1 DEPARTMENT OF LAND AND NATURAL RESOURCES 2 DIVISION OF WATER AND LAND DEVELOPMENT 3 STATE OF HAWAII 4 In the Matter of: Hawaii Administrative Rules 5 Title 13 Department of Land and Natural Resources Sub-6 Title 7 Water and Land Subchapter 1; Subchapter 2; Development Chapter 185 Subchapter 3 7 Rules of Practice and Procedure for Geothermal 8 and Cable System Development) Permitting 9 10 11 TRANSCRIPT OF PROCEEDINGS 12 A public hearing was held at the University of Hawaii at Hilo 13 Campus Center, Rooms 306 and 307, Kawili Street, Hilo, Hawaii, on Wednesday, June 21, 1989, commencing at 7:15 p.m. pursuant 14 15 to Notice. 16 BEFORE: 17 Andrea H. Vasconcellos, Notary Public, State of Hawaii 18 19 **APPEARANCES:** 20 Dan Lum, Chairman Janet Swift, Staff Representative 21 22 23 24 25

	Τ	N	ט	E	Х
TESTIMONY BY:					

2	TESTIMONY BY:	PAGE
3	Michael LaPlante	9, 41
4	Henry Ross	13
5	John Tan	21
6	Ron Phillips	23
7	Tim Sullivan	33
8	Jennifer Perry	35
9	Jim Blakey	37
10	Delan Perry	38, 58
11	Barbara Bell	40
12	Robert Petricci	50
13	Steve Phillips	52
14	Ka'olelo 'Ulaleo	54
15	Clive Cheetham	58
16	Duane Kanuha	61
17	Helene Shinde	64
18	Emmett Aluli	7, 11, 66
19		
20		
21		

MR. CHAIRMAN: Good evening ladies and gentlemen.

May I have your attention please. Good evening. My name is

Dan Lum and I am a geologist with the Department of Land and

Natural Resources.

This meeting tonight is being conducted by the Department of Land and Natural Resources and it is a formal public hearing to receive testimony on the Departments proposed Administrative Rules to implement Act 301 that was passed by the 1988 Legislature.

Tonight we are going to follow the testimony sign-in sheet and if there is anyone present who wishes to make testimony and has not signed the sheet, would you please come forward and do so now. Anybody that wants to testify tonight orally, and if you have written testimony you can present that orally also.

We will follow the order of speakers, we will follow this list of speakers that have signed in. We ask that you confine your testimony to the proposed Administrative Rules. We presume that all of you who are interested have seen these proposed Administrative Rules. We have additional copies here and those of you who would like one now can come forward to get them. We have a limited supply, we have a limited supply and we ask that you share if you will, if you can.

VOICE: Get two.

VOICE: They're going like hot cakes.

MR. CHAIRMAN: What?

VOICE: They're going like hot cakes.

MR. CHAIRMAN: Janet, can you lower the volume here, or retreating the squeal? We have 13 people, persons who have indicated that they would like to testify. We will take them in the order of the sign-in sheet with the exception of a Mr. Henry Ross, who we will call on first when we begin. He has asked for that opportunity.

We are constrained by a 11:00 p.m. deadline in securing this particular room. The University has indicated that we cannot stay beyond 11:00 p.m. So that in order to finish by that time, be sure we can finish by that time, we ask that you limit your testimony to 15 minutes. We have 13 to go through and that should perhaps be enough.

We ask you again to confine your testimony to the subject at hand. And the purpose of this public hearing, which is to receive testimony on the Administrative Rules to implement Act 301.

Act 301 passed by the Legislature in 1978 (sic) provides for a, Act 301 passed by the 1988 Legislature, provides for a consolidated permit process in which the Department of Land and Natural Resources can serve as the lead agency, coordinating, facilitating, and processing of geothermal projects among the involved state, county and federal governments through an inter-agency group.

The requirements of each individual agency that would be involved in a geothermal project, whatever it might be, drilling of a well, installation of a cable, would be lead by the Department of Land and Natural Resources in a attempt to expedite and facilitate the geothermal applicant through the maze of the different agencies involved.

The requirements of the individual agencies are not subrogated, are not taken away. But we as the Department of Land and Natural Resources would be the lead agency in facilitating such an application that might come before it through this inter-agency group is one mechanism.

As envisioned in Act 301 there is a review team of involved agencies. For example, if you're just drilling a well it wouldn't involve the Department of Transportation, for example. If it involved, the application involved a submarine cable then the Department of Transportation would be involved.

So depending on the application that is received the inter-agency group would form a review team. And the purpose of course is to expedite those involved agencies with that particular application.

Okay. There is an inter-agency group of all potential, potentially involved agencies that might be involved, but a particular application maybe very limited, such as, drilling a well. And the review team of those agencies that would be directly involved in that permit application would then be

smaller than the inter-agency group, and would presumably be able to expedite the application. But in no instance does it take away the permit requirements of the involved agencies.

Act 301 also provides for a Geothermal Permit Center to provide information, make available information and assist any applicant for a geothermal project. That Geothermal Center has been established. It is presently located in the Gold Bond Building, the Gold Bond Building, we can give you the address --

VOICE: Where is that?

VOICE: Please do.

MS. SWIFT: It's in Honolulu.

MR. CHAIRMAN: It's in Honolulu, it's in Honolulu.

VOICE: Why?

MR. CHAIRMAN: Yes, it is located in Honolulu. Please give us a call anytime. You can call the number collect if you have a question.

VOICE: What is the phone number?

MS. SWIFT: 548-7443

VOICE: Collect?

MR. CHAIRMAN: Yes, you may. Okay. And on my left is Janet Swift and she with the Geothermal Permit Center which is within the Department of Land and Natural Resources.

Contrary to what you might have read in the published Notices of this meeting you will have, anyone will have until

July 7th to submit additional written testimony to the Department, the Department of Land and Natural Resources. If you wish to mail you can address it to the: Department of Land and Natural Resources, Division of Water and Land Development, Post Office Box 373, Honolulu, and the Zip is, 96809.

VOICE: Would you give that again, the address?

MR. CHAIRMAN: The address to submit additional written testimony would be: Department of Land and Natural Resources, Division of Water and Land Development, P.O. Box 373, Honolulu, Hawaii, 96809. Okay, without further ado we would like to begin with the testimonies. Okay, questions?

MR. ALULI: I just want more substance to these Rules, these Regulations. I think just hearing you facilitatious and expeditious is not enough. I just want you to talk a little bit more about the meaning of this Rule and step us through some case scenarios, for example.

What about things like the remedies, the so-called Administrative remedies that we have to question this development? What about your budget? I think we need to know more about these Rules than just be able to sit down and give testimony on them without understanding them a little bit better. I propose that we discuss it a little bit more.

MR. CHAIRMAN: Yes, okay.

VOICE: Hear, hear.

MR. CHAIRMAN: Tonight's hearing is a public hearing on the proposed Administrative Rules. The draft copy that you have seen here, and the purpose of these Rules is to implement Act 301 which was passed by this 1988 Legislature.

I've tried to describe to you, very briefly, what Act 301 and these Administrative Rules which have been drafted to implement the provisions in Act 301 passed by th Legislature. And in a sentence, it is to provide the consolidated permit process whereby an applicant for a geothermal project can get help, get information, process the application, and get expeditious handling through the Department of Land and Natural Resources as the lead agency --

THE REPORTER: Wait, wait. (Indicating to member of audience that smells like hydrogen sulfide) You've go to move sir, because if I pass out, your testimony doesn't meaning anything. I understand your point --

VOICE: I have to move? I understand that to -(Several people speaking at once.)

VOICE: -- but I have to live with this smell every single day. I'll move, I'll move, no problem.

THE REPORTER: Thank you.

VOICE: Will that be part of the public record --

THE REPORTER: If I can write it all down, I'll put --

VOICE: You put this on public record that you asked me to move right --

1 THE REPORTER: I will. 2 VOICE: -- now --3 THE REPORTER: You bet. What's your name? MR. LaPLANTE: My name's Michael LaPlante. 4 VOICE: I know we don't want you over here man. 5 6 VOICE: You can come sit by me Mike. 7 (Several people speaking at once.) MR. CHAIRMAN: Okay, thank you. Let's get on, we would 8 9 like to get on with the public hearing and we ask you 10 forbearance, please, out of courtesy and respect to all the 11 individuals who are going to testify just give them their time 12 of 15 minutes, and please, try to minimize the disruption 13 because we want your input --14 VOICE: Oh sure, well, your stenographer or whatever, she just interrupted what you were saying to have him move and 15 16 you never even asked --17 THE REPORTER: That's okay. It' cool, just be 18 cool and let's just take this thing. So, why don't we finish that and then we can --19 VOICE: 20 MR. CHAIRMAN: Okay. As I was saying and was 21 essentially concluding was that the Department of Land and 22 Natural Resources serve as the lead agency for processing any application for geothermal development --23 24 VOICE: Okay, I understood that, but you said that

these other agencies have a say --

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MR. CHAIRMAN: Yes --

VOICE: -- does your agency have the final say; is that what your saying?

