

SB2664

Measure Title: RELATING TO NATURAL RESOURCES.

Report Title: Energy Resources; Natural Resources

Description: Promotes renewable energy in Hawaii by: (1) providing that all penalties, fees, and costs established and collected by the Department of Land and Natural Resources pursuant to Chapter 182, Hawaii Revised Statutes, be deposited in the Special Land and Development Fund; (2) including geothermal resources within the definition of a renewable energy producer; and (3) clarifying the permitting procedures for regulators and renewable energy developers considering geothermal development.

Companion:

Package: None

Current Referral: WTL/ENE, WAM

Introducer(s): SOLOMON, DELA CRUZ, KEITH-AGARAN, Baker, Galuteria, Kahele, Nishihara, Wakai

<u>Sort by Date</u>		Status Text
1/17/2014	S	Introduced.
1/21/2014	S	Passed First Reading.
1/21/2014	S	Referred to WTL/ENE, WAM.
1/29/2014	S	The committee(s) on WTL/ENE has scheduled a public hearing on 02-06-14 2:45PM in conference room 225.

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
WILLIAM J. AILA, JR.
Chairperson

Before the Senate Committees on
ENERGY AND ENVIRONMENT
and
WATER AND LAND

Thursday, February 6, 2014
2:45 P.M.
State Capitol, Conference Room 225

In consideration of
SENATE BILL 2664
RELATING TO NATURAL RESOURCES

Senate Bill 2664 proposes to revise statutory provisions relating to the regulation of mineral resources under Chapters 171 and 182, Hawaii Revised Statutes, to include geothermal within the definition of a "renewable energy producer" and to provide clarity, eliminate ambiguities, and incorporate technical, non-substantive changes in accordance with Act 97, Session Laws of Hawaii (SLH) 2012. **The Department of Land and Natural Resources (Department) strongly supports this measure.**

The Department is responsible for the regulation of geothermal resources in the State. Through the issuance of geothermal resource mining leases and regulatory permits, the Department is tasked to manage the resource and its development to protect the health and safety of the public and to ensure the continued viability of this Public Trust Resource for future generations.

Current statutes do not classify geothermal resources as part of the definition of "renewable energy producer". Adding this designation would provide geothermal resources equity to other renewable energy sources such as wind, solar, hydropower, or biomass.

Statutes pertaining to the regulation and management of mineral resources need updates to provide clarity, reduce ambiguities, and to correlate changes in accordance with Act 97, SLH 2012. The identification and elimination of conflicts in statutory language and procedures would reduce barriers and eliminate ambiguities that could pose potential delays to geothermal exploration and development and facilitate the disposition and regulation of the use and management of mineral resources. Such clarification and update will assist the Department in working toward meeting goals of the Hawaii Clean Energy Initiative.

Thank you for the opportunity to testify on this measure.

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ESTHER KIA'AINA
FIRST DEPUTY

WILLIAM M. TAM
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



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
RICHARD C. LIM
Director
Department of Business, Economic Development, and Tourism
before the
**SENATE COMMITTEE ON WATER AND LAND,
AND
SENATE COMMITTEE ON ENERGY AND ENVIRONMENT**

Thursday, February 6, 2014
2:45 p.m.
State Capitol, Conference Room 225

in consideration of
SB 2664
RELATING TO NATURAL RESOURCES.

Chairs Solomon and Gabbard, Vice Chairs Galuteria and Ruderman, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) supports SB 2664, which: (1) Includes geothermal within the definition of a renewable energy producer for public land leasing purposes. (2) Eliminates ambiguities, modifies definitions and incorporates additional technical, non-substantive changes. (3) Provides additional clarity and detail regarding Department of Land and Natural Resources' administration of the State's mineral leasing program, including fees and penalties.

We respectfully offer the following comments on this bill:

- We support the inclusion of geothermal within the definition of a renewable energy producer and the updated language that eliminates ambiguities because clarity in permitting procedures is essential for both regulators and potential renewable energy developers. The elimination of conflicts in statutory language through this bill will remove barriers and thus help the State achieve its renewable energy objectives.
- We defer to the Department of Land and Natural Resources regarding the provisions of this measure impacting the administration of the State's mineral leasing program.

