differences between Ormat's approach considering information from the existing HGPA plant, and Dr. Olson's research. Mr. Kaya's concern was about injecting brine, which is a different method from that used at HGPA where the liquid is steamed. Mr. Richard said the liquid would be recombined and reinjected.

Someone asked Mr. Richard if his project would have corrosion inhibitors and he answered no. Another question was what per cent of electricity generated would be from non-turbine methods and what per cent from the regular method. Mr. Richard said there would be 10 back pressure turbines and 10 "EOC's", which would net 25 MW and gross between 28 and 30 MW of power.

Mr. Kaya asked Mr. Richard to compare his operation with the steam flash unit which produces 14 lbs of steam per kw hour. Mr. Richard said there would be air cooling and therefore there would be no plume like that produced by the HGPA plant.

Mr. Tagomori asked if Mr. Richard's plan calls for using any of the Kapoho holes. Mr. Richard said they are looking at KS2 and think they can recover KS2. He added that usually the least productive well is your injection well. He said he is proposing 6 well pads, but it doesn't mean they will all be used.

Next, Mr. Tagomori called on Mr. Rod Moss of True Mid-Pacific Geothermal Venture. He gave a history of his firm's involvement in the geothermal area in Hawaii. He gave a slide presentation on locations and permits. He said his project could commence in four months after the permits are received.

Mr. Kaya asked Mr. Moss how much money his firm must invest before they can actually start selling 25 MW of electricity. Mr. Moss said about $45 million. He said that each well costs about two and a half million dollars, so the expense will be between fourteen and fifteen million dollars just for the wells. Mr. Kaya commented that he just wanted people to be aware of the size of the investment we are talking about in these projects.

Mr. Tagomori brought up the subject of the recent Request for Proposals (RFP) by Hawaiian Electric Company for a combined State and HECO geothermal and cable project. He called on Mr. Jerry Lesperance to provide some information. Mr. Lesperance said that the goal is 1990 to go ahead with the 500 MW project including the cable. He said the RFP is being developed by the Department of Business and Economic Development and will go out in May 1989. The estimated cost of the project is $1.7 billion.

Mr. Kaya asked about economics of scale, whether more power is better for the development companies. Mr. Moss said that because of the economy of scale, it would be better to develop 500 MW. Mr. Richard said that his firm wants to participate in the development of the proposed 500 MW of power, but wants to learn from the installation of the 25 MW plant first.

Mr. Tagomori mentioned the bill before the legislature currently on the geothermal corridor. He said the Department would be monitoring the status of the bill and would keep the Interagency Group informed.

III. Status Report on the Implementation of Act 301

Mr. Tagomori then called on Mr. Dan Lum of the Division of Water and Land Development to update the group on the progress made in implementing Act 301.

Mr. Lum summarized the intent of Act 301, to provide a consolidated permitting process for geothermal and cable projects. He said that the agencies have cooperated by sending in copies of their respective permitting rules and regulations and permit application forms. The 301 staff has had a chance to identify what permits may be required for various projects, and to study and learn the permitting requirements. The administrative rules are in final draft, and will be distributed to the Interagency Group for their review within the week. Staff has been hired, and office space for the 301 process is being prepared for occupancy. Items are being assembled for the information center function of Act 301, and for the repository for all geothermal and cable information.

Mr. Tagomori said that a copy of Act 301 will be included in the mailing with the draft administrative rules. He asked that the agencies send in their comments to the administrative rules draft.

IV. Future Meeting Date

Mr. Tagomori called for the next meeting of the Interagency Group to be held March 14, 1989, at the same time and location.

V. Other Business

Mr. Tagomori called on the various County representatives to comment on their activities in the area of geothermal permitting. Mr. Ralph Masuda of Maui County said that the draft rules for Geothermal Resource Permits have been prepared, and that there would be a public hearing on the rules at the end of May. He said hopefully the rules would be adopted in July or August.

Mrs. Susan Labrenz, Managing Director of Hawaii County, commented that Hawaii County officials may be perceived to be cautious in the geothermal area, but she said it is because the County wants to do the project right the first time, and is looking for a good track record.

Mr. Jerry Lesperance said there is an environmental assessment on the 500 MW cable being reviewed in draft at the Department of Business and Economic Development, and it should be ready for publication in March 1989.

Mr. Paty returned from hearings at the legislature and urged the group to push on in working out the consolidated permitting process, because all involved are on a tight time schedule. He said it is this group that can make the geothermal project happen, but the timing is very important.

Mr. Tagomori said that the schedule calls for the administrative rules to be ready around the fourth of July. He colsed the meeting on that note, andn with a reminder that the next meeting will be on March 14, 1989, same time of day and the same location.

AGENDA 4 (2/8/89)

AGENDA

February 9, 1989

1. Meeting with True Mid-Pacific 2/6/89
2. 301 Administrative Rules draft #3
3. Interagency Committee on Geothermal/Cable Permitting 2/14/89
   a. newspaper notice (Star-Bulletin 2/8/89)
   b. agenda and handouts (verify permitting regimes info. handout so consolidated application can be completed)
   c. parking permits requested
4. Senate Bill 430
5. Gold Bond Building Room 509
   a. signage
   b. received keys, rules
   c. awaiting signature and notarization from lessor
   d. status of telephones, furniture
6. Other

