



Maui County Farm Bureau

*An Affiliate of the American Farm Bureau Federation and Hawaii Farm Bureau Federation
Serving Maui's Farmers and Ranchers*

TESTIMONY

HB 2502 RELATING TO SOLAR ENERGY

HEARING BEFORE THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Chair Morita and Committee Members:

My name is Warren Watanabe, Executive Director of the Maui County Farm Bureau, a non-profit general agriculture organization and an affiliate of the Hawaii Farm Bureau Federation.

Maui County Farm Bureau, on behalf of its member farmers, ranchers and agricultural organizations **strongly OPPOSES HB 2502 as written** defining solar energy facilities as a permissible use on agricultural district lands defined as class D or E.

Some of Hawaii's small farmers and ranchers occupy lands classified as D and E. They have been identified as unique, such as in the coffee region of Kona to recognize other environmental factors that make the lands valuable for agricultural production.

We recognize and support the importance of solar energy in Hawaii's future and that it does provide significant opportunities for our ranchers.

We respectfully request your clarification of use of these agricultural lands for renewable energy facilities unrelated to the agricultural operation. A caveat regarding agricultural impact should be included. There are many lands that can be reclassified for renewable energy production. By recognizing these uses as permissible uses, we assume benefits such as reduced property tax rates would be afforded to these companies. Is this the intent of reduced property taxes on agricultural lands? We strongly believe that wind farms (existing), solar and all other renewable energy facilities not associated with agriculture be required to take into account impacts on adjacent agricultural operations and if they are not agriculture be rezoned into another land use classification. Energy facilities have a greater ability to pass on costs and other financial advantages not provided to agriculture – this makes it important that benefits meant for agriculture stay only with agriculture.

Thank you.

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Testimony by Castle & Cooke Hawaii

Before the House Committee on Energy & Environmental Protection

February 5, 2008

8:45 am

Room 312

HB 2502 Relating to Solar Energy

Chair Morita, Vice Chair Carroll and Members of the Committee:

On behalf of Castle & Cooke Hawaii, thank you for allowing me to testify today.

I am Tim Hill, Executive Vice President, Castle & Cooke Lanai Renewable Energy Programs; here to express our support for HB 2502, clarifying that solar facilities will be an approved use on agricultural D and E land.

Castle & Cooke is committed to bringing renewable energy to Hawaii. Today, I want to tell you what Castle & Cooke is doing, our record of delivering on our commitments, and why we believe that HB 2502 is essential to our efforts and to the success of the State's renewable energy mandate. We strongly support HB 2502 and we further believe that the legislature should consider possibly expanding this measure to allow solar facilities on other classes of agricultural lands.

Castle & Cooke Renewable Energy Programs

Castle & Cooke is committed to supporting Hawaii's energy independence by developing alternative energy resources on the island of Lanai while preserving unique environmental, cultural and historic resources found on the island.

In her State of the State address, Governor Lingle challenged all of us to move Hawaii away from oil dependence and to do so "more rapidly than some would like and others believe possible." We share this view that the time for action is now.

At Castle & Cooke, we have already initiated projects to reduce reliance on fossil fuels and to transform Lanai into a showcase for renewable and green energy.

Our projects include:

- Solar: Awaiting permit approval to create largest solar farm in Hawaii
 - Converts 10 acres of “grade D” ag land to 1.5 MW solar farm
 - Can supply up to 10% of Lanai’s annual electricity needs
- Wind: Examining economic, cultural and environmental feasibility
 - Goal is 300-400 MW wind farm from towers spaced across 10,000 acres in northern Lanai
 - Could supply up to 15% of Oahu’s peak power needs
- Bio-Fuels: Exploring feasibility of growing crops for fuel
 - Test crops of jatropha to be planted as part of solar program
 - Working with UH College of Tropical Agriculture and HARC (with Dole Food Company)

The investments we are prepared to make reflect our commitment to Hawaii:

- Close to \$1 billion for solar and wind energy projects
- The State is pursuing an important agenda for energy independence and other needs while struggling with a potential budget shortfall of \$350 million. Castle & Cooke is committed to renewable energy, and we’re investing more than \$765 million to make it happen in Hawaii.
- Our goal is to make Lanai powered by 100% renewable energy

In opening remarks, House Speaker Calvin Say noted that, “If we could just produce half of Hawaii’s energy, we could add at least \$2 billion to the state’s economy. And the money stays here.” Castle & Cooke’s renewable energy projects are a big step toward that vision.

We foresee additional benefits for the people of Lanai and Hawaii. We believe our projects will help stabilize energy costs and thus stabilize the cost of living in our state. We also believe that they will provide new job opportunities for residents. And we know that they will help us utilize our bountiful natural resources. All of which means, these projects are instrumental in building a truly sustainable Hawaii.

Senate President Colleen Hanabusa said that when it comes to sustainability, we all play for the same team. Castle & Cooke is a committed part of that team.

Castle & Cooke: Part of Hawaii's Past, Part of Hawaii's Future

Castle & Cooke has been a business leader in Hawaii for 150 years, and we plan to be here for the next 150 years. We like to say that we are "Investing in Hawaii...Creating communities...Delivering dreams."

You may know Castle & Cooke as a leading agriculture and land development company. We're also a diversified firm with the commitment and resources to deliver solutions. Look at our track record:

- Mililani: We promised a diverse, master-planned community for Hawaii families, and we delivered:
 - Home to over 50,000 people in more than 16,000 homes.
 - Mililani is the only Hawaii community to be designated an All-America City.
 - In 2005, *Money* magazine called Mililani one of the best places to live in the United States.
 - Started in 1968, we will complete Mililani on the first quarter of 2008; a 40 year commitment of providing homes for Hawaii Families
- Our total investment is in the order of \$3.85 billion in infrastructure and vertical construction; an average of \$96 million each year for the past 40 years.

