

DAVID Y. IGE  
GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
FINANCE**

**Thursday, April 7, 2016  
2:01 P.M.  
State Capitol, Conference Room 308**

**In consideration of  
SENATE BILL 2535, SENATE DRAFT 2, HOUSE DRAFT 1  
RELATING TO GEOTHERMAL**

Senate Bill 2535, Senate Draft 2, House Draft 1 proposes to amend the Hawaii Revised Statutes relating to geothermal. **The Department of Land and Natural Resources (Department) supports this measure with amendments.**

The Department respectfully requests the restoration of the language in Senate Bill 2535, Senate Draft 2 version which proposes to: (1) clarify that the regulation of geothermal resources development and geothermal resources exploration is reserved to the State unless delegated to the counties by statute; (2) require the lessee of a mining lease to comply with all water and air pollution control laws, relating to building, grading, and flood control codes; and (3) require the rules of the Board of Land and Natural Resources regarding mining operations, geothermal resource development, and geothermal resource exploration, including drilling conditions and restrictions, to be uniform throughout the State.

The Department supports the affirmation that the State is the regulatory authority for mining operations and drilling conditions/restrictions for geothermal resources exploration and development, which should be uniform throughout the State.

Geothermal development in Hawaii has contributed to a greater energy diversification of the State. Accordingly, effective management of the resource and its development is vital to protect the health and safety of the public and to ensure the continued viability of this Public Trust Resource for future generations.

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**KEKOA KALUHIWA**  
FIRST DEPUTY

**JEFFERY T. PEARSON, P.E.**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

In accordance with existing Hawaii Administrative Rules<sup>1</sup>, the Department is responsible for:  
(1) The leasing of geothermal resources on state or reserved lands; and  
(2) The regulation of all drilling of geothermal resources in Hawaii

These authorities are to ensure that the proper management of geothermal resources is in place for the purpose of: (1) preventing waste; (2) conserving and providing for the optimum use of the resource; (3) minimizing or preventing degradation of the environment, surface and ground waters, and other natural resources; and (4) preventing injury to life and property.

Thank you for the opportunity to testify on this measure.

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<sup>1</sup> Hawaii Administrative Rules, Title 13, Chapter 183, Rules on Leasing and Drilling of Geothermal Resources