

**DAVID Y. IGE**  
Governor

**SHAN S. TSUTSUI**  
Lt. Governor



**SCOTT E. ENRIGHT**  
Chairperson, Board of Agriculture

**PHYLLIS SHIMABUKURO-GEISER**  
Deputy to the Chairperson

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**TESTIMONY OF SCOTT E. ENRIGHT  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND ENERGY AND  
ENVIRONMENT**

March 19, 2015  
3:00 P.M.  
CONFERENCE ROOM 414

**HOUSE BILL NO. 1273 HD2  
RELATING TO RENEWABLE ENERGY**

Chairperson McKelvey and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1273 HD2. The purpose of this measure is to authorize development of hydroelectric facilities on agricultural lands, provided the hydroelectric generating capacity is under a certain kilowatt amount, hydroelectric facilities comply with instream flow standards, are accessory to agricultural activities, and do not adversely impact or impede the use of agricultural land or the availability of use of water for irrigation on all parcels that are served by the ground water sources or streams for which hydroelectric facilities are considered. The Department of Agriculture supports this measure.

Energy costs can be a limiting factor that reduces the profitability of many of our local farmers and ranchers, especially given the high costs of energy in Hawaii compared with the rest of the nation. The Department is supportive of initiatives that are ancillary to bona fide agricultural operations that allow a farmer to remain financially viable and successful.

Thank you for the opportunity to present our testimony.





DAVID Y. IGE  
GOVERNOR

LUIS P. SALAVERIA  
DIRECTOR

MARY ALICE EVANS  
DEPUTY DIRECTOR

## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of  
**LUIS P. SALAVERIA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON AGRICULTURE**  
**And**  
**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT**

Thursday, March 19, 2015  
3:00 p.m.  
State Capitol, Conference Room 414

in consideration of  
**HB 1273, HD2**  
**RELATING TO RENEWABLE ENERGY.**

Chairs Ruderman and Gabbard, Vice Chairs Riviere and Green, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) offers comments on HB 1273, HD2, which includes hydroelectric facilities as a permissible use on agricultural lands if the hydroelectric facilities are accessory to agricultural activities.

Permitting hydropower facilities in State Agricultural Districts, as long as the hydropower facilities are accessory to agricultural activities, could support Hawaii's agricultural industry by providing clean energy at a fixed cost for on-site agricultural operations.

DBEDT defers to the Land Use Commission and the other appropriate agencies regarding the provisions of this measure impacting the permitting of hydropower facilities.

Thank you for the opportunity to offer these comments on HB 1273, HD2.

Statement of  
**Daniel E. Orodenker**  
**Executive Officer**  
Land Use Commission

Before the  
**Senate Committee on Agriculture**  
**and**  
**Committee on Energy and Environment**

March 19, 2015  
3:00 PM  
State Capitol, Conference Room 414

In consideration of  
**HB 1273 HD2**  
**RELATING TO RENEWABLE ENERGY**

Chairs Ruderman and Gabbard, Vice Chairs Riviere and Green, and members of the Committee on Agriculture, And Committee on Energy and Environment:

The Land Use Commission would like to provide the following comments on HB 1273 HD2 that would make hydroelectric facilities, including the appurtenances associated with production and transmission, a permissible use under Sections 205-2 and 205-4.5, Hawai'i Revised Statutes (HRS):

In Section 1 of this bill the Legislature recognizes "...that Hawai'i's agricultural land is a fundamentally important and diminishing resource..." Currently, hydroelectric facilities being developed within the State Agricultural District would be required to go through the State Special Permit process. During this process a broad spectrum of both county and State interests must be addressed, including but not limited to: public trust resources like water and Native Hawaiian traditional and customary practices.

Should hydroelectric facilities become a permissible use, the Special Permit process would not be required. The current version of the bill provides that such facilities are subject to certain provisions; including that Chapter 174C, HRS (the State Water Code) be followed. However, it is unclear whether the State Water Code or any other permit processes that might be required would provide the same level of review and address the other required elements in this measure.

We are not aware of any recent cases of hydroelectric facilities being developed within the State Agricultural District that have had any difficulties with the State Special Permit process. Therefore it is unclear what specific problem this bill is attempting to address.

Thank you for the opportunity to testify on this matter.



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March 19, 2015

HEARING BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE  
SENATE COMMITTEE ON ENERGY & ENVIRONMENT

TESTIMONY ON HB 1273 HD 2  
RELATING TO RENEWABLE ENERGY

Room 414  
3:00 PM

Aloha Chair Ruderman, Chair Gabbard, Vice Chair Riviere, Vice Chair Green, and Members of the Committees:

I am Christopher Manfredi, President of the Hawaii Farm Bureau Federation (HFB). Organized since 1948, the HFBF is comprised of 1,932 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

**HFB supports the intent of HB 1273 HD 2**, which includes hydroelectric facilities that generate up to 500 kilowatts of electricity as a permissible use on agricultural lands if the hydroelectric facilities are accessory to agricultural activities.

Renewable energy is important to the State's energy goals. Hydroelectric facilities can serve as a feasible alternative energy source to meet such goals. That being said, viable farming and ranching activities on agricultural lands must be maintained in order to retain agricultural lands for future generations. Lands capable of supporting viable agricultural activities should be protected and kept in agriculture. Hydroelectric facilities can provide the State with alternative energy options, as long as it is secondary to agricultural activities on agricultural lands.

Thank you for this opportunity to provide testimony on this measure.

SENATE COMMITTEE ON AGRICULTURE  
SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

TESTIMONY OF ROBBIE ALM, COLLABORATIVE LEADERS NETWORK ON  
HB 1273, HD 2, RELATING TO RENEWABLE ENERGY

Chairs Ruderman and Gabbard and Members of the Agriculture and  
Energy and Environment Committees:

This bill is intended to facilitate hydroelectric facilities on agricultural lands. Hydroelectric power has a substantial number of advantages for agriculture as well as for Hawaii generally. These facilities provide electric power which can either be used on the lands themselves in lieu of paying the utilities for power or in appropriate cases, sold to the utilities. In either case, agriculture directly benefits from a resource which is already present and available. In addition, Hawaii benefits from a further reduction in the use of imported fossil fuels.

The agricultural water systems in the State are critical to the future of agriculture in Hawaii. No water and systems to get the water to the fields means no agriculture in a lot of cases. And yet there is often not enough income associated with these systems to adequately maintain them. Hydropower represents a significant opportunity to provide support to these systems.

It is worth noting that at this point, every other form of renewable energy is a permitted use on agricultural land except hydropower.

The one provision that is worth further discussion is the limit of 500kwh for these facilities. That was added, as I understand it, to prevent there from being any "Hoover type" dams in Hawaii. We do not have the rivers that would allow for that but setting some limits is fine. Based on

recent proposals discussed for agricultural lands, a limit of 25MW would likely allow for the kinds of facilities that have been discussed.

Finding ways to support farmers and agriculture is critical and this bill will provide an important way to do so. With the change noted above, I urge you to approve this measure.

Thank you for the opportunity to testify.