Proposed Timetable for Implementing Act 301 Administrative Rules

2/1/89 Wed.	Staff review of draft rules.
2/9/89 Thurs.	Final staff review of draft rules.
2/14/89 Tues.	Draft rules to Committee on Geothermal/Cable Permitting.
	Committee calls in comments.
3/15/89 Wed.	Committee on Geothermal/Cable Permitting final review of Act 301 Administrative Rules.
3/17/89 Fri.	Final draft rules to Attorney General's office.
4/3/89 Mon.	Prepare submittal for 4/28/89 Board meeting approval, public hearings subject to the Attorney General's and the Governor's approval, and authorize a hearings officer to conduct public hearings.
4/5/89 Wed.	Send submittal to Chairperson's office for inclusion onto 4/28/89 Board meeting agenda.
4/10/89 Mon. &	Send request to Governor for preliminary approval of proposed rules. (Send copies of memo to Budget Finance and DBED for approval also.)
4/28/89 Thurs.	Receive Board approval of draft rules and authorization to hold public hearings subject to the Governor's approval.
4/24/89 Mon.	Receive Governor's approval to hold public hearings.
5/1/89 Mon.	Publish 1st Public Hearing Notice (21 days in advance). Draft rules available for public distribution at all DLNR Land Management Divisions.
5/15/89 Mon.	Publish 2nd Public Hearing Notice (7 days in advance).
5/22/89 Mon.	Public Hearing held on Oahu. Public Hearing held on Kauai (Kauai hearing to be conducted by land agent Sam Lee, if available).
5/24/89 Wed.	Public hearing held on Maui.
5/25/89 Thurs.	Public hearing held on Hawaii.
6/2/89 Fri.	Last day to receive written testimony on proposed

rules (15 days after the close of the hearing).

6/7/89 Wed. Complete final revisions to the proposed rules. Type final draft and submit Board submittal to Chairperson's office for inclusion onto the June 23, 1989 Board meeting agenda.

6/23/89 Fri. Board approves adoption of administrative rules and authorize submittal of rules to Governor for final approval. (Note: Substantial changes to the rules pursuant to public hearing testimony may require a second round of public hearings.) Submit rules to Attorney General for final approval.

6/30/89 Fri. Receive Attorney General's approval of rules.

7/05/89 Wed. Submit rules to Governor for final approval.

710/89 Mon. Receive final approval from Governor; Governor's office to forward rules to Lt. Governor's office where rules must sit for ten days prior to becoming effective.

7/15/89 Sat. Act 301 Administrative Rules are in effect.

Committee on Geothermal/Cable Permitting
Generic Joint Agreement

Pursuant to HRS §169D-4, the undersigned representatives of the agencies and federal agencies listed below, agree to accomplish the following, in order to consolidate and make more efficient the geothermal/cable permitting process:

(1) identify the members of the consolidated permit application and review team; and

(2) provide a listing of all permits required for the proposed project; and

(3) specify the regulatory and review responsibilities of the department and each State, county, and federal agency and the responsibilities of the applicant;

(4) provide a timetable for regulatory review, the conduct of necessary hearings, the preparation of an environmental impact statement, if necessary, and other actions required to minimize duplication and to coordinate and consolidate the activities of the applicant, the department, and the State, county, and federal agencies;

(5) coordinate hearings required for a permit, and hold hearings on the island where the proposed activity shall occur;

(6) provide for the consolidated permit application and review team to prepare alternatives for resolving conflicts and bring these to the affected agencies for resolution; and

(7) provide for a consolidated permit compliance monitoring program and schedule to take effect after a proposed project is approved, to be monitored by the department.

Committee on Geothermal/Cable Permitting
Conflict Resolution Process

Pursuant to HRS S169D-4, the undersigned representatives of the agencies and federal agencies listed below, agree to abide by the following conflict resolution process, in order to expedite the geothermal/cable permitting process:

Should conflicts arise that the consolidated permit application and review team cannot resolve, the following conflict resolution process shall be implemented:

(1) in a conflict between State departments, any affected State department head may declare that an impasse exists between that department and other department or departments of the State during any phase of the permitting process related to the geothermal/cable project. The applicant may also seek an impasse declaration by filing in writing with the Administrative Director of the State that such a declaration should be issued if the processing of a permit application has not made significant progress for forty-five calendar days. The administrative director shall make the determination whether an impasse declaration should be made. Upon an impasse being declared, the involved department heads shall each submit a report in writing to the administrative director within ten calendar days from the date of the impasse declaration. The reports shall list the chronological events leading to the impasse, the perceived causes of the impasse, and a suggested solution. The administrative director or his designee shall meet with the involved directors within twenty calendar days from the impasse declaration date. Should the impasse still exist following this meeting, the administrative director shall report to the governor the latest position of the directors with a recommendation. The involved departments shall initiate implementing the governor's decision within three calendar days from the date of the final decision.

(2) in a conflict between State and county agencies any State or county department head involved in processing an application related to the geothermal/cable project can declare that an impasse has developed between the involved county and State departments. Such a declaration shall be in writing identifying the unresolved issues and the respective positions of the affected departments. The applicant may also seek an impasse declaration by filing a written request with the administrative director of the State or the county agency which shall be designated by the mayor. Such a request for impasse declaration may be made if the processing of a permit application has not made significant progress for forty-five calendar days. Unless objected to in writing by the reviewing county and State departments or State departments, an impasse declaration shall be made within ten working days from the date that the request for impasse declaration was filed. Upon an impasse being declared,

the affected State and county department heads shall each submit a report in writing to both the State administrative director and the designated county agency within ten calendar days from the date of impasse declaration. The reports shall list the chronological events leading to the impasse, the perceived causes of the impasse, and a suggested solution. The administrative director or the administrative director's designee and the head of the mayor's designated county agency or that agency's designee, shall meet with the involved State and county department heads within twenty calendar days from the impasse declaration date. Should the impasse still exist following the meeting, the administrative director and the mayor's designated agency head shall file a joint report to the mayor and the governor with a recommendation. The involved State and county departments shall initiate implementing the mayor and the governor's joint decision within three calendar days from the date of the final decision.

(3) for conflicts between agencies within a county, each county involved in implementing Hawaii Revised Statutes §169D shall adopt a conflict resolution process by July 31, 1989.

(4) for conflicts between agencies between counties, all counties involved in implementing Hawaii Revised Statutes §169D shall adopt a conflict resolution process by July 31,1989.

