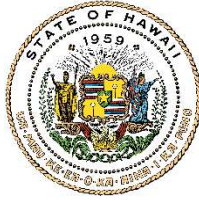


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
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

November 20, 2024

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura,
Speaker
and Members of the House of
Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Geothermal Royalties Dispositions and Status of Geothermal and Cable System Development Fiscal Year 2024 report, as required by Sections 182-18 and 196D-11, Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, a copy of this report has been transmitted to the Legislative Reference Bureau and the report may be viewed electronically at <https://files.hawaii.gov/dlnr/reports-to-the-legislature/2025/EN25-Geothermal-Report-FY24.pdf>.

Sincerely,

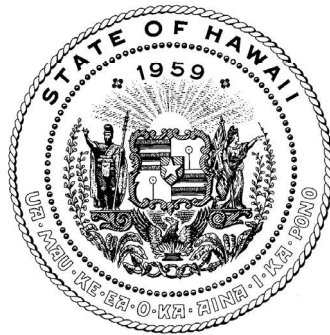
A handwritten signature in black ink, appearing to read "Dawn N.S. Chang".

DAWN N.S. CHANG
Chairperson

Enclosure

Report to the Thirty-Third Legislature
2025 Regular Session

**GEOHERMAL ROYALTIES DISPOSITIONS
and
STATUS OF GEOHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2024**



Prepared by the

Department of Land and Natural Resources
State of Hawaii

In response to
Sections 182-18 and 196D-11, Hawaii Revised Statutes

November 2024

GEOTHERMAL ROYALTIES DISPOSITIONS
and
STATUS OF GEOTHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2024

This report is prepared pursuant to Sections 182-18 and 196D-11, Hawaii Revised Statutes (HRS), and covers the period from July 1, 2023, through June 30, 2024.

The Department of Land and Natural Resources is responsible for the effective management of geothermal resources and its development, to protect the health and safety of the public and to ensure the continued viability of the resource for the future. Currently, the Island of Hawaii is the only island benefiting from geothermal development. Power generation from geothermal energy began in May 1993 and, on average, annually provided more than 25% of the Island’s power demands.

Status Update on Geothermal Power Operations

During Fiscal Year (FY) 2024, Puna Geothermal Venture (PGV) continued working to restore power generation and update its power plant infrastructure following the hiatus due to the 2018 Kilauea eruption. PGV’s reported power production increased from approximately 22 MW in FY 2023 to approximately 28 MW during FY 2024. One new production well (KS-22) was drilled and is now an active production well. One new injection well (KS-21) was drilled and is undergoing testing before becoming operational.

PGV is currently seeking to expand its power production through the “Puna Geothermal Venture Repower Project.” The project proposes to increase maximum power production from 38 MW to 46 MW in Phase 1 and to 60 MW in Phase 2. An Amended and Restated Power Purchase Agreement (ARPPA) was filed with the Public Utilities Commission (PUC) on October 3, 2019, and is currently still under review. A Draft Environmental Impact Statement (DEIS) for the project was published on May 8, 2023, and the Final Environmental Impact Statement (FEIS) was accepted by the County of Hawaii Planning Department on January 22, 2024. A lawsuit challenging the FEIS was filed against the Planning Department on April 5, 2024, and remains active.

Permit Updates:

- 0 (zero) permits were granted to drill new geothermal wells during FY 2024.
- 1 (one) application to drill well KS-23 remains under review pending updates from PGV.
- 3 (three) approvals were granted by DLNR for well maintenance/testing during FY 2024.

Section 182-18, HRS – Geothermal Royalties

In FY 2024, total geothermal royalties were received in the amount of \$3,603,790.45. This included \$3,236,985.45 from FY 2024 power production plus an additional \$366,805.00 paid by PGV to account for an underpayment of royalties from January 2012 to December 2020 (as identified by Spire Report, April 13, 2023). Statutory distributions were made as follows:

State of Hawaii	\$ 1,801,895.23 (50%)
County of Hawaii	\$ 1,081,137.12 (30%)
Office of Hawaiian Affairs	\$ 720,758.10 (20%)

Section 196D-11, HRS - Geothermal and Cable System Development

No program work was performed during the FY to effectuate the intent of this statute regarding an interisland deep water electrical transmission cable system.