

**Testimony before the
House Committees on
Energy & Environmental Protection
And
Water, Land, & Ocean Resources
S.B. 287 SD2-- Relating to Energy**

**Tuesday, March 17, 2009
9:00 am, Conference Room 325**

**By Arthur Seki
Director, Technology
Hawaiian Electric Company, Inc.**

Bill No. 287
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Chairs Morita and Ito, Vice-Chairs Coffman and Har and Members of the Committees:

My name is Arthur Seki. I am the Director of Technology for Hawaiian Electric Company. I am testifying on behalf of Hawaiian Electric Company (HECO) and its subsidiary utilities, Maui Electric Company (MECO) and Hawaii Electric Light Company (HELCO). We support the intent of S.B 287 SD2 for geothermal development in the Big Island.

We offer these comments. In the United States, geothermal power plants have been operational since the 1960s. Currently federal tax credits exist for geothermal business investments. In Hawaii, HELCO has a 30 MW power purchase agreement with Puna Geothermal Venture (PGV) on the Big Island since the early 1990s. Therefore, because geothermal energy is commercial in Hawaii, it may not be necessary to have a geothermal pilot program.

For the majority of its operation, PGV has provided firm, reliable power to the Big Island electrical grid. PGV has stated in the newspapers plans to increase geothermal capacity on the island by developing the resource in the Kona area. An increase in geothermal capacity would be helpful to HELCO as the electrical demand is larger on the Kona side of the Big Island than the Puna district and production on the Kona side would reduce transmission losses. However, we believe that a lengthy geothermal subzone designation process and communications with community and cultural groups would be required before any exploration can take place in Kona.

Thank you for the opportunity to testify.