Interagency Committee on Geothermal/Cable Permitting

Invited Agencies	Designated Representative
Colonel F.W. Wanner U.S. Army Corps of Engineers District Engineer (POD CO-O) Building 230 Fort Shafter, Hawaii 96858	John Emmerson
Admiral David E. Jeremiah Commander in Chief U.S. Pacific Fleet Pearl Harbor, Hawaii 96860	Stan Ichioka
Rear Admiral William P. Kozlovsky Commander, U.S. Coast Guard Fourteenth Coast Guard District 300 Ala Moana Blvd., Room 9153 Honolulu, Hawaii 96850	
Mr. William Meyer, District Chief Water Resources Division U.S. Geological Survey 300 Ala Moana Blvd., Room 6110 Honolulu, Hawaii 96850	
Dr. Allan D. Marmelstein Pacific Islands Administrator U.S. Fish and Wildlife Service 300 Ala Moana Blvd., Room 6110 P.O. Box 50167 Honolulu, Hawaii 96850	William Kramer
Mr. Doyle E. Gates National Marine Fisheries Service Pacific Islands Coordinator National Marine Fisheries Service 2570 Dole Street, Room 106 Honolulu, Hawaii 96822-2396	Doyle Gates
Ms. Vicki H. Tsuhako Environmental Protection Office Pacific Islands Contact Office 300 Ala Moana Blvd., Room 1302 Honolulu, Hawaii 96850	
Mr. G. Bryan Harry National Park Service 300 Ala Moana Blvd., Room 6305 Honolulu, Hawaii 96850	

State Agencies

Mr. Ed Hirata
Department of Transportation

Peter V. Garcia

Mr. Harold Masumoto
Office of State Planning

Douglas Tom
Mary Lou Kobayashi

Dr. John Lewin
Department of Health

James K. Ikeda

Mr. Roger Ulveling
Department of Business
and Economic Development

Leslie S. Matsubara
Maurice Kaya

County Agencies

Honorable Bernard K. Akana
Mayor, County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96721

Lynn C.Z. Maunakea

Honorable Hannibal Tavares
County of Maui
200 S. High Street
Wailuku, Hawaii 96783

Ralph Masuda

Honorable Frank F. Fasi
Mayor, City and County of Honolulu

Robin Foster
Gary Okino

Gold Bond Building

Suite 811
677 Ala Moana Blvd.
Honolulu, Hawaii 96813
(808) 521-1087

M E M O R A N D U M

TO: Department of Land and Natural REsources

FROM: Management Office

DATE: February 1, 1989

SUBJECT: Tenant Signage

Dear Tenant:

The Building Management would like to have you fill out this form so that we may order your signage. We would appreciate your assistance by returning this form with your preferred tenant and directory listing as quickly as possible.

35 spaces per line is available for the door signage. Please include all punctuation marks and spaces between names etc.

30 spaces per line is available for the directory listing.

If you have any question please contact the office, for any error in the order will only delay it. Thank you.

(detach here)

FOR CLARITY USE TYPWRITER ONLY

DLNR ~~/ DOWALD~~ GEOTHERMAL / CABLE PERMITTING (35)
Door Signage

INFORMATION AND COORDINATION CENTER (35)
Door Signage

DLNR ~~/ DOWALD~~ GEOTHERMAL / CABLE PERMIT (30)
Directory Signage

INFO. & COOR~~DINATION~~ CENTER (30)
Directory Signage

Business Name: Dept. of Land and Natural Resources Phone: ? Suite # 509

Division of Water and Land Development
Geothermal and Cable System Development Permitting
Information and Coordination Center

Hawaiian Electric Company

N E W S • R E L E A S E

FOR RELEASE AT 10 A.M. (HST) ON FEBRUARY 6, 1989

Contact: Scott Shirai (808) 543-5602

Honolulu -- The State of Hawaii and Hawaiian Electric Company (HECO) today announced plans to seek proposals for development of one of the world's most innovative electrical generation and transmission projects.

The goal is to develop 500 megawatts of electricity from geothermal energy on the island of Hawaii and transmit it by underwater cable to other islands in the state, primarily to heavily populated Oahu, a distance of about 270 miles.

Successful completion of the project would satisfy a major portion of Oahu's electrical demand with geothermal energy and reduce annual oil imports to the island state by millions of barrels. Oahu accounts for about 80 percent of the state's electrical consumption.

The request for proposals (RFP) will be issued in early May. The project calls for a private consortium to finance and develop the geothermal energy resource on the island of Hawaii and transmit electricity from the resource by underwater cable to Oahu, and possibly Maui as well.

Hawaiian Electric Company, Inc. • PO Box 2750 • Honolulu, Hawaii 96840-0001 • Phone: (808) 543-5670

Selection of the developer of the project, which is expected to cost in excess of $1.7 billion, is expected to be made by the end of 1990.

Driven by near-total dependence on oil imports for its energy, Hawaii has included increased energy self-sufficiency as an objective of the Hawaii State Plan.

"Hawaii's energy outlook requires positive action now," said Governor John Waihee. "We are fortunate to have our own natural resource for electricity on a commercial scale around the clock. Development of geothermal energy is the key to achieving state goals of energy self-sufficiency."

HECO President Harwood D. Williamson said geothermal energy has long been seen by his company as Hawaii's best renewable energy alternative to fuel oil to generate electricity.

"Without question, geothermal energy is the best near-term renewable energy alternative to meet the base-load needs of our utilities in satisfying our customers' needs," Williamson said. "Successful completion of this project would be a significant contribution to making Hawaii more secure and less vulnerable to the uncertainties of the world oil market."

Although geothermal energy could not be transmitted to Oahu until around 1995, the RFP will be issued this year to allow HECO to consider other alternatives if the response to the RFP shows that economical geothermal electricity will not be available by then

Much of the United States began converting from oil to other fuels for electrical generation in the 1970s in reaction to the OPEC oil embargo, but Hawaii's mid-Pacific isolation has prolonged the state's near-total dependence on fuel oil.

The national average for oil-fired electrical generation is 5.5 percent; Hawaii uses fuel oil to generate more than 90 percent of its electricity.

The geothermal energy resource on the island of Hawaii, the "Big Island," has been estimated to be at least 500 megawatts, far more than can be utilized on that island. Hawaii Electric Light Company, HECO's electric utility subsidiary that serves the Big Island, had a peak demand in 1988 of approximately 126 megawatts.