MR. CHAIRMAN: No, we do not have the final say. We are like a coordinating lead agency. Each individual, each involved agency whether it be state, federal or county, their permit requirements are intact, you know, we do not affect that. All Act 301 is doing, or what Act 301 is primarily doing is to provide expeditious handling or processing of a geothermal application. Okay, is that clear? (No response)

That's the essence of Act 301 and the Rules are written to implement that Act. It doesn't change anything in essence. It doesn't create new requirements or anything like that --

VOICE: But does it by-pass permitting requirements to expedite it?

MR. CHAIRMAN: No, not in my interpretation of Act 301.

It does not. Question? (Indicating)

VOICE: Section 13-185-3, Transfer of Functions. Are those decision making kinds of functions?

MR. CHAIRMAN: That is, that is correct. That is the DOT and that is in there, okay.

VOICE: So the decision making is transferred from the Land Use Commission, DOT, to the DLNR; do I understand you correctly?

MR. CHAIRMAN: As I interpret it now --

VOICE: No, I want to know how the Attorney General interprets it.

MR. CHAIRMAN: We haven't asked him for an interpretation --

VOICE: Why?

MR. CHAIRMAN: -- if it -- why? Because in the process of adopting Administrative Rules the process, one of the first processes is to have this public hearing to receive testimony from the public at large. We will then review it, we will give consideration, careful review of all testimony we receive and if there are questions of a legal nature, then Staff will, of course, prevail to give us an opinion if we see a problem that involves legal matters.

Okay. But tonight let us get on with receiving the testimony so all of you that have taken the time to prepare your testimony have an opportunity to get it on the record. Because essentially this is what --

VOICE: Did you really answer his question about --

MR. ALULI: No. Maybe I've got to rephrase it.

MR. CHAIRMAN: I think I did, didn't I?

MR. CHAIRMAN: Okay.

MR. ALULI: I'll try. I want to know whether there are any case scenarios. In other words, has this so-called authority been done before for any other development or project for the state or private developers? I mean, this

is a new rule as far as I can see. I want to know whether it's been done before. If it has been done before, what are the scenarios?

I also what to know how much you spent for this Center and the kind of work that is going to be assumed like DLNR. I think those kind of questions should be answered.

MR. CHAIRMAN: Yes. To answer your question on the budget, I do not have that. My position is a geologist and I do not have that, what it costs. In so far as your first question, could you repeat that? The first part, but not the budget part.

MR. ALULI: I just wanted to know --

VOICE: What the scenario was.

MR. ALULI: -- yeah, scenario.

MR. CHAIRMAN: Okay, the answer to that is "no" there has not been anything processed under the Act 301. We have to implement by adopting the Administrative Rules.

VOICE: Can the resorts and things like that use this?

I see resorts by-passing everything and boom, popping up
resorts all over or anything else.

MR. CHAIRMAN: I cannot answer that question, I'm not familiar with all the laws.

MR. ALULI: So, geothermal is going to be based on using this?

MR. CHAIRMAN: Yes, Act 301 --

MR. ALULI: And not spaceporting, and not manganese nodule mining and everything else?

MR. CHAIRMAN: Correct, it does not involve that. Act 301 does not involve spaceport, okay.

MR. ALULI: So this is a bad way to begin as far as all these inter-agencies work because what I fear is that the state is going to do the same thing to all the other developments on the Big Island. And that this Rule 301 or Act 301 is really a bad way to start in administrating those things. And that's the kind of scenario I want to see development discuss.

MR. CHAIRMAN: Yes. What we are here tonight to do is to implement the Rule. The Legislature has already spoken in, the 1988 Legislature has already passed Act 301 and we are simply trying to implement it. And I think I've answered your two questions. Okay, so if we may begin, I would like to call on the first person, Henry Ross.

MR. ROSS: Mr. Chairman. I would like to start and give you a little, little background of myself. Very little. I'm against this whole project, you can see that as a basis for my testimony.

I have to object to this public hearing, the way it is held. I think it is invalid. Chapter 91, HRS, requires that in the advertisement for the public hearing the substance should be given in sufficient measure, it isn't.

I didn't know what this was much about, what this was about until I got the Rules here, and I've been trying to read them in the 10 minutes that passed which, of course, is impossible. But it is mainly demonstrated by the questions that you have just answered and been posed to you. People don't understand. They say that they didn't know what this is all about, tell us, explain to us.

This explaining that you have just done should've been done in the newspaper three weeks ago when you started to publish the announcement for the public hearing. And this is a requirement under Chapter 91.

To get to the Rules, I think that this a perfect example of how to turn a good idea, I mean a good idea, geothermal energy use, into a bad project. A very bad project.

We have been going through this on this island for years now. It took a contested case hearing by Mr. Ono when he was the head of your department many, many months to finally come up with turning down the 200 megawatt request that was then on the table and limit it to 25 megawatts.

We have a two and a half megawatt thing in operation and it stinks, as was demonstrated. I can tell you that it does, I can agree with there. By the way, I live in North Kohala this whole thing doesn't touch me.

I think what should be done, and I don't do this as a

basis for what I'm going to say about the Rules, what should be done, now that the county is working or the state and county or whoever is working on the 25-megawatt plan, we should see how that works out before we start talking about 500 megawatts.

VOICE: Yeah.

MR. ROSS: I would like to tell you the following; we get from Honolulu -- and the reason people object is that there are many people in the area that are affected, people object to having you office in Honolulu and not here where the project lies is that they want to have more say. I don't see the county behind the table here, anybody representing the county and I think that would be nice, at least.

VOICE: Yeah. It's rude they're not.

VOICE: They're invited.

MR. ROSS: Things may happen with the 25-megawatt development that turn us totally off on the 500 megawatt and there should be more time. Now, I'm saying that because these Rules, in these Rules that were drawn up in you department by your attorney you're trying to do it in less time, and we don't want it done in less time.

There's often talk about the "not in my backyard" syndrome. I want to tell you something, we, obviously, are Honolulu's backyard. This is being put in our front yard, and we, damn, don't want it in our front yard.

I don't see want advantage that it is for this island to have this project here with a monstrous cable along the Hamakua Coast along to Kawai before it goes into the ocean, and the next storm blows it down and all of Honolulu is out of power and so forth. I don't see any purpose in this whole thing.

I would like to tell you what I dislike, among other things in the Rules that I have tried to read a little, I'm referring to Pages 12 and 13 of the Rules that I have here. Under -- and I've only been going over a couple of paragraphs -- starting after the agencies enumeration that finishes with the Mayor of Honolulu.

Those paragraphs where it says state and county agencies and so forth and then Section 13-185-12 is what I read. I read in there, those two paragraphs at least 13 times the word "shall". You know what I thought, I mean, I didn't have time to read the rest it's proven with the word, shall, shall, shall, we, damn it, are not a dictatorship.

You know, you could use -- and I know much about legal language, believe me -- you could use the word "may", and "will" and things like that, you know, but don't mandate every Goddamn, little thing what everybody "shall" do under your Rules. It's your Rules, you are mandating all these people to do certain things that you do not have the right to mandate.

You carry questions, you may invite them and so forth,

but don't forget, among other things, the the County of Hawaii is independent from the State in many matters that are touched here, many matters of committee and don't mandate anything.

VOICE: Right on.

VOICE: Yeah.

MR. ROSS: This is bad language. I would like to tell you that I want to see as much delay as possible, and I'm not alone believe me. You see, when we have more time there will be more opportunity to object to things and to think them over and to come up with better solutions and whatever.

Also, if we -- you see as indicated -- is basically the purpose, and that seems to be in the Act, is to streamline the permitting process. I would like to tell you something, there are some problems with that. You mentioned for instance, this is freely interpreted by myself, why bother the Department of Transportation if you are only drilling a well, as is generally done?

Well, I'll tell you, the Department of Transportation is the only one that can judge whether it should be consulted or not because in order to build a well, you have to transport heavy equipment down to the place to start the drilling, and that is where the DOT may have problems. So you cannot judge, the Department of Transportation can.

What happens normally in procedure like this, is that one agency does something, sends the proposal or

whatever it is under discussion to all the state agencies, county agencies, federal, whatever it involves and requests them to comment on it. Then when they have all the comments in, they make their decision. Then it comes to the next step, and they send their stuff to everybody around. You want to cut that short. I don't.

If the road to get there is longer the better are the chances that somebody will wake up to the abomination that we are facing. I also would like to say that I would like to see a normal process and more delay introduced here because of the fact, unfortunately, we have a Governor of very mediocre intelligence who is drumming things through. That's the way we see it here.

And I would like to wait for a new Governor to shine his lights on this, maybe we'll fair better. We have got to get far away from Honolulu, Mr. Chairman, and this has happened before not with geothermal maybe but with other things. Things are determined for us as if we were children. It reminds me of the old plantation days. The plantation thinks for you, you do it, shut-up, and so on, and that's the way we handle it.

