January 18, 1990

MEMORANDUM

TO: Susumu Ono, Geothermal Coordinator
THRU: William W. Paty, Chairperson
FROM: Manabu Tagomori, Deputy Director
SUBJECT: DLNR Status Report on Geothermal Activities

Presented below in outline form is the current status of geothermal development activities, including any pending applications and/or actions before the Department of Land and Natural Resources (DLNR) and the Department of Health (DOH), and those which may be submitted to DLNR/DOH within the next 90 days:

PUNA GEOTHERMAL VENTURE/ORMAT

Approvals Received:

1) PGV's amended Plan of Operations was approved by the Board on 3/10/89.

2) Well Modification Permit to temporarily plug Kapoho State No. 1-A was issued by DLNR on 6/16/89.

3) Geothermal Well Drilling Permit for Kapoho State No. 3 was issued by DLNR on 8/31/89.

Pending Applications/Requests for Approval:

1) Request for waiver of royalty payments to the Board has been submitted and is currently under review by the Department. (DLNR has requested that PGV submit additional information concerning their request for waiver.)

2) No other DLNR application or request for approval is pending.
3) Application to the Department of Health (DOH) for Authority to Construct (ATC) Permits for 30 geothermal wells, and the power plant facility are under review. The current draft of DOH's ATC permit authorizes only 14 (production /injection) wells.

4) PGV's application for Underground Injection Control (UIC) Permit is still under review by DOH.

Future Requests for Approvals/Amendments (within 90 days):

1) No other DLNR permit applications are expected at this time, other than possible requests for amendments/revisions to existing approvals (ie. modification to drilling plans previously approved by DLNR).

PUNA GEOTHERMAL VENTURE (cont.)

Future Requests (cont.):

2) Similar status should apply to DOH permits, once they are approved.

3) Request from PGV to the State of Hawaii (DLNR) concerning compliance with condition No. 51 of the Geothermal Resource Permit (GRP) issued by the County of Hawaii. Condition No. 51 calls for an initial annual contribution from the State to the Geothermal Asset Fund. Source of the State's annual contribution to the fund has yet to be determined.

TRUE/MID-PACIFIC GEOTHERMAL VENTURE (T/MP)

Approvals Received:

1) T/MP's Plan of Operations approved by the Board on 3/23/89.

2) Geothermal Well Drilling Permit (for T/MP A1-1) issued by DLNR to T/MP on 5/30/89.

3) Authority to Construct (ATC) Permit for 12 wells issued to T/MP by DOH on 9/20/89.

Pending Applications/Requests for Approval:

1) T/MP's request for approval of minor modifications to the well drilling program approved in the DLNR drilling permit for T/MP A1-1 is currently under review.
There is no pending DOH permit application or requests for approval.

Future Requests for Approvals/Amendments (within 90 days):

1) No other DOH permit applications are expected at this time, other than possible requests for amendments/revisions to existing approvals (i.e. modification to ATC permit previously issued by DOH).

2) Request for approval of amendments to T/MP's current Plan of Operations as they apply to the next selected drill site.

3) Request for approval of metes and bounds description for (2) new well sites (A1-2 and A1-3), in addition to approval of archaeological and biological surveys for those specific sites.

4) Subject to the selection of the next drill site, a request for approval of modifications to the current environmental monitoring program may be necessary in order to address the different field conditions of the new site.

TRUE/MID-PACIFIC GEOTHERMAL VENTURE (cont.)

Future Requests (cont.):

5) Lastly, unexpected drilling or operational needs may result in requests for amendments/revisions to existing approvals (i.e. modification to the drilling permit for well T/MP A1-1).

SCIENTIFIC OBSERVATION HOLE (SOH) PROGRAM

Approvals Received:

1) Six Geothermal Well Drilling Permits were issued to UH/HNEI by the Department on 8/31/89. (4 for Hawaii, 2 for Maui)

2) Conditional approval to drill SOH-3 in the area approved for geothermal development activities under CDUA HA 12/20/85-1830 was issued by DLNR on 9/25/89.

3) No DOH permits are required for this project.

Pending Applications/Requests for Approval:

1) Approval to clear drill site for SOH-3 (issued on 9/25/89) is currently pending. Awaiting submittal of biological/archaeological surveys, and metes
and bounds description for the well site for review and approval by DLNR.

Authorization to proceed also subject to submittal of evidence to DLNR of Hawaii County Civil Defense’s review and approval of SOH’s Emergency Plan.

Future Requests for Approvals/Amendments (within 90 days):

1) No other DLNR permit applications are expected at this time, other than possible requests for amendments/revisions to existing approvals (i.e. modification to drilling plans previously approved by DLNR).

Please note that the outline for each project does not reflect the current status of any ongoing litigation involving DLNR or DOH. Should you have any questions, please contact me at Ext. 7533.

MANABU TAGOMORI