A small State-owned research and demonstration geothermal power plant on Hawaii has supplied approximately 2 megawatts, enough to service approximately 2,000 homes, to Hawaii Electric Light Company since 1982.

The RFP calls for development of the existing Geothermal Resource Subzones in the Kilauea East Rift Zone of the Big Island's Puna District, where the demonstration plant is located. This subzone is believed to have the largest geothermal resource in the island chain.

Early in 1988, the Governor's Advisory Committee on the Geothermal/Cable project, chaired by former Hawaii Governor William F. Quinn, endorsed geothermal energy as technically feasible in Hawaii. The State Legislature at about the same time consolidated and streamlined geothermal permitting procedures and funded geothermal exploration and reservoir analysis.

The export of large amounts of electricity from the Big Island to Oahu has been studied for years as the best way to reduce the state's dependence on fuel oil.

Since 1982, HECO has been the prime contractor of the Hawaii Deep Water Cable Project, which is funded jointly by the U.S. Department of Energy and the State Department of Business and Economic Development.

A 6,000-foot electric cable of a type that could be deployed between the islands was manufactured in 1987. Laboratory testing of the cable was concluded in October 1988 and found that the cable was mechanically and electrically sound.

At-sea testing of deployment and retrieval procedures using a surrogate, non-electric cable, will begin during the last three months of 1989 in the Alenuihaha Channel between the islands of Hawaii and Maui.

The Hawaii deep water cable will be the longest and deepest electrical power cable in the world. The deepest portion of the cable route between the Big Island and Oahu would be approximately 7,000 feet, in the Alenuihaha Channel.

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Editorials

Good cable progress now

Development of the Big Island's geothermal energy seems the most promising solution to Hawaii's near-total dependence on imported oil for electricity.

So it's positive news that Hawaiian Electric Company and the state are moving ahead in a search for private businesses to develop geothermal plants and an undersea cable to bring electricity from the Big Island hot spots to Oahu, where most of the people and energy needs are.

At the same time, the geothermal solution is far from sure or simple:

- Although a two-megawatt demonstration plant in Puna produces enough electricity for 2,000 homes, it's unclear whether the planned 500 megawatts are tappable or what that would do to the district's environment.
- Experiments suggest the technological challenge of laying the world's longest, deepest undersea power cable under Hawaii's rough channels can be overcome. More tests are planned to be sure.
- It seems safe to presume that energy costs will continue to rise — gradually, we hope. But with the geothermal project expected to cost upwards of $1.7 billion, a final decision on financial feasibility is yet to be made.

It's expensive and risky for Hawaii to depend on imported, mostly foreign, oil. But some people also wonder about leaving Oahu dependent on a single innovative, environmentally perilous source for 40 to 50 percent of our electrical needs.

Still, the prospect for positive answers to these questions remains encouraging. Geothermal energy is in use elsewhere, including Northern California. Shorter cables are in successful operation.

It's a good theory. We ought to go for it unless some insurmountable obstacle stops things.

Marcos diary's import

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agenda 3 (1/30/89)

Convene @ 9:30

AGENDA

February 1, 1989

1. Hawaii County Council Planning Committee Meeting 1/25/89

2. 301 Administrative Rules

   a. draft

   b. schematic

   c. proposed schedule

3. Geothermal/Cable Development Consolidated Application Form

4. Interagency Committee on Geothermal/Cable Permitting

   a. agenda

   b. portions of 301 Administrative Rules pertinent to Committee operations (for Committee's review)

5. Other Business

a) Status on furniture for office, Prepare P.O.'s,
telephone approved
FAX machine approved 3/1/31

Geothermal Staff Mtg - 2/1/89 - DLNR
Attending: Sus Ono, Janet Swift, Dean Takano, Manabu Sagomori.
Reporting officer: Absent: Dan Lum
Secretary: Maile

Agenda: Hawaii County Council Planning Comte Mtg 1/25
I. Biggest Concern: Once this is suggested Puna Comte decided to piggy back on the 25 mega watts line.

Item 2 a)
Janet: Drafted Admin Rules 2/1/89
b) Schematic
1) Applicants goes to Gold Bond to get forms.
Cty + State agencies
* w/ assistant of the center for Applicants Input in Admin Rules
(Sus suggest)

Interagency groups name:
"Committee on Geothermal/Cable Permitting"

Applicant will not be a member of Interagency group. —

Interagency group members will not be known as a "Policy maker" - the Land Board is.

Developing
Generic Agreement - Everyone Agreed.

State + Cty - have to send a Staff for the Reviewing of Applications.
the bigger agency will first
1) sit down together + agree on something
2) Next Review team w/ App decide on applications.
Once ~~Fed~~ Fed signs agreement their locked in.

Joint agrmnt to right in Admin Rule.
proposal

Steps:-

act Keynote Identify of elements.

DLNR to monitor the monitoring of Interagency
Processing of the permit Applications

Land Board: Role
CDUA

Specific days on the "Conflict Res." - Set days
(DLNR - Role)

Ques: "How long does it take to Review App."
Need Time Frame

Checks will be made out to Seperate Agencies
& Fees for App.
Look at Checks - for Fees - Work w/ Fiscal

Schedule for Mid Valy -
People putting together / will have to Know

on the Geothermal Office

Informal Mtg. w/ Trans Pacific
Inform State intent to develop Geo Resources
not just going to sell develop & sell
& walk away.

Awaiting Plan of Operation -

Have perspective developers.

Trans Mid Pacific Suggestions
HELCO issue RFP -
State Reserve App. to the Permits.

Incurs cost from State <-> to developer

2/8 - Staff @ 8:00
2/9 - DLNR Staff @ 8:00.