This is going on in Honolulu. We are supposed to say "yes", "please", "thank you" for a space project, station, or whatever. We are supposed to be grateful if the state, you know, supports manganese nodule processing industry here on

this island. We have to be thankful for being the geothermal source for Honolulu, let me tell you something, if you drill a little deeper in Diamond Head you will have steam too. Why don't you start drilling Diamond Head first and if you come up empty, we'll think about it.

I'm saying these things, Mr. Chairman, because this is a very serious matter to us. And I think that Honolulu has to be shaken a little by us because we will be the ones to suffer.

I know that everything, you know, is a couple of years down the road, but if we don't start now to object to anything and everything that comes from Honolulu, like your Rules, then later it may be too late, you see, because it's done.

In talking about the phone, you know, I just heard that you can call us collect. That's very nice, but you see we are at back water here and I've complained of that very often.

You know, when you live in Honolulu, and I lived there for 20 years, and you live in Honolulu and you pick-up the phone and you call the Police Chief and you call the Mayor or you call the Governor or any department or whatever. When you live here you have to pay for those damn things. That's not equitable treatment, Mr. Chairman, and that's the way it has always been.

The only exception or one of the very few, I should be careful, is the Department of Energy which is the Division of

Energy and the Department of Planning in Honolulu that has a free telephone number. You don't. You say, "You can call us collect" other agencies don't. Other people in this county don't know that they can call you collect. We happen to know because you told us, thank you very much.

But other people who have thoughts and say, hey, I live in Pahala or in Kona and are not here tonight and they want to know something about it or in Honoka'a where they are going to get that cable all the houses and so forth, they don't know that they can call you collect. And people that I know that live here and so on, so it goes by the wayside.

I propose therefore that the inter-agency group be moved to this island so that we have more say. After all, this is our front yard.

VOICE: Yes.

VOICE: Hear, hear.

MR. ROSS: Mr. Chairman, there are many other people who no doubt want to say something too, I will limit myself, there will be other opportunities. I thank you very much for the opportunity and that's it for tonight.

MR. CHAIRMAN: Thank you very much, Mr. Ross. You were exactly on time, 15 minutes. I will give a three minute warning just so you will know that you have three minute left, and ask that you try your best to keep it within the 15 minutes so that everyone that has signed up will have an

opportunity to speak. The next person that I would like to call on, the first sign-in person, John and I can't make out the last name, three letters, John, I can't make it out, 821 West Kawailani Street.

MR. TAN: Here.

MR. CHAIRMAN: May I have your spelling?

MR. TAN: Tan. T-A-N.

MR. CHAIRMAN: Tan. Okay, thank you.

MR. TAN: Mr. Chairman, I was born and raised on this island. I do appreciate if they can make a geothermal plant pretty sound just like Portugal. A kahuna come over from Portugal, he went over that during his vacation time with a group, and he has said that down there they have made perfect plant for geothermal.

And the people have shown him that they can cook meals with the heat from the geothermal. Now, over here the boys before, some time ago, hunted with a bag which is round with a pig in there right inside the steam which is wrong because you are gonna have all the sulfur get inside into the pig. But they had done the right way, built like a caldron, you have the heat that goes around there, and you can do that because I work in the jelly factory before. And we used the steam to heat up and we make our jelly and jams and all that, the Hawaiian Packing Company.

But this geothermal, we need that because the

plantations have gone all down, but we wanted to make it safely. Not political now, this is what I'm going to tell you. This is what I'm coming up, not political, but to be self-supporting, self-sufficient on this island. Maybe Honolulu, maybe afterwards, but first we need the geothermal here and make it sound, environmental sound. Not like what they have today.

Today what the University have done and what they have done out there is not right because I pass one time in the evening to go down Kalapana and I have to raise up my windows on my car. And they can do a better job. If Portugal can have and kahuna can tell me, I don't know why, but I receive messages without knowing but I receive it now that I know that they gives me, but somebody else come and give me the report.

So this is what I want you folks to do. Hawaii needs geothermal, but have to be correctly made; otherwise, don't do it. We have a lot of gulches over here, we can put dams up and we can get perfect waterfalls.

It is not political. I do not want political here. My job in this world here, I got a big job but the money didn't come me so I had to wait. But the thing is to make all the world self-supporting, every nation self-sufficient, in other words, and get down and everybody get down on the penny, everybody have to work for their living. And no wars. I have

given down to Africa how to run Africa where they are having their problems. And this guy there, the Ambassador down to Africa he gave me a piece of paper to make a gift and I say okay, I'll give a gift to you, but it is not for my opinion.

But I'm going to get the Great One to give it to you.

And I gave it up to him and he gave out the mail that I don't have to pay my stamp for some paid envelops to go back to him, and he lives down in Virginia, in the United States.

So, this is what I'm telling you people here not to fight this and that because we are just like positive and negative and we are the elements in here. So if we don't function right, I bet you we will kapoot. Thank you. If we don't function right this whole thing will all fall down. This is all what I like to tell you.

MR. CHAIRMAN: Thank you very much, Mr. Tan. The next person that I would like to call on and receive testimony from is Ron Phillips from the Puna Community Council.

MR. PHILLIPS: Mr. Chairman. The Puna Community
Council --

MR. CHAIRMAN: Could you just cup it? Yea.

MR. PHILLIPS: This way you can't hear me. The Puna Community Council has reviewed the Department of Land and Natural Resources proposed Administrative Rules for Act 301, formerly Senate Bill 3182, and finds the Rules do not reflect the intent of the State Legislature.

The Puna Community Council has provided extensive testimony during the Legislative process and assisted in shaping the final version of Senate Bill 3182. It is our conclusion that DLNR has misinterpreted the intent of the proposed Administrative Rules and if the Rules are implemented in their present form, will do more to damage geothermal development than to support it.

Once again, the community has had to engage legal services to provide an analysis for the state and to preserve the integrity of all affected parties. We are resolved to work with all necessary groups to ensure the development of geothermal, as an alternative energy source, is consistent with the protection of the environment and the community.

The Council therefore offers the attached analysis and I would like to read this from the attorney, Cynthia Thielen in Honolulu.

"On behalf of the Puna Community Council I am submitting comments on the proposed Rules of Practice and Procedure for Geothermal Cable System Development Permitting, hereinafter, Proposed Administrative Rules of the Department of Land and Natural Resources.

"The Proposed Administrative Rules are intended to implement the Geothermal and Cable System Development Permitting Act of 1988, Act 301, Session Laws of Hawaii 1988.

DLNR cannot, through the proposed rules, confer upon itself

power and authority in excess of the Statutory authority set forth in the Act.

Q.

"Comments on the Proposed Administrative Rules follow the sequence of the Regulatory Provision and are not listed in any order of importance.

"Number A. Section 13-185-2 under Definitions. A definition for Intervenor should be included in this Section and should provide: Intervenor means a person or agency who can show a substantial interest in the matter.

"B. Section 13-185-3, Paragraph A, Transfer of Functions. One, the ability to intervene is severely restricted. The Proposed Administrative Rules provide that persons must 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.

"This stringent standard would grant the DLNR power to deny admission to virtually any person. The existing Administrative Rules of state and county agencies do not contain such unwarranted restrictions.

"The language should be changed by replacing the above Section with the following: All other persons may apply for leave to intervene which shall be freely granted provided that the Department may deny an application to intervene when in the Department's discretion it appears that;

"One. The position of the applicant for intervention concerning the proposed change is substantially the same as the position of a party already admitted to the proceedings; and

"Two. The admission of additional parties will render the proceedings inefficient and unmanageable.

"See Section 15-5-52, Paragraph C, Hawaii Land Use Commission Rules, Chapter 15-15, HRS.

"In other words this revision would require that the position of Intervenor be substantially the same as existing parties and the admission of additional parties would make the proceedings unmanageable and ineffective.

"The test is conjunctive which protects the right of persons to freely intervene. See Aku vs. Ohana Corporation, 65 Ha. 383, 386-390, 1982. And see Expansive Standards allowing various organizations standing to challenge agency action enunciated by the Hawaii Supreme Court in Makueke vs. Planning Commission, 65 Ha. 1, 7-8, 1982; Life of the Land Incorporated vs. Land Use Commission, 63 Ha. 166, 177-77, 1981; Life of the Land vs. Land Use Commission, 61 Ha. 3, Sect. 1979; Wainae Model Neighborhood Area Association vs. City and County, 55 Ha. 40, 43-45, 12973E; Diamond Head Association vs. Zoning Board, 52 Ha. 518, 523-24, 1971".

She's gone to a great deal of trouble here,

Mr. Chairman, to list the things that are clearly that DLNR

has over-stepped its authority.

"As presently drafted the Proposed Administrative Rules permit DLNR to deny leave to intervene to any member of the public in either instance. Yet the position is the same as an admitted party or if the addition of a party would make the proceedings inefficient and unmanageable.

"Although the petitioner would qualify for intervention the DLNR could deny the application if it decides the intervention could make the District Boundary Amendment proceedings inefficient and unmanageable.

"This rampant authority should be eliminated from the Proposed Administrative Rules as it conflicts with the liberal, judicial standard in proving standing for community organizations.

"Number Two. Appeal of Denial. A provision should be added providing for direct appeal in the event intervention is denied. The person whose application to intervene is denied may appeal such denial to the Circuit Court pursuant to Section 91-14, Hawaii Revised Statutes.

"C. Section 13-185-3, Paragraph B, Transfer of Functions. This Section of the Proposed Administrative Rules empowers DLNR to grant Special Use Permits within agricultural and rural districts. This is strictly a county function. See Section 205-6.

"Counties have jurisdiction over uses within

agricultural and rural districts involving land of less than 15 acres. For land areas greater than 15 acres the County Planning Commission's decision is subject to the Land Use Commission's approval, approval with modifications, or a denial. Only this latter function of the LUC may be transferred to the DLNR." "Only this latter function of LUC can be transferred." Pardon me.

"Accordingly Section 13-185-3, Paragraph B should be redrafted to make it clear that DLNR is not usurping authority from the county". And she's got a note here "See the aft Sections 196D-9, and 196D-10, Paragraph A(1) of the Hawaii Revised Statutes.

"D. Section 185-13-4, Consolidated Permit Application and Review Process. This Section provides that the jurisdiction afforded any agency under the existing law is not affected or invalidated except to the extent that permitting functions have been transferred to the Department for the purposes of the project.

"Does this provision mean those functions only of Land Use Commission and Department of Transportation which are transferred by the Act? Section 186-D-10 (1) and (2) HRS or does the provision imply that permitting functions not authorized by the Act are to be transferred at the discretion of the agency? This unclarity could be eliminated by adding, "by the Act" after the word, "transferred".

"Section 13-185-5, Contest case provisions. One. If an agency is to issue permits sequentially, are all the permit applications required to be submitted at one time in order that that agency, county or state, can address all issues at a simple contested case proceeding?

"The first sentence of this Section should be reworded to clarify that the contested case would address all permit applications to be issued by the agency with reference to contested cases.

"Two. The second sentence providing for appeal from a Decision should include appeal from a Decision made by the agency pursuant to a contested case hearing.

"F. Section 13-185-6. Streamlining. The second sentence provides the department shall track the status of 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. It is unclear if this sentence means the purpose of DLNR permit tracking is to allow DLNR to consolidate permitting for geothermal and cable system development projects or if that provision only defines why certain permitting functions were transferred to DLNR.

"If it is the latter case, the words are superfluous and should be eliminated. If it is the former case, the Legislature did not grant this authority to DLNR.

"G. Section 13-185-14 the Conflict resolution process.

The Act provides that a mechanism used to resolve conflicts shall be incorporated into the Consolidated Permit Application and Review process. Section 196-D-4, Paragraph B, subparagraph 5, Hawaii Revised Statutes; Section 13-185-14 of Proposed Administrative Rules sets forth conflict resolution process.

"In the event conflict between state and county agencies cannot be resolved the Proposed Administrative Rules provides in Section 13-185-14 (B) the Administrative Director or the Administrative Director's designee and the head of the Mayor's designated county agency or that agencies designee shall meet with the involved state and county department heads within 20 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 Directors decision within three calendar days from the day of the final decision.

"Where a county permitting authority is in conflict with a state agency for a permit application that section removes the county's jurisdiction over the permit. The state Administrative Director renders a decision and the county must implement the state decision forthwith. A similar provision applies to conflicts between state departments with the

Governor rendering the decision.

"This Section exceeds the Statutory authority in the Act, Section 196B-4, Paragraph B, sub-paragraph 5, HRS, this Section violates Section 196D-5 (c)(5) of the Act which states the Consolidated Permit Application Review process shall not affect or invalidate the jurisdiction or authority of any agency under existing law except to the extent the permitting functions of any agency are transferred by Section 196D-10 to the department for purposes of that project.

"See also Section 196D-9, HRS, construction of the Act ruled that the DLNR has the authority to make rules to implement the Act provided further that the Consolidated Permit Application and review process should not affect or invalidate the jurisdiction or authority of any agency under existing law.

"H. Section 13-185-15 Monitoring applicants' compliance with terms and conditions of permits. This Section of the Proposed Administrative Rules sets forth the scheme for monitoring and, if necessary, enforcing geothermal and cable systems development applicants compliance with permit terms and conditions.

"Article 11, Section 9 of the Constitution of the State of Hawaii gives the public standing to enforce through the courts laws relating to environmental quality which include conservation, protection, and enhancement of the

natural resources that control the pollution.

"Section 13-185-15 of DLNR's Proposed Administrative Rules must include a provision by which an organization or private party can sue for injunctive relief where the applicant is violating permit terms and conditions and DLNR is not enforcing compliance.

That is that and I thank you, Mr. Chairman for the opportunity.

MR. CHAIRMAN: The comments you have read will certainly be reviewed and will become a part of the record.

We're on track, and we have 11 more to go and if my calculations are correct we really have not time to spare. Are there any others, anyone else in the audience who wants to testify but did not sign up on the sheet? Would you come forward and write your name so that if we assign 15 minutes we won't have enough time.

So of you who can or have, those of you who have written testimony if you are going to submit it to us, it becomes a part of the record. So you may want to, in the interest of time, give an oral summation of your written testimony, but your full written testimony will be part of the record. I would like to remind you that you may submit additional written testimony --

VOICE: You've said that before, why don't you get on with the speakers.

MR. CHAIRMAN: Yes, yes. Okay, Fine. The next speaker would be Sullivan, Tim Sullivan.

MR. SULLIVAN: How-do-you-do. My name is Tim Sullivan.

I'm a resident of Leilani Estates and --

MR. CHAIRMAN: Hold your hand over the, yeah, okay.

MR. SULLIVAN: I've got a big mouth I don't need this.

VOICE: Yeah.

MR. SULLIVAN: My name is Tim Sullivan, I'm a resident of Leilani Estates and I just wanted to say --

MR. CHAIRMAN: Could you cup the other one. Just hold it a little bit longer, you know, the big one. Okay.

MR. SULLIVAN: I've just got a couple of things.
You've seen this world renowned publication (indicating) this is June 1989, so I think it quite pertinent to what we are speaking of right now.

They've got this -- the main article in here is "March Toward Extinction". I think your job in Land and Natural Resource should be on the forefront of "March Toward Extinction" when it comes to Hawaii, the people, and the different types of wildlife both birds, mammals, plants, anything that is in Hawaii.

"Tonight the states can look at Hawaii which most of us regard as paradise, but which biologist consider the endangered species capitol of the world. Though occupying less then two-tenths of one percent of the nations land mass, Hawaii contains 27 percent of its endangered species and birds. Seventy-two percent of U.S. species that have already become extinct did so on these islands.

"I'm angry as I rest on a hike on the slope of the volcano Haleakala. In Hawaii pre-history I would have been sitting in a diverse forest rather than an over-grazed scrub land dominated by prickly plants that cattle won't eat.

"Almost nothing from the peacock that preened minutes earlier in front of my path to the cabbage butterfly that just now alighted on my arm is native. Is this island so, where only rats, and pigs, and cactus thrive, a microcosm of our future?

"Our questions fed by my field work arise, hasn't this happened before?" And what this part of the article was about was the different extinctions that have happened through time about every 26 million years over the past four billion has almost total extinctions occurred.

You know, much more than what I was always lead to believe as just one type of extinction of the dinosaurs. Dinosaurs is extinct and unextinct and come up and come extinct many, many times.

"Hasn't this happened before? Diversity suddenly becomes -- "I don't know -- "And each didn't. Life recovered each time. New heights of evolutionary creativity" and the big picture, is this really so terrible? What is happening

today? Life will go on no matter how bad we make things. Some organisms will quote "survive and flourish". Isn't this the lesson of mass extinctions? What is the difference about this one? We are the difference. For the first time since life began on this earth 4 billion years ago a living organism can understand what is happening to this planet.

We can see the health of species inter-connected that we to, that if we too may disappear. And we will go also. For the first time living organisms can consciously do something to halt mass extinction. Perhaps most important for the first time a living creature can gaze across the species of earth and say, "This is beautiful, I care, I will not let it go". Thank you.

MR. CHAIRMAN: Thank you, Mr. Sullivan. The next person I would like to call on is Jennifer Perry. Jennifer Perry.

MS. PERRY: My name is Jennifer Perry and I'm a resident of Kapoho. We live in a very unique and special place. Hawaii was the first of the 50 states to have a General Plan. It was prepared in response to the State Planning Act of 1957 and subsequently passed by the 1961 State Legislature as the Land Use Law, whose intent is to protect agricultural lands and to promote the public welfare.

Provisions were made to allow for boundary changes

and special permit procedures which included the process of a first review at the County Planning Commission level and then a final review at the State Land Use Commission level. These provisions allow for public hearings and notification of adjacent residents and land owners within 300 feet of the property line.

In determining which parties may intervene in the hearing proceedings the Land Use Commission must allow all person who can show that they will be directly and immediately affected by change in a way that is clearly distinguishable from the general public. This could include adjoining residents and owners. Other person may petition to intervene and the Commission may turn down such a petition under certain criteria.

With regard to geothermal development we have new rules being proposed tonight which have flaws, especially regarding the passages relating to public notice and intervention.

There is no special and crucial provision for notification to property owners and residents within a certain distance from the proposed geothermal development site.

Special permits, General Plan Amendments, and Boundary Amendments, require written notice to those 300 from the property line. Since geothermal development has been known to be so noxious and/or disruptive to neighboring areas as indicated by suits filed in Nevada against Yankee Caithness

Joint Venture and against Ormat Far West Geothermal, we need to review the 300-foot notification line to determine if that is adequate.

Further, under the proposed Rules the DLNR shall deny an application from any member of the public if it appears it is substantially the same as a position of a party already admitted to the proceedings or if admissions of additional parties will render the proceedings inefficient or unmanageable.

This appears, again, to be an attempt to keep the affected public from the decision making process. The Land Use Regulations, which this new Rule will replace, provides that the department "may" and not "shall" determine a denial, and certify that both reasons must be met with an "and" and not an "or".

There appears to be a grave neglect of public concern and input in these new Rules and I ask you to reconsider this proposal.

MR. CHAIRMAN: Thank you, Jennifer. Jim Blakey.

MR. BLAKEY: Yes, I just have a brief comment. It seems that the County of Hawaii has reached a bit more, has a bit more responsive government then we've known in recent times or in past times. And I'm particularly opposed to the Department of Land and Natural Resources taking a lead in things that affect us so dramatically.

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The Department of Land and Natural Resources has a long history of impinging on the land and the people of this And I would just like to request that the county and the county agencies of Hawaii be allowed to participate with the citizens of this county to work for a cleaner approach that we have yet seen taken in geothermal development. Thank you very much.

> Thank you, Mr. Blakey. MR. CHAIRMAN: Delan Perry.

MR. PERRY: My name is Delan Perry. I live and farm in the Kapoho Geothermal Subzone. I've read the proposed Chapter 185 to coordinate and streamline geothermal development. According to my dictionary streamline means quote:

"That shape of a solid body which is calculated to meet with the smallest amount of resistance in passing through the atmosphere."

In this case the atmosphere is the proper review of drilling, health, land use planning and community concerns. Geothermal development will not be facilitated except in the short term by accepting driller and developer programs without independent assessments of their claims.

In the long term streamlining that would result from these Rules will further remove the two agencies who now take the most careful and comprehensive look at these industrial uses. These are the County Planning Commission and the

affected community.

For good future planning with the least impact any project should have at least a one-year permit process, such as in California. The affected public must be involved at a very early stage and the permitting agencies should be contracting studies to assess the validity of the developers claims. That and land use conflict should not be left to the developers discretion.

Drilling regulations which must be upgraded to mitigate devastating problems, must be upgraded to mitigate devastating problems. The DLNR is not yet equipped to properly review even the drilling permits. Case in point is SOH permit which after approval by DLNR was withdrawn by the University when, after public input, they began to recognize the high level of danger their plan entailed by not casing down to a least 4,000 feet and proper anchoring at that depth. These Rules would also:

One. Destroy the concept of Land Use Zones usurping the county's authority to regulate appropriate development in agricultural districts, Page 185-6, and making geothermal development the primary land use regardless of pre-existing uses;

Two. Allowing for ignoring for any county conditions, Page 185-15, if the county consents to these Rules; and

Three. Freeze-out land owners and residents with legitimate rights from contesting the decision, Page 185-7.

I urge these Rules not be adopted as they will make careful, independent review far less likely. And in the long run can result in consequences no one will be able to live with.

I also urge the Department of Health and the counties to have no part in the Consolidated Permit Process. I believe these Rules go far beyond the Legislative mandate of Act 301. Streamlining geothermal permits will only hasten the mistakes that increased public input and agency reviews could catch. Thank you.

MR. CHAIRMAN: Thank you, Mr. Perry. Barbara Bell. Barbara Bell.

MS. BELL: Hello, I'm Barbara Bell, vice-president of Kapoho Community Association. I urge denial of these Rules of Practice and Procedure for Geothermal Cable System

Development Permitting that will streamline the permitting process until several changes are made.

The process has 365 days, one full year not 180 for careful review and sufficient time for commentary from all agencies and the public;

There is a Environmental Compliance Officer or Board as a liaison between the state and the public. This position should be at least half funded by the geothermal industry;

The contested case provisions allow more than one hearing;

The Information Services Center has provisions for the community to receive information just as easily as permit applicants;

The Annual Report to the Governor shall be available to the community at no charge.

In closing I would like to add that I strongly object to the wording on virtually every page that states that the State of Hawaii wants to help in any and all ways any applicant involved in the geothermal and cable systems. I see in print how, when my state government wants something, they go after it.

I will believe that geothermal and cable development on the Island of Hawaii is beneficial and benign only when these Rules give much more latitude to the community for input and timely conflict resolution out of court. Thank you.

MR. CHAIRMAN: Thank you, Barbara Bell. Michael LaPlante.

MR. LaPLANTE: I hope it's not too bad now, come to my house for breakfast in six months. Good evening. Thanks for giving me this time again. I'd like to start with a little demonstration, just a small demonstration, this one won't affect your noses. What I'm going to do is just set this up here and turn it on kind of low (cassette player).

Rod Moss last night explained that -- (turns on cassette player, testimony inaudible)

Sorry, new technology for you.

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VOICE: How many decibels was that?

MR. LaPLANTE: That was between 65 and 70.

VOICE: And what is the proposed level now?

MR. LaPLANTE: Well, Rod Moss stated last night that they are going to start at 85 decibels around the project site --

VOICE: Louder than that?

MR. LaPLANTE: -- with a plus or 10 around that figure. So, I can't turn it up loud enough to give you what it will be like 24 hours a day for the next two years at everybody's home around the project site.

Now, I would like to read something for you that I've got here. My concerns are based on the poorly stated facts brought forth by True Mid-Pacific Geothermal Enterprises and Campbell Estates' team of private consultants. I'm a property owner and litigant against the land swap arranged by Campbell Estates and the State of Hawaii.

I have been severely distressed by the actions taken by our past Administration and Campbell Estates. I have personally planned to live, have a family, and grow healthy plants and crops in peace. True Mid-Pacific and Campbell Estates have initiated a land swap which has gone through, as we know, which changes the land behind my property from Reserved to Industrial.

Not once were we asked if this would affect our lifestyles. Private enterprise has no conscience or moral
obligation to residents boarding the Reserve. The state has
the responsibility to negotiate a proper settlement with all
parties involved. Without a doubt, the old Administration
refused to look at the facts and chose to listen to the
opinionated representatives of True Mid-Pacific Geothermal
and Campbell Estates highly paid consultants.

Paul Rosenthal representing Campbell Estates and True Mid-Pacific Geothermal Enterprises was proven vain and inaccurate in field studies. He also represents private enterprise while hiding behind a mask of pubic sentiment involving the Bishop Museum.

The lessons we have learned from his present actions on Maui displacing ancestral remains, was worth completing a thorough study, should stand as an example to this Department of Land and Natural Resources as testimony to his own self-interests and not those of Hawaii and her people.

There are those of us here who have seen the mark left by our ancestors in the surrounding areas and the Puna Forest Reserve in these parts, in these areas that we call the Geothermal Resource Zone.

The planting of herbs and edible foods is testified to by Al Jardine has totally been ignored. The beauty and the benefits derived from the Puna Forest Reserve is testified

to by area residents, have been shelved to serve private enterprise. The trail systems and burial caves systems are to be bulldozed over and filled according to testimony by Mr. Yamada. This will constitute and great loss of history which I believe plays a great part in the development of our children.

A respect for these lands will show respect for our past. To destroy our history without totally studying it shows a lack of respect for the land and its people. To destroy the land you live on and which supports us agriculturally shows us all your lack of respect for the Big Island.

The Department of Land and Natural Resources,

Mr. Conner and the County Council members, everybody out
there, I ask you, I beg you to look thoroughly at the motives
of Campbell Estates and True Mid-Pacific Geo Enterprises and
Ormat and the rest of them. I ask all of you, will you be
associated with past Administration's motives or will you be
remembered as a new group of people, a new Administration?

My hopes are for a new look at an old problem. I find it inconceivable that our Governor Waihee, being part Hawaiian, would back the destruction of the Puna Forest Reserve and surrounding areas.

The Puna Forest Reserve is a living history book without proper study we will loose a chunk of our history to private enterprise. All of these questions about Hawaiian ancestry seem to be put on the shelf by our old

Administration. I'd ask our fine Governor to ask some very
pointed questions of these developers. All across America

Americans are waking up and seeing the pile left behind by
the dog that represents this type of private enterprise.

The reinjection and the sump pond system will bring tainted water to our crops in the fields and to our children in the schools on the Big Island. We live on an island that has limited resources. We have one drinking fountain under us all. One fresh water lens.

The Administration can see the need to limit cesspools, yet your blind to what a reinjection system or open sump ponds could possibly dump on our fresh water lands. What specific controls will be instigated to protect Big Islanders from toxic spills? What controls will you demand to protect all Big Islanders? How will you monitor these tests so that the public believes in you? Your credibility is on the line here.

Last but not least, are the helpless creatures to be displaced and destroyed by progress. Will you walk with your grand-children and marvel at the beauty of the Hawaiian hawk, the fresh and alive smell of a rain forest? Will you show your children, our children, pictures of rain forest or will there be a living history, a book of living trees and birds or will there be a future of bitter dissolution created by uncontrolled private enterprise?

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Let's all work together to insure the state maintains control of geothermal development. You know, let's not let this get out of hand just because the guys got the bucks in his pocket, and we need the money. Hell, everybody here needs money.

Rod Moss stated in his address to Puna Council, Tuesday the 20th, that no baseline study has been done in the northeast boundaries, specifically Fern Acres, Hawaiian Acres, and Ainaloa. He also stated that no study need be done because these areas receive no south winds.

VOICE: I think we went through that, didn't we, with those south winds?

MR. LaPLANTE: He also stated that no study is needed to set standards for ambient air quality, noise levels, or natural wildlife existences. Those studies are needed. I think this is bull. I demand a study be done before any further work is done on this project.

Rod Moss also stated that there are no known toxic wastes associated with geothermal wastes, more bull. He stated a sump pond 200 feet by 300 feet, eight feet deep, and this is just their first one on their first project site, is to be built unlined to just sit out there in the open. This is going to be used for all the effluent material that comes out when they do their steam drilling. The entire nine yards is going into that sump pond.

What about earthquakes? I haven't heard anybody write that in their computer projections. Where will all this mess end up in a time of flash flooding? Do you remember when the car got wiped off the Pahoa highway? What happens with that toxic waste from your little project up the hill?

Rod Moss stated that the noise level for the drill alone, the the drill alone will produce will be 85 decibels around the site. What will it be like on my property line when the southerlies are blowing or late at night? I want you to consider that.

No toxic waste site has been established by the developer. Has the state got a toxic waste site to plan for this? I want to see the paperwork on it. I would personally like you to have that delivered to me in writing.

Rod Moss's question about toxic chemicals, he used the analogy of fish swimming in the ocean and the pollutants didn't bother the fish. Well, those of us that know the 200 pound weight limit on commercial catches understand that, there's mercury poisoning in all fish over 200 pounds. It assimilates all the smaller fish, and you can't eat that. What happens with a 200 pound pig when that pig is out there running around? You know, what happens when we catch a pig and eat it? Who's going to take those risks and who's going to be liable for that poisoning?

I question the validity of the developer doing his own

on-site tests of toxic wastes. Where does the state fit in here? Why doesn't the state make these tests and take responsibility for these tests? I mean, you know, you can't just go, hey, you know, there's the road, get in your car, fill it with whatever the hell you want, just drive around and do whatever. I think we have laws about that, it's called DUI, as I recall.

No fencing of this project site will be done by the developer. Who's liable when kids or farm animals wander into these areas? Who will begin to take the liability? Who will be paying for that insurance? I believe it falls back on the state. I'm not sure, but I would like to have that in writing also.

Rod Moss stated that the site, that on site archaeological data will be evaluated by the developer and brought forth as the developer sees the need for public awareness. Let's wake up to the facts here. You know, if you guys can't obligate a reasonable archaeologist to get in there and really take a look, you're going to have hard times in the future because there's stuff out there. There are pictures being made and videos being made.

And you know what happened on Maui, gentlemen. You know, we have a threat that they are going to put in a giant coal mine and burn more oil if we stop the geothermal. Maybe you just need to really clean it up and clean up the

geothermal. You know, I find that really highly unprofessional, and you should check that out closely.

I'd compare this program, since I've been compared to a few other things, I'd compare this program to a highly polished apple. It looks real good, you buy it in the store, take it home, you've paid for it, you take a big bite out of it and you find it full of worms. Don't be caught with a worm in your mouth. Wake up to the needs of the County of Hawaii.

Now, just to show you that I'm not just up here making a stinken stink, here's a solution. I worked in Alaska. In Alaska what they did is they covered whole city blocks with tents, cover the whole block. They do that when the ground is unfrozen, before the permafrost sets in. What I suggest you do is you go out to that HGP-A well and you put a dome over that sucker. You want the technology, just call the developer in Alaska.

In Alaska I worked on a project that covered a city block in Anchorage. The entire city block was tented and the atmosphere inside the portable dome was heated and controlled. I propose they put a similar structure over the HGP-A selected site, it's just standing there steaming away, control the air flow into the dome, you know the ambient air qualities outside the dome, and then what we do is make it like a big tea kettle, we put a little top on the top if it. I propose you cover that HGP-A well now and produce a new and verifiable set

data for us all to look at.

I personally invited the Department of Health to participate here tonight. I didn't answer their ad's in time so I'm not allowed, I'm not in their mediation. I'd asked publicly to be informed and kept up-to-date on all mediation efforts. What happens to my interests? I work damn hard as a carpenter. I was in Hawi for two weeks with little outside communication. I missed your notice and so I lost my rights.

By not showing us your equipment to monitor H2S and noise monitors here tonight, you show us your lack of respect. Your no-show attitude with monitoring equipment shows us that you are not prepared. Let's get better organized and hold to our responsibilities to each other as human beings. Thank you.

MR. CHAIRMAN: We'll continue with the meeting.
Robert, I can't make out the name, he's a homeowner in
Leilani Estates. Robert, it starts with a P.

MR. PETRICCI: My name is Robert Petricci and I live in Leilani Estates very near to the HGP-A. I've been hearing a lot about California, L.A. in particular, their air standards and water standards.

Well, I grew up in California. When I got there in 1961 the air and the water were beautiful, blue and clean, and I saw it destroyed slowly. First, the air started getting

brown on the horizon and by 1973 when I moved to Hawaii it was unbelievable. The air was a brown-orange haze that burns the eyes and the throat. I've seen it happen and I see it happening here in Hawaii again now, and I think we need to prevent this instead of trying to fix it later.

It seems that these Rules, if passed, are going to set a precedence for other industries. I don't know that I understand all the Rule changes, but it seems that it is the fastest, cheapest way for the developer to get this thing done.

The state and county have a record of inadequate planning and then they try to fix the messes by throwing tax dollars at the catastrophes that they create. So, it seems that we are supposed to let the state decide what's best for Hawaii County, and if there is a dispute the state has the last word.

Well, we all know that Honolulu is going to benefit, and the residents are expected to suffer in silence. Well, it's not going to happen. We will not be quiet, and we want a voice in the environment in which we have to live.

I'd like to take exception to the stenographer asking Michael LaPlante to move or she might pass out. I've lived with the same odor for nine years and I can tell you it's a lot worse than what Michael smelled like --

VOICE: Hear, hear.

MR. PETRICCI: -- at my house at times. And not to mention the associated noises. If this is so bad that the stenographer can't work, what about me?

I'm asking you to move the geothermal subzone far enough away from my home that I can be comfortable at all times. Thank you.

MR. CHAIRMAN: Steve Phillips, Steve Phillips.

MR. PHILLIPS: I appreciate the opportunity to speak tonight. I'll tell you that I don't have a prepared statement because I haven't had time to put one together. People that know me know that I am a little bit involved in the geothermal issues that are going on now, and I take exception to these Rules even though I haven't had a chance to check them over very well.

And I think if these Rules are adopted, I think we get one more step closer to ritualistic democracy. In other words, cutting us, people who are most affected, out of the process. And I think that is a sad thing, I think it's a sad thing when the state finds its own citizens the adversary. You know, it's the state against the citizens.

I think we are losing sight of what's going on here when the state is trying to force these things on the residents without participation. I live in Leilani Estates. I smell the geothermal. I hear it, I've heard it every night for the last week because it's been running off the

hook.

I think it's unfair. I think the county is trying to maintain some kind of control here, and it's unacceptable for the state to come in with it's heavy handedness and put this on the local people. And I think this Rule change is that. I think it's a heavy-handed technique by the people over on Oahu to make their pet projects go through.

The thing I'm most concerned is, it was mentioned earlier, the precedence is set if we let you roll over us with the geothermal issue, next will be the spaceport, food irradiator, we'll be strip mining the ocean, and all this stuff will be streamlined right to us.

And I just wish for once the people from Oahu could come up with something -- ready to throw money at us that wasn't controversial. You know, I mean, all these things you're subjecting us to are controversial. Let's come up with some imagination. You know, I'm -- basically I have a flower farm. I have all my money tied up into it and the state wants to come in and threaten my livelihood.

And the basic thing I hear from everyone here is the typical powerplay, big money against the local citizens. And it's really grossing-me-out, and I honestly believe that. I tell you, back and forth, it's the powerful against the powerless.

And for the state to even suggest these Rule changes

shows a lack of understanding of the people, over in Puna especially. And the thing that bothers me the most is we know that Puna is a poor community. We don't have the money and the time to go battle you people over on your own turf on Oahu. I've taken a lot of my own time out. My business is neglected. And there's mediation going on. I read in the paper the next mediator was appointed, another mediation will be starting up and that's two I'll be involved with.

Then there's the meeting tonight. There was one from the Health Department a couple of days ago. I mean, what's going on here? You guys are not -- I keep saying it, all these things, your not stupid, you know what's going on, and I believe you can do a better job of it. At least I for one believes that I have seen through it. The real purpose of these Rules changes is to by-pass the community. Thank you.

MR. CHAIRMAN: Thank you.

VOICE: Excuse me, I wish everybody could see the two representatives of the Department of Land and Natural Resources with their guns just sitting outside the doors.

It's very impressive, very impressive.

MR. CHAIRMAN: The next person is Ka'olelo 'Ulaleo. Box 6101, Pahoa.

MR. 'ULALEO: Aloha. My name is Ka'olelo 'Ulaleo.

And I'm from Ke kau Keokea in Puna E Kalapana e Hawaii ne'i.

As tutu Pele is one of my family amakua, it is my duty to

speak out. The lawsuit involving the illegal land exchange of 27,000 acres of ceded lands which is the upper portion of the 'apua'a of which I am a tenant, and the 25,000 acres owned by Campbell Estates is a clear indication of the ruthlessness of these damned right-wing elites.

Just who the hell does the Estate of James Campbell and HELCO think they are that they should be made rich by the State of Hawai'i in disturbing and swapping the ancient and traditional boundaries of the 'apua'a?

You people who sit in the position of authority in this illegal land exchange are a bunch of crooks. You brazenly steal from an entire race of people to suit your damn greed. This is the Kepolo's doing. The nerve. Real maha'oi. Po'i o Hawai'i. If you sit silently by and allow this crime to continue I will guarantee the high price to pay will be your health.

When you allow these ruthless capitalists to charge an entrance fee to sacred Kilauea to help bring down the pilau budget deficit the harmony was disturbed and the balance thrown off.

Did the state make you rich? No. You poor Hawaiians who remain silent to this nui crime lost your home and property. And the price we all pay is to breathe the fumes and drink the lead poisoned water.

This is only a small indication of what will happen if

Campbell Estates is allowed to develop a 500 megawatt in the area known as Wao Kele o Puna and the Puna Forest Reserve which is not and never was their property.

VOICE: Hear, hear.

MR. 'ULALEO: We will all be doomed if we permit this to happen. The wailing cries of our children and grand-children as their lungs collapse will be a reminder of our stupidity.

Those of you who have driven past the Pohiki well geothermal site know what I'm talking about. The offensive toxicants irritate the nasal-sinus cavity and throat. In fact, the sewage plant up Front Street at Puhi Bay is an example of this stink. If they can't solve the smelly problem up Front Street and Pohiki, what makes them think they'll have 500 megawatts of stink, doo-doo smell under control?

The offensive smell will greet everybody upon opening your doors. And when the rain comes, for which we have more then our share, then we will all be drinking lead contaminated water and all asking for pule.

Campbell Estate and HELCO get out of my 'apua'a of Wao Kele o Puna and go back to the 'Ola'a where you belong. You deal with Pele because she is nuha with you folks not with me. If I allow this to happen than will she be nuha with me.

I have my own interests to protect as Kahu of Wao

Kele o Puna as well as all of sacred Kilauea. You lucky I don't put a kapu on all of Kilauea.

The legitimacy and authority of you power elites is a fraud on the Hawaiian people as well as the general public. I question the authority of political leaders involved who created the conditions to make these possible abuses of power.

You greedy power elites are being challenged. The State of Hawai'i, the Legislature, the Campbell's, the Governor, and all involved in this corruption. As for Ormat, the Israeli money involved, I extend an invitation to the Arabs to come and blow it up.

We have reached the age of a crisis of legitimacy and the order that has prevailed ought to be ashamed of themselves. How quickly we forget when Pele went from Kahamua la'a to her mansion of Mauna Loa, and came within near distance of Hilo. The Mayor then, Herbert Matayoshi, put out a public appeal to all of us kahunas to spare Hilo.

Well this time around nothing will be spared. For I will challenge any kahuna who would sell us out, and it will be a major battle for Hawaiian history. Why, in tradition, royalty would have asked for my advise and I would have said, 'A'ole. And they would have accepted it and respected it.

If the Ayatollah could topple a king, the Governor should be a piece-of-cake for me. If you people don't know the woman of sorrow let me tell you, all that remains

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will be ashes.
 1
                      Mahalo.
 2
             MR. CHAIRMAN:
                            Thank you. Clive Cheetham, Clive
 3
      Cheetham.
 4
             MR. CHEETHAM: First of all, I would like to find out
 5
      how many representatives from DLNR and/or the State are
 6
      present tonight?
 7
             VOICE: Are those guys with guns with DLNR?
 8
             MR. CHAIRMAN: Pardon?
 9
             VOICE: Are those guys with guns out there from your
10
      agency?
11
                            They're security from DLNR.
            MR. CHAIRMAN:
12
                     From Honolulu over to here to protect you?
             VOICE:
13
            MR. CHAIRMAN: No, from here, from here, this island.
14
             VOICE: From Hilo?
15
             VOICE:
                     To protect what?
16
             MR. PERRY: To protect what? To protect us from you?
17
      No, no, no laughing. Who are they here for?
18
             MR. CHAIRMAN: They're here as security.
19
             (Several people speaking at once.)
20
             MR. CHEETHAM: Excuse me. I think that this is my 15
21
      minutes, all right. You know, you can deal with that after --
22
                    Well, they should come in then.
23
            MR. CHEETHAM:
                           Can I ask my question again?
24
             VOICE: Yes.
25
            VOICE: Ask it again.
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MR. CHEETHAM: How many state representatives are here tonight from DLNR or any other state representatives?

MR. CHAIRMAN: Myself and Janet Swift there.

MR. CHEETHAM: That's it?

MR. CHAIRMAN: (Nods head up and down)

VOICE: And their hired guns.

MR. CHEETHAM: Well, I'm not really interested in them. Well, I'd like to express disappointment with that. I think that's really too few to be inviting the public of the Big Island to come out and give their testimony for just you people, it could be more.

I find the projected cost of this cable project, the geothermal development and cable project, seems to be around two billion, that's the figure I hear being bandied around, and that it will probably be more.

I feel for this amount of money the island of Oahu could very likely develop solar, wind, and other alternatives using existing technology. I'm not just quoting platitudes here, solar, wind, and the different technology that exists, especially for a few billion plus --

VOICE: Hear, hear.

MR. CHEETHAM: -- and for their peak-load requirements. Since most of these alternatives supply peak loads not base loads. The base load on Oahu could still come from what they already have as the proposed geothermal electricity coming

from the Big Island would not replace what Oahu already has, they just want to add to it. They can use what they already have for the base load and they can get their peak load from developing alternatives on Oahu.

I would think that Oahu would have to have a back up in place just in case the cable failed. So I don't know how they are addressing that. I think that Oahu could also save hundreds of megawatts applying conservation methods, and changing habits, employing more efficient electrical installations, there are may ways to reduce their need for electricity.

It just seems that certain people are excited about this project because they see a chance to acquire a lot of money. I do not believe that this geothermal and cable system is economically, socially, or technology viable. In fact, there is a good little quote in here on Page 185-5 that says:

"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".

Now, I think that is very appropriate because I believe that this geothermal and cable system is efficient

and unmanageable. And I believe that the geothermal and cable system development project would be detrimental to the residents of the islands of Oahu, Maui, and Hawaii.

Therefore, in closing I would like to recommend that the whole plan of sending geothermally generated electricity from Hawaii to Oahu be scraped. This will automatically render these Rules of Practice and Procedure being discussed tonight redundant. Thank you.

MR. CHAIRMAN: Thank you. Duane Kanuha.

MR. KANUHA: Thank you, Mr. Lum. I'd like to read into the record tonight the letter directed to William W. Paty, Chairperson, Board of Land and Natural Resources, regarding the proposed Administrative Rules or Act 301, SOH 1988, Geothermal and Cable System Development Permitting Act of 1988.

"Thank you for the opportunity to review the proposed Rules which seek to implement Act 301, SOH 1988. Interagency cooperation and coordination is precisely what is needed in this effort to consolidate, where possible, permitting processes and procedures for geothermal and cable system development projects.

"It is proposed to transmit geothermally generated electrical energy from the County of Hawaii to other islands within the state. The pursuit of this effort, however, must be tempered with a realistic understanding of various

processes and procedures which are currently in place and whether or not attempts at consolidating this highly complex regulatory maze will be a meaningful one.

"It is from this perspective that we have a number of suggestions to the proposed Rules which we hope will help your efforts to clarify some of the ambiguities that stem from the underlying statutory authority. We have discussed some of these technical areas with the Staff and stand ready to offer our continued assistance in this regard.

"There are, however, several long-term planning related issues that I would also like to raise for your consideration at this time.

"First. We question if the objective of streamlining the permit system can really be achieved through these Rules. Although implied, it is not clear whether the consolidated permit is intended to be the first permit which must be obtained by a potential geothermal and cable system developer.

"We, on the county permitting level, have long dealt with this sequencing of approval issue. And outside of agreeing that discretionary permits should precede ministerial permits, we foresee continuing potential conflicts in determining the order of county, state or federal permitting requirements given the various agencies that existing procedure mandates.

"The make up and function of the inter-agency group

is also unclear as proposed. What is clear is that this group is supposed to be comprised of geothermal related permitting agencies whose activities have not been transferred by Section 196D-10.

"Directly involved state and county permitting agencies such as the County Planning Department, Planning Commission, Public Works, Department of Water Supply, and Fire Department are required to participate in the activities of the interagency group. But as such key participants do not have a direct role on the proposed interagency group, our input in the permitting perspective may not be considered in a meaningful fashion.

"Further, if much of the focus of the inter-agency group will be directed by the Consolidated Permit Application and Review team, the working group that apparently will conduct most of the business, then what is the role of this inter-agency group?

"Generally, the conflict resolution process and the monitoring for compliance sections need more thought.

Conflict resolution needs a third party mediator role, especially if impasse is declared. The monitoring area is cumbersome and seem to be duplicative.

"Finally, I would be remiss if we did not raise the issue of home rule from a planning, community, and governmental perspective. We understand that the intent of

the Statute is not to infringe upon or invalidate the jurisdiction or authority of any existing agency, particularly that of the respective counties.

"However, this coordinated effort on behalf of assisting the implementation of geothermal resource development and cable transmission of energy may fall short on practical application. Should this occur, any potential solution must preserve the jurisdiction and responsibilities of this county.

"We fully intend to be involved with this effort while keeping a cautious eye for these potential long-term implications.

"Thank you for this commenting opportunity and we look forward to continuing dialog in the development of these proposed Rules. Duane Kanuha, Director, Planning Department, County of Hawaii". Thank you.

MR. CHAIRMAN: Thank you, thank you, Mr. Kanuha. Helene Shinde.

MS. SHINDE: Hi, my name is Helene Shinde. And I have worked directly with the endangered species. I have worked one year for the Fish and Wildlife and I would like to talk for the unspoken ones, the birds.

And also, I have also worked one year in the Volcano

National Park and my job was to try to eradicate goats to stop

them from eating the birds habitat. And I believe the --

can you hold on one second -- the 'amakihi would face extinction because of it and it's a very sensitive ecosystem.

q

And I would like to talk more about it right now. I have seen numerous sightings of i'o in the affected geothermal zones, subzones. And in one day my father and I saw both female and male within a three hour period. And you might think us a bit eccentric, we have all our land is wild, and it is for the reason for conservation wise and having some indigenous plants preserved. I guess we are very different.

As far as protection of these species it should really be considered in this permitting process. And we have a female i'o roosting on our lauhala tree. Its territoriality is very wide, you know, a wide range and we don't want to disturb its nesting site. So we went there once and that was enough.

The geothermal developers say that probably the impact of this project will be a 35-year span. I believe their assessments for the future is very shortsighted. Once an endangered species is extinct, it is too late. The i'o plays an important part in the ecosystem in Hawaii.

If public agencies feel that way, they are curtailing the use of fossil fuels as compared to environmental concerns like the i'o. That is just one bird as an example, there is also the pue'o and the hoary bat.

I feel that in the long-term duration man will be extinct on day also and that's a very sad thing to think about. There is a -- okay, one day we might have our land as very barren at the rate we are going. I'm very surprised in this generation there is so many species of animals and plants that is getting extinct.

Because we have a very complex situation in Kapoho which will involve homes, developers, and endangered species of birds and some indigenous trees, I'm really concerned about what will happen. I've seen the HGP-A well and the emissions that have come forth from it. And I've seen the trees around it, its defoliation. And if any of you have had contact with the Agent Orange it's like Vietnam.

So, I would really feel sorry for all of you folks to see life pass, probably in the next generation, you may not be able to see the ones, your children's children may not see the wildlife and plants on this earth. Thank you.

MR. CHAIRMAN: Thank you. Is there anyone else who would like to testify? Could you sign in here and give us your name.

MR. ALULI: I was the one asking the questions.

Mr. Chairman, thank you. First of all I have to agree with
the -- I'm sorry. My name is Emmett Aluli, I'm with the Pele
Defense Fund. I have to agree with the first speaker here,
Mr. Ross, the fact is that this hearing should be invalidated.

Your notice was not substantial enough. It didn't give any information. You attempted at the opening of the hearing to give information, but it was standard rhetoric. It just moved, streamlined, and expedite the whole process.

I just want you to know that this process is one that is running rampant on this Big Island, rampant with the different geothermal proposals. I think that your department is not paying attention to what is going on with the Scientific Observation Holes, the transmission lines, with Ormat, with the 100-megawatt proposal, and the ongoing 400-additional megawatt proposal.

And now you come to us and want us to accept your Rules and Regulations for the authority, this so-called Center, to facilitate this whole thing. And it's not working well at all.

You'll find that most of the residents of Kapoho on to Kalapana all the way around Wao Kele o Puna and even across this island, Kohala, have got to scramble all of a sudden, and have to kind of really get involved in the next year to try to like get their questions answered.

The problem that I see with the Center is that you've perpetuated an "old boys club" one that just started with Ariyoshi and into here with Metcalf and Matsuura and on down to the developers who write all these Rules and Regulations and pass it through to their own counterparts the Carpenter

Administration. You've got the Bishop and Campbell Estate, Lyman Estate, major land owners, and they're pushing these permits through on their properties.

You've got everybody even the judges convinced, and I don't see how the DLNR is going to be able to do a better and fairer job in listening to the concerns of the communities involved.

I think the Center is one thing that is going to kill us all because it applies to a lot of other developments here on the Big Island, on every island, that you and the Administration and everybody else is just going to facilitate through. And then you talk about trying to get justice in hearing the concerns of the community affected and this is not going to do it.

I also want you to know that that this whole geothermal development besides the impact it has to the native Hawaiian culture and traditions, of Pele, to the environment, and the native species, it is also very, very costly.

The problem the way DLNR has been handling things is the developers they write the economic assessments. And nobody else can go and get a second opinion. While they say 1.5 billion dollars for this geothermal project and cable, and it's going to cost us even more like four billion dollars. It's the taxpayers that have to pay.

You talk about geothermal lighting the skies of

Honolulu. You talk about a cable, but Honolulu is undergoing their own process to provide their own selves with alternative or other kinds of energy production. And I'm talking about the 240-megawatt proposal down in Campbell Estate land at Barbers Point. That's 240 megawatts they're going for, and they are going to go on for may be another 250 megawatts. And here we're sitting with 500 megawatts; to do what?

I don't think the DLNR is able to give us the bigger picture. It's like all of us trying to envision a Hawaii that we are used to and we wanted to perpetuate it and your coming in with a picture that we just have no handles on.

What really hurts us here is your whole SMA process throughout all the counties. The DLNR, are they going to assume all the SMA kinda like permits that have to be granted on every shore where the cable comes up or goes down?

The SMA still has intact, contested cases where the experts haven't come with all their materials and can be cross-examined, and therefore, the whole question as to the validity, and the purposes, and the economics, and the impacts can all be dealt with. And then the community has to live with whatever decision is made on the local level.

And that's what I see so wrong with this Geothermal
Center and the promulgated Rules. I'm hoping that after
this, whatever the prospect is, you will re-write these Rules
and come back to us for public hearings. And there is more

input by the people on every island as to what this geothermal authority is doing. Thank you.

MR. CHAIRMAN: Thank you. Is there anyone else? (No response) If not, I want to thank you all for coming, taking time out from you busy schedule to attend here tonight. Your testimony will be on the record and I would like to remind you that you have until July 7th to submit additional testimony, July 7th. Thank you very much.

(The public hearing was concluded at 9:15 p.m.)

CERTIFICATE

STATE OF HAWAII)
COUNTY OF HAWAII)

I, ANDREA H. VASCONCELLOS, Notary Public, in and for the State of Hawaii, do here by certify:

That on Wednesday, June 21, 1989, at 7:15 p.m., appeared before me the Commission members, Staff members and speakers mentioned herein;

That the hearing testimony was taken down by me in machine shorthand and was thereafter reduced to print under my supervision by means of computer-assisted transcription; that the foregoing represents a true and correct transcript of the proceedings had in the foregoing matter.

I further certify that I am not an attorney for any of the parties hereto nor in any way interested in the outcome of the cause named in the caption.

ANDREA VASCONCELLOS,

Notary Public, State of Hawaii

My commission expires: April 23, 1990