Thank you for the opportunity to offer these comments in support of SB 2664.



Indigenous Consultants, LLC

Mililani B. Trask, Principal

P.O.Box 6377 ❖ Hilo, HI 96720

Mililani.trask@gmail.com



Bill#: **SB 2664**

Committees: ENE/WL

Hearing Date: Thursday February 6, 2014

Room: 225

Time: 2:45pm

Testimony in Support with Amendments

February 3, 2014

Aloha Senators,

Indigenous Consultants (IC) is a Hawaii based, indigenous LLC owned and operated by Native Hawaiians. It was created to assist indigenous peoples in developing their renewable energy resources in ways that are: culturally appropriate, environmentally green and sustainable, socially responsible and economically equitable and affordable. For several years the IC has worked with Innovations Development Group in New Zealand and indigenous Maori developing geothermal resources, which are trust assets of Maori Land Trusts. In addition, the IC has acted as a consultant to other indigenous people in Hawaii and Asia who are addressing development of their trust renewable energy resources in ways that; directly benefit their people, bring in revenues, create small business opportunities and ensure fair & affordable rates to consumers, including themselves and their communities.

IC supports the inclusion of geothermal within the definition of a renewable energy producer and the updated language that eliminates ambiguities because clarity in permitting procedures is essential for both regulators and potential renewable energy developers. The elimination of conflicts in statutory language through this bill will remove barriers and thus help the State achieve its renewable energy objectives.

IC supports the current definitions of ‘Geothermal Resources’ which excludes....
“....any water, mineral in solution, or other product obtained from naturally heated fluids, brines, associated gases, and steam, in whatever form, found below the surface of the earth, having a temperature of 150 degrees Fahrenheit or less, and not used for electrical power generation.”

This language should not be deleted from the law. It provides for the use of steam for direct agricultural uses such as hot house & aquaponic applications that do not generate electricity or draw out geothermal water or brine .
[See page 2 Section 3. Subsection 2, lines 19-22].

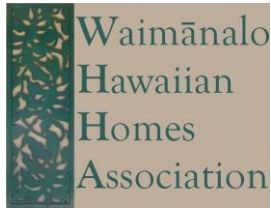
Agricultural low tech applications of geothermal steam would be a significant boon for Hawaiian Homestead lands with low level geothermal resources that may be cool to generate electricity but sufficient to dry fruit and heat a hot house.

Please pass this measure, but please leave the current definition of 'geothermal resources' alone.

Sincerely,

A handwritten signature in black ink, reading "Mililani B. Trask". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Mililani B. Trask
Indigenous Consultants, LLC



P.O. Box 353, Waimānalo, Hawaii 96795-0353

TESTIMONY IN STRONG SUPPORT OF SB 2664
RELATING TO NATURAL RESOURCES PROMOTING RENEWABLE ENERGY
IN HAWAII

THE STATE SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

Senator Mike Gabbard, Chair
Senator Russell E. Ruderman, Vice Chair

COMMITTEE ON WATER AND LAND

Senator Malama Solomon, Chair
Senator Brickwood Galuteria, Vice Chair

HEARING

Thursday, February 06, 2014

2:45 p.m.

Conference Room 225

State Capitol

415 South Beretania Street

Chairs Sen. Gabbard, Sen. Solomon and Vice Chairs Sen. Ruderman and Sen. Galuteria and and Committee Members, Aloha!

My name is Paul P. Richards, President of the Waimanalo Hawaiian Homes Association (WHHA) and humbly submit this testimony in *strong support* of SB2664 relating to natural resources promoting renewable energy in Hawaii. WHHA recognizes the potential of accessing and putting into practice renewable energy resources and diminishing our reliance on fossil fuel based production. The recommendations stated in the bill provide fair and just assessments on all levels and clarifying definitions as needed.

We appreciate the opportunity to submit this testimony and willing to be called upon as needed.

Mahalo nui loa,

A handwritten signature in black ink, appearing to read "Paul P. Richards".

Paul P. Richards
President