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0617H

Proposed Timetable for Implementing Act 301 Administrative Rules

2/1/89 Wed.	Staff review of draft rules.
2/8/89 Wed.	Final staff review of draft rules.
2/14/89 Tues.	Draft rules (to Committee) on Geothermal/Cable Permitting.
	(Send out draft rules, before mtg — to be prepared)
3/15/89 Wed.	Committee on Geothermal/Cable Permitting final review of Act 301 Administrative Rules.
3/17/89 Fri.	Final draft rules to Attorney General's office.
4/3/89 Mon.	Prepare submittal for 4/21/89 Board meeting approval, public hearings subject to the Attorney General's and the Governor's approval, and authorize a hearings officer to conduct public hearings.
4/5/89 Wed.	Send submittal to Chairperson's office for inclusion onto 4/28/89 Board meeting agenda.
4/10/89 Mon. &	Send request to Governor for preliminary approval of proposed rules. (Send copies of memo to Budget Finance and DBED for approval also.)
4/28/89 Thurs.	Receive Board approval of draft rules and authorization to hold public hearings subject to the Governor's approval.
4/24/89 Mon.	Receive Governor's approval to hold public hearings.
5/1/89 Mon.	Publish 1st Public Hearing Notice (21 days in advance). Draft rules available for public distribution at all DLNR Land Management Divisions.
5/15/89 Mon.	Publish 2nd Public Hearing Notice (7 days in advance).
5/22/89 Mon.	Public Hearing held on Oahu. Public Hearing held on Kauai (Kauai hearing to be conducted by land agent Sam Lee, if available).
5/24/89 Wed.	Public hearing held on Maui.
5/25/89 Thurs.	Public hearing held on Hawaii.
6/2/89 Fri.	Last day to receive written testimony on proposed rules (15 days after the close of the hearing).

Comments to be sent in writing then hold one mtg before 3/1

6/7/89	Wed.	Complete final revisions to the proposed rules. Type final draft and submit Board submittal to Chairperson's office for inclusion onto the June ~~17~~ 23, 1989 Board meeting agenda.
6/~~16~~/89 23	Fri.	Board approves adoption of administrative rules and authorize submittal of rules to Governor for final approval. (Note: Substantial changes to the rules pursuant to public hearing testimony may require a second round of public hearings.) Submit rules to Attorney General for final approval.
6/~~23~~ (30)/89	Fri.	Receive Attorney General's approval of rules.
~~6/27/89~~ 7/5/89	~~Tues.~~ Wed	Submit rules to Governor for final approval.
7/~~3~~/89 10	Mon.	Receive final approval from Governor; Governor's office to forward rules to Lt. Governor's office where rules must sit for ten days prior to becoming effective.
7/~~13~~/89 15	~~Thurs.~~ Sat	Act 301 Administrative Rules are in effect.

RFP: Does not, good to have
Admin Rules be attached

DRAFT

(JCS/JAN.1)

TITLE 13

DEPARTMENT OF LAND AND NATURAL RESOURCES

SUB-TITLE 7. WATER AND LAND DEVELOPMENT

Chapter 185

Rules of Practice and Procedure for Geothermal and Cable System Development Permitting

Subchapter 1. General

S13-185-1 Purpose
S13-185-2 Definitions
S13-185-2.1 Consolidated permit application and review process
S13-185-2.2 Interagency group

Subchapter 2. Consolidated permit application and review procedures

S13-185-3 Application and review procedure
S13-185-3.1 Application filing fee
S13-185-4 Interagency group
S13-185-5 Consolidated permit application and review team
S13-185-6 Joint agreement
S13-185-7 Streamlining
S13-185-8 Information services

Subchapter 3. Regulation of consolidated geothermal and cable system development permitting

S13-185-9 Monitoring applicants' compliance with terms and conditions of permits
S13-185-10 Annual report

S13-185-1

Subchapter 1

General

S13-185-1 Purpose. The purpose of this chapter is to establish guidelines and procedures for consolidated geothermal and cable system development permitting. Consolidated permitting procedures are intended to coordinate and streamline permitting requirements of the diverse array of federal, state, and county land use, planning, environmental, and other related laws and regulations that control geothermal and cable system development. [Eff:] (Auth: HRS S169D-2) (Imp: HRS S169D-9)

S13-185-2 Definitions. As used in this chapter:

"Agency" means any department, office, board, or commission of the State or a county government which is a part of the executive branch of that government, but does not include any public corporation or authority that may be established by the legislature for the purposes of geothermal and cable system development.

"Applicant" means any person who, pursuant to statute, ordinance, rule, or regulation, requests approval or a permit for a geothermal and cable system development project.

"Approval" means a discretionary consent required from an agency prior to the actual implementation of a geothermal and cable system development project.

"Department" means the department of land and natural resources or any successor agency.

"Discretionary consent" means a consent, sanction, or recommendation from an agency for which judgement and free will may be exercised by the issuing agency, as distinguished from a ministerial consent.

"Environmental impact statement" means, as applicable, an informational document prepared in compliance with Hawaii Revised Statutes chapter 343, or with the National Environmental Policy Act of 1969 (Public Law 91-190).

"Geothermal and cable system development project" or "project" means the commercial development, construction, installation, financing, operation, maintenance, repair, and exploratory testing, and predevelopment activities related to the foregoing, of:

(1) a geothermal power plant or plants, including associated equipment, facilities, wells, and transmission lines, on the islands of Hawaii or Maui, for the purpose of generating electric energy for transmission primarily to the island of Oahu through the cable system; and

S13-185-2 (2) an interisland deep water electrical transmission cable system, including all land-based transmission lines and other ancillary facilities, to transmit geothermally generated electric energy from the islands of Hawaii or Maui, to the island of Oahu, regardless of whether the cable system is used to deliver electric energy to any intervening point.

"Interagency group" means a group comprised of representatives from county, state, and federal agencies involved in geothermal and cable system development permitting activities whose permitting functions are not transferred by HRS 196D S10 to the department for the purpose of consolidating the permitting process for geothermal and cable systems development projects.

"Permit" means any license, permit, certificate, certification, approval, compliance schedule, or other similar document or decision pertaining to any regulatory or management program which is related to the protection, conservation, use of, or interference with the natural resources of land, air, or water in the State and which is required prior to or in connection with the undertaking of the project.