We see renewable energy as essential for Hawaii's future, and our commitment to that future comes directly from our owner, Mr. David Murdock, who has committed resources to make it happen. We believe renewable energy projects make the best use of our Lanai lands, and can provide positive results for the future of Hawaii.

Renewable energy is essential to that future. We are prepared to invest close to \$1 billion of our resources in renewable energy. That's our commitment. We will deliver.

Castle & Cooke supports HB 2502 because the legislation clarifies that solar energy facilities are a permitted use in the agricultural district on class D and E land.

So far, the process of establishing large scale renewable projects in Hawaii has averaged ten years, many of which were bogged down in redundant and time consuming permitting processes. This type of unpredictable and drawn out permitting process is injurious to further investment by private industry into the large scale renewable energy projects Hawaii needs to secure its energy future and meets its renewable goals.

As a developer committed to Hawaii's future, what Castle & Cooke is looking to the Legislature for is some predictability with respect to the government permitting process. **Ten years is too long to be mired in redundant permitting process, which currently does not have explicit timetables.** HB 2502 provides much needed clarification that solar facilities are approved on D and E agricultural land.

On behalf of Castle & Cooke, I ask for your support for HB 2502. Mahalo and thank you for your consideration of our testimony.

If you have any questions, please feel free to contact:

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SANDRA LEE KUNIMOTO
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**TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON
ENERGY AND ENVIRONMENTAL PROTECTION
TUESDAY, FEBRUARY 5, 2008
8:45 a.m.
Room 312**

**HOUSE BILL 2502
RELATING TO SOLAR ENERGY**

Chairperson Morita, Vice Chair Carroll, and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2502 that proposes to designate solar energy facilities as a permissible use in the Agricultural District on Land Study Bureau "D" and "E" rated agricultural land. The Department of Agriculture supports development of renewable energy resources in the Agricultural District if they have relationship to an agricultural use and/or do not adversely impact agricultural land and other agricultural uses in the vicinity. Sections 205-4.5(a)(14) and (15) relating to wind energy facilities and biofuels processing facilities on "A" and "B" lands have similar conditions that address their respective impacts on agriculture. The Department of Agriculture believes that if the solar energy facility has no relationship to an agricultural use, then their use in the Agricultural District should be subject to the special permit provision of Section 205-6 (Special Permit). Furthermore, we do not want to see solar energy facilities become the primary use on productive agricultural lands that happen to have "D" and "E" ratings.

It is incorrect to conclude that agricultural lands with Land Study Bureau Overall Productivity Ratings of "D" and "E" have little or no potential for agricultural use. There are many cases throughout the State where these "marginal" lands achieve a rating of

“C”, “B”, and even “A” if irrigation is available. When sugarcane cultivation dominated the agricultural landscape not too many years ago, the majority of small farmers established their businesses on “D” and “E” lands. Even where irrigation is unavailable, there are many areas where “D” and “E” lands are in extensive agricultural production such as cattle grazing lands or are intensively used such as the Puna/Kapoho area for papaya. Nursery and foliage operations thrive on crushed lava lands that are rated “E”. The suitability of “D” and “E” lands for agricultural use must not be left to a simplistic generalization. Every situation must be evaluated on a case-by-case basis. By doing so, agricultural uses on a solar energy project site and in the vicinity can be given appropriate review and protection can be given to agricultural activities.

HAWAII RENEWABLE ENERGY ALLIANCE

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TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII RENEWABLE ENERGY ALLIANCE BEFORE THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

HB 2502, RELATING TO SOLAR ENERGY

February 5, 2008

Chair Morita, Vice-Chair Carroll and members of the Committee I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance (HREA). HREA is a nonprofit corporation in Hawaii, established in 1995 by a group of individuals and organizations concerned about the energy future of Hawaii. HREA's mission is to support, through education and advocacy, the use of renewables for a sustainable, energy-efficient, environmentally-friendly, economically-sound future for Hawaii. One of HREA's goals is to support appropriate policy changes in state and local government, the Public Utilities Commission and the electric utilities to encourage increased use of renewables in Hawaii.

The purpose of HB 2502 is to make solar energy facilities a permitted use in the agricultural district on class D or E land.

HREA strongly supports this bill, as provides clear guidance to approving agencies that solar is a permissible use in the agricultural district on class D or E land.

HREA notes that the proposed limitation of solar facilities to marginal land (class D or E) is appropriate. For example, a large array of solar collectors could cover large sections of land, making the land underneath the collectors unusable for agricultural purposes. Whereas, wind projects are often dual use, e.g., windfarms on agricultural land used to graze cattle, or interspersed in the corn fields, such as in Iowa. Thus, it makes sense to allow the use of marginal agricultural land for solar installations, as it is less likely that said land would be used for agricultural purposes.

Thank you for this opportunity to testify.

**DOWLING
COMPANY, INC**

February 5, 2008

e-mail testimony to: EEPTestimony@capitol.hawaii.gov

Hearing on HB2502, Relating to Solar Energy
Before the House Committee on Energy & Environmental Protection
on Tuesday, Feb. 5, 2008 at 8:45 a.m. in Conference Room 312

Dear Chair Morita, Vice Chair Carroll, and members of the Committee:

My name is Jennifer Stites and I am the Green Development Manager for Dowling Company, Inc. ("DCI"). DