

GEOTHERMAL/CABLE PERMIT OFFICE
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LOG NO. 92

DATE: 10/2

FROM: Fred Sandr

RE: Energy Policy + Growth Energy

TO: XS

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DRAFT REPLY

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(so that the procedure now)

DRAFT S/0 10/2-1: 35

Fredrick H. Sands, M.D.
P.O. Box 6093
Kahului, Hawaii 96732

Dear Dr. Sands,

Thank you for your recent letter regarding energy policy and geothermal development.

The State does have an energy policy, as expressed in the State Plan and the various functional plans, among them the State Energy Plan. The Department of Business and Economic Development (DBED) oversees our energy policy and has an Energy Division that implements the policy through various programs that promote energy efficiency and energy conservation. You may wish to write directly to Mr. Roger Ulveling, Director, DBED, 220 South King Street, Honolulu, Hawaii, 96813 for more detailed information.

Regarding your comment relating to spending funds on conservation efforts, increased demand for electrical power will outweigh decreases in demand that could be effected through conservation measures such as education of the public, use of various alternate energy technologies, and through installation of various energy conservation devices. This is primarily because of projections of population growth and the historically observed relationship between population growth and electrical power demand. We must provide for the future energy needs of Hawaii's people in the magnitude indicated. The only large scale indigenous resource in Hawaii whose conversion to base load electricity is technologically mature is geothermal.

Our State's dependence on oil will be reduced by developing our geothermal resources because the utility firms would have imported oil to provide the projected power for the future if geothermally generated energy were not available.

Regarding localizing energy production, I agree with you in concept. Realistically, however, we must accept the fact that the best and easiest to develop resource is located on the Big Island. No island will become entirely dependent on "imported" geothermal energy, however, as other energy sources will continue to be utilized.

Thank you again for your concern, and for taking the trouble to write.

Very truly yours,

WILLIAM W. PATY

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OCT 02 1989

GEOTHERMAL/CABLE
PERMIT CENTER

Mr. William Paty
Director, DLNR
P.O. Box 621
Honolulu, Hi. 96813

FREDRICK H. SANDS, M.D.
P.O. BOX 6093 A 8: 379
KAHULUI, HI. 96732

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DEPT. OF LAND
& NATURAL RESOURCES
STATE OF HAWAII

DIV. OF WATER &
LAND DEVELOPMENT

Re: Energy Policy and Geothermal Development

Dear Bill,

Something different than my letters concerning the Makena-LaPerouse State Park. I sent the following letter to Gov. Waihee. I would appreciate your thoughts and comments as well.

I have several questions in regard to energy in Hawaii. One, does the State of Hawaii have an "Energy Policy?" If so, I would like a copy of the policy. Also, who oversees our energy policy, either appointed or de facto? Two, does the State have an organized, directed effort toward energy efficiency and conservation? Again, I would like a copy of this policy, and would like to know who heads this up.

My comments are that I believe we should place energy conservation efforts at the head of our energy priorities. Amory Lovins, a specialist in alternative energy, was recently quoted as saying that with the \$63 million already spent on geothermal in Hawaii, he could have found ways to save 500 megawatts. This has the obvious benefits of reducing the need for energy production, regardless of the source. I say this because any source of energy appears to have its logistical, production and environmental consequences, be it fossil-fuel, bio-mass, geothermal, hydroelectric, OTEC, solar or wind.

In developing geothermal energy for Hawaii, the stated intention is to reduce our energy dependency. I support this, in particular reducing the use of fossil fuels. As such, I urge you to decrease fossil-fuel energy production on a megawatt for megawatt basis if and when geothermal energy becomes available. Otherwise we have not reduced our fossil-fuel dependency and the environmental destruction which its use is causing. In addition the excess energy capacity which would be developed from a 500 megawatt plant would fuel the rampant development and urbanization which is assaulting Oahu. This may be the choice of those who live on Oahu, however it also imposes a major burden on the Big Island and may affect Maui with massive transmission lines.

Overall, I encourage you to consider that energy production should be localized: in this case, Oahu for Oahu, Big Island for

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Big Island. If geothermal comes on board Oahu is again at risk for energy loss if problems occur with the cable, transmission or the plant. Hence, while reducing the State's fossil-fuel dependency it still places Oahu at energy risk. Hence, I encourage you to consider an Energy Policy which emphasizes energy conservation and efficiency while developing local energy resources with the least environmental impact. The use of bio-mass generation from our sugar cane seems to be a logical resource as it would find a use for the cane, the ag lands while reducing our fossil-fuel dependency and the need for cane burning.

I look forward to your reply. I would appreciate not only a response to my questions, but also on my comments. In particular, if we are not emphasizing energy conservation and efficiency, why not? Also, how do you feel about reducing fossil-fuel produced energy on a megawatt for megawatt basis if and when geothermal comes on line? Your thoughts on localized energy production, especially the bio-mass concept using sugar cane will also be appreciated.

I send you much Aloha and my deep appreciation for your leadership as Director of the DLNR.

Rick Jones