"Person" includes any individual, partnership, firm, association, trust, estate, corporation, joint venture, consortium, any public corporation or authority that may be established by the legislature for the purposes of the project, or other legal entity other than an agency. [Eff:] (Auth: HRS S169D-3, HRS S169D-6) (Imp: HRS S169D-9)

S13-185-2.1 Consolidated permit application and review process. In order to carry out the intent of the geothermal and cable system development permitting act of 1988, the department shall establish and administer a consolidated permit application and review process as provided in this chapter.

For the purposes of this chapter the following functions are transferred to the department: the functions of the land use commission related to district boundary amendments as set forth in Hawaii Revised Statutes section 205-3.1 et seq.; and functions of the land use commission related to changes in zoning as set forth in Hawaii Revised Statutes section 205-5; and permit approval and enforcement functions of the department of transportation related to use of or commercial activities in or affecting the ocean waters and shores of the State under Hawaii Revised Statutes chapter 266.

The department and each agency whose permitting functions are not transferred to the department for the purposes of the project, and each federal agency, shall issue its own permit or approval based on its own jurisdiction. The consolidated permit application and review process shall not affect or invalidate the jurisdiction or authority of any agency under existing law, except to the extent that the permitting functions of any agency are transferred by Hawaii Revised

Statutes S169D-10 to the department including monitoring and enforcing applicants' compliance with the terms and conditions of the permits.

Where the contested case provisions under Hawaii Revised Statutes chapter 91 apply to any one or more of the permits to be issued by the agency for the purposes of the project, the agency may, if there is a contested case involving any of the permits, be required to conduct only one contested case hearing on the permit or permits within its jurisdiction. Any appeal from a decision made by the agency pursuant to a public hearing or hearings required in connection with a permit shall be made directly on the record to the supreme court for final decision subject to chapter 602, Hawaii Revised Statutes. [Eff:] (Auth: HRS S169D-5) (Imp: HRS S169D-9)

S13-185-2.2 Interagency group. In order to provide coordination amongst agencies to facilitate carrying out the consolidated permit application and review process, the department shall convene an interagency group, to be known as the ~~interagency committee~~ on geothermal/cable permitting, comprised of representatives of federal and other ~~permitting~~ agencies whose permitting functions have not been transferred to the department. If the legislature establishes any public corporation or authority for the purposes of implementing geothermal/cable systems devlopment project, then upon its establishment, the public corporation or authority shall be a member of the interagency group. [Eff:] (Auth: HRS S169D-6) (Imp: HRS S169D-9)

Subchapter 2

Consolidated permit application and review procedure

S13-185-3 Application and review procedure. a. The department shall provide the applicant with a geothermal/cable development consolidated permit application form. The consolidated application form shall be used for all permitting purposes, except where a federal or other agency is required to use its own application form. The form will be available during office hours 7:45 a.m. to 4:30 p.m. Monday through Friday, except holidays, at the following address:

Department of Land and Natural Resources
Division of Water and Land Development
Geothermal and Cable System Development Permitting
Information and Coordination Center
Gold Bond Building, Room 509
677 Ala Moana Boulevard
Honolulu, Hawaii 96813

§13-185-3
When completely and properly filled out the geothermal/cable development consolidated permit application form provides information identifying the applicant, the landowner, the location of the proposed geothermal and cable system development project, the types of permits required, environmental requirements, information on the geographic location of the project, a description of the proposed project, and plan information. b. The department shall advise the applicant to apply directly to each federal and other agency that does not participate in the consolidated permit application and review process. c. Upon receipt of the properly completed consolidated permit application, the department shall notify regarding receipt of the consolidated application all agencies whose permitting functions are not transferred to the department for the purposes of geothermal/cable system development permitting, as well as all federal agencies that the department determines may have jurisdiction over any aspect of the proposed project as set forth in the application, and shall invite the federal and other agencies so notified to participate in the consolidated permit application and review process. [Eff:] (Auth: HRS §169D-5) (Imp: HRS §169D-9)

§13-185-3.1 Application filing fee. The applicant shall attach to the application form a pro forma statement of project costs. A filing fee dependent upon project cost must accompany the consolidated permit application as follows: for projects totalling less than one million dollars in value, the filing fee shall be two hundred dollars; and for projects totalling between one and ten million dollars in value, the filing fee shall be four hundred dollars; and for projects totalling more than ten million dollars in value, the filing fee shall be six hundred dollars. The check for the filing fee should accompany the application and should be made payable to the State of Hawaii department of land and natural resources. The check and application should be submitted to the State of Hawaii department of land and natural resources, post office box six hundred twenty one, Honolulu, Hawaii 96806.
[Eff:] (Auth: HRS §169D-5) (Imp: HRS §169D-9)

§13-185-4 Interagency group. The department shall convene a meeting of the interagency group, known as the committee on geothermal/cable permitting, to participate in the consolidated permit application and review process in a timely manner upon completion of the department's review of the applicant's properly completed geothermal/cable consolidated permit application. The applicant shall designate a representative to the interagency group for informational purposes and for the purpose of expediting the review process.
[Eff:] (Auth: HRS §169D-6) (Imp: HRS §169D-9)

§13-185-5 Consolidated permit application and review team. a. The committee on geothermal/cable permitting shall

S13-185-5
name from among its members a working team known as the consolidated permit application and review team. The applicant shall designate a representative to be available to the review team for purposes of processing the applicant's consolidated permit application. The consolidated application and review team shall work with the department to provide permitting coordination for each geothermal and cable system development project. The team shall work to consolidate the various permitting requirements. b. The department and agencies shall cooperate with the federal agencies to the fullest extent possible to minimize duplication and where possible promote consolidation of federal and state requirements. To the fullest extent possible, this cooperation shall include joint environmental impact statements with concurrent public review and processing at both levels of government. Where federal law has requirements that are in addition to but not in conflict with state law requirements, the department and the agencies shall cooperate to the fullest extent possible in fulfilling their requirements so that all documents shall comply with all applicable laws. [Eff:] (Auth: HRS S169D-5, HRS S169D-6) (Imp: HRS S169D-9)

S13-185-6 Joint agreement. The consolidated permit application and review team shall develop a joint agreement to present for approval to the committee on geothermal/cable permitting. This joint agreement shall include but not be limited to the following:

(1) a listing of all permits required for the proposed project;

(2) specification of the regulatory and review responsibilities of the department and each State, county, and federal agency and the responsibilities of the applicant;

(3) a timetable for regulatory review, the conduct of necessary hearings, the preparation of an environmental impact statement, if necessary, and other actions required to minimize duplication and to coordinate and consolidate the activities of the applicant, the department, and the State, county, and federal agencies;

(4) provision to coordinate hearings required for a permit, and to hold hearings on the island where the proposed activity shall occur;

(5) provision for the consolidated permit application and review team to prepare alternatives for resolving conflicts and bring these to the full committee on geothermal/cable permitting for resolution; and

(6) provision for a consolidated permit compliance monitoring program and schedule to take effect after a proposed project is approved, to be monitored by the department.

[Eff:] (Auth: HRS S169D-4) (Imp: HRS S169D-9)

S13-185-7 Streamlining. The department shall monitor the processing of all permit applications under this chapter on

an ongoing basis to identify inefficienies, delays, and duplications of effort. The department will track the status of permits of those agencies whose permitting functions are not transferred to the department for purposes of geothermal and cable systems development projects. Any recommended changes will be brought to the consolidated permit application and review team for consideration. As appropriate, recommendations and alternative suggestions may be brought to the committee on geothermal/cable permitting for consideration and adoption. The department may develop legislative proposals as appropriate to eliminate any duplicative or redundant permit requirements. [Eff:] (Auth: HRS S169D-7) (Imp: HRS S169D-9)

S13-185-8 Information services. a. The department shall operate a permit information and coordination center that will provide guidance to potential applicants for geothermal and cable systems development projects with regard to permits and procedures that may apply to the project. The center shall be known as the geothermal and cable system development permitting information and coordination center. The address of the center shall be as follows:

Department of Land and Natural Resources
Water and Land Management Division
Geothermal and Cable System Development Permitting
Information and Coordination Center
Gold Bond Building, Room 509
677 Ala Moana Boulevard
Honolulu, Hawaii 96813

and shall maintain office hours 7:45 a.m. to 4:30 p.m. Monday through Friday except holidays. b. The department will maintain and update at the above address a repository of the laws, rules, procedures, permit requirements, and criteria of agencies whose permitting functions are not transferred to the department for the purposes of consolidated permitting and which have control or regulatory power over any aspect of the project and of federal agencies having jurisdiction over any aspect of the project. [Eff:] (Auth: HRS S169D-8) (Imp: HRS S169D-9)

Subchapter 3

Regulation of Geothermal and Cable System Development Permitting

S13-185-9 Monitoring applicants' compliance with terms and conditions of permits. Once a geothermal and cable systems development consolidated permit application has been approved by all agencies, the department and the consolidated permit application and review team will prepare a schedule for monitoring permit terms and conditions. The schedule will

identify terms of compliance, dates, federal and other agencies, and individuals who will carry out the monitoring activity, and the date the report of the monitoring activity was sent to the department. The department will maintain a log of the monitoring activities and will alert the appropriate permitting agency if monitoring for permit compliance is not being carried out on schedule. [Eff:] (Auth: HRS S169D-5) (Imp: HRS S169D-9)

S13-185.10 Annual report. The department shall submit an annual report to the governor and the legislature on its work during the preceding year. The report shall include the status of geothermal and cable systems development projects, any problems encountered, any legislative actions that may be needed further to improve the consolidated permit application and review process, and to implement the intent of the geothermal and cable system development act of 1988. [Eff:] (Auth: HRS S169D-11) (Imp: HRS S169D-9)

AGENDA3 (2/14/89)

STATE OF HAWAII
Department of Land and Natural Resources
(etc.)

AGENDA
GEOTHERMAL/CABLE INTERAGENCY GROUP

February 14, 1989
10:00 a.m.
1151 Punchbowl Street
Honolulu, Hawaii

I. Opening Remarks - William W. Paty, Chairperson
Board of Land and Natural Resources

II. Status Report on the Implementation of Act 301, SLH 1988, (Chapter 196D, HRS) - ~~Sus Ono~~ (DLNR)

III. Presentation on Current Geothermal Activities in Hawaii

30 min each

a. Harry Olson - University of Hawaii, Hawaii Natural Energy Institute (HNEI)
b. Maurice Richard - Ormat Energy Systems, Inc.
c. Rod Moss - True/Mid-Pacific Geothermal Venture

Janet Present?

IV. Discussion of Draft Administrative Rules Implementing Chapter 196D, HRS (Act 301) - DLNR Staff

V. Discussion of Future Meeting Dates - Chairperson

VI. Other Business

Ques: Take Developers 1st on Alenuihaha Rules.
Have copies available for Public

AGENDA4 (date)

STATE OF HAWAII
Department of Land and Natural Resources
(etc.)

(draft) AGENDA
GEOTHERMAL/CABLE INTERAGENCY GROUP

(Date to be determined)
10:00 a.m.
1151 Punchbowl Street
Honolulu, Hawaii

I. Opening Remarks - William W. Paty, Chairperson
Board of Land and Natural Resources

II. Status Report on Current Geothermal Activities in Hawaii
- ~~Sus Ono~~ DLNR

III. Discussion of Draft Administrative Rules Implementing Chapter 196D, HRS - DLNR Staff

IV. Discussion of Draft Joint Agreement Between Agencies and the Applicant -DLNR Staff

V. Discussion of Operating Procedures and Responsiblities of the Consolidated Permit Application Review Team -DLNR Staff

VI. Discussion of Draft Consolidated Permit Application Form - DLNR Staff

VII. Discussion of Draft Conflict Resolution Process - ~~Sus Ono~~ DLNR

VIII. Discussion of Future Meeting Dates - Chairperson

IX. Other Business

Have Status Report on Geothermal Activities from Hilo Mtg.

HAWAII TRIBUNE-HERALD
1-26-89

Group seeking moratorium on geothermal lines

By Dave Smith
Tribune-Herald

All the while insisting that they do not oppose geothermal development, representatives of the Puna Community Council yesterday appealed to the County Council for a moratorium on the pending development of proposed high-voltage transmission lines to carry geothermally created electricity.

The group won little sympathy for its proposals from members of the Council's Planning Committee, whom PCC President Ron Phillips told that his group fears that if plans are allowed to continue for 69-kilovolt transmission lines to provide power from a

From Page 1

proposed geothermal plant in Pohoiki, much larger lines would eventually follow the same paths.

The Puna council submitted to the Council a petition in which it asked for a moratorium on construction of transmission lines "until such time that an acceptable socio-economic impact study and a proper environmental impact statement has been prepared."

But committee members expressed opposition to the imposition of any moratorium on geothermal development and filed the document, as is standard procedure for communications to the Council.

However, the committee asked that county Planning Director Duane Kanuha and Council staff monitor the progress of various studies being prepared, including an EIS on the transmission corridors that is currently in the draft stage.

No construction on the transmission corridors will be allowed unless the EIS is favorable and the state Public Utilities commission grants approval.

Because the 25-megawatt plant is planned for land designated for agriculture — near the small existing experimental geothermal plant — the county has regulatory powers in that matter.

But the transmission corridors fall under the purview of the state utility regulatory agency, and the Council has no authority in the matter other than to forward recommendations.

In addition, the site for a proposed 500-megawatt facility is on land designated conservation, which falls under the jurisdiction of the state Board of Land and Natural Resources.

Phillips told the committee that the Puna council, a group composed of representatives of 24 community organizations, is "in no way against geothermal energy." He said the moratorium sought by his group is "not targeted against ORMAT by any stretch of the imagination."

ORMAT is the Nevada-based subsidiary of an Israeli company that last year purchased the company that originally contracted with Helco to deliver 25 megawatts of electricity, beginning with 12.5 megawatts by the end of 1989 or early next year.

In fact, Phillips said in light of a recent meeting with electric company and geothermal officials, which he said was the first in two years to yield positive results, PCC is "amenable" to the latest proposal for the route the 69 Kv lines would take.

Hawaii Electric Light Co. recently proposed moving the corridor through which the two transmission lines would pass to along Highway 130, the Pahoa-Keeau road, from the former path through various subdivisions. The lines are to connect with the Big Island's power grid at the Keeau substation.

While PCC members say they agree to the new placement of the lines, which they said they are concerned about for health, safety and aesthetic considerations, they have asked Helco to consider placing them underground.

But a Helco spokesman told the committee members that running the lines underground would cost five to seven times more than placing the lines on towers or poles and therefore is not feasible.

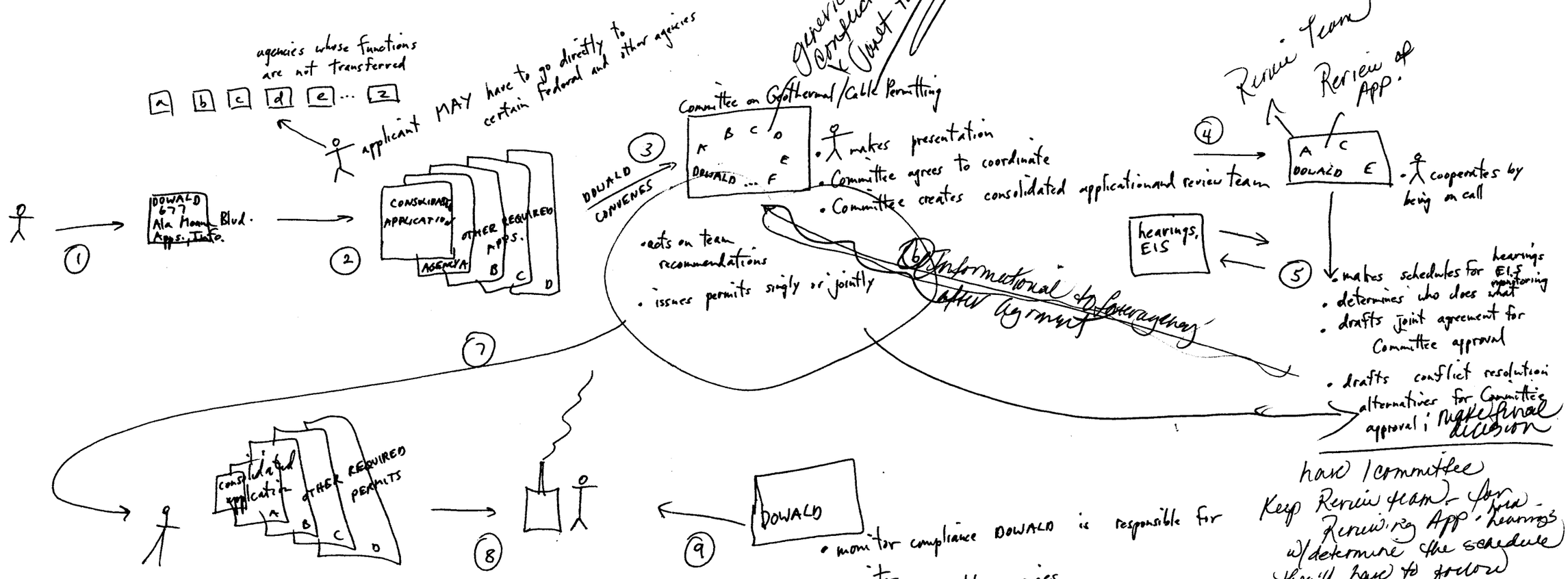
Phillips replied that "cost, in this case, cannot always be the bottom line."

The Puna council members may have found some consolation in the words of Councilwoman Helene Hale, who said the large scale project "will never happen."

Hale said that in her opinion, because the geothermal project has faced so many obstacles in its current smaller scale, the larger project will not come to be for some time, if ever.

Janets Schematic

"System for Review of Applications"



have 1 committee
Keep Review team for Reviewing App. hold hearings w/ determine the schedule they'll have to follow for the app.

DLNR will prepare Generic joint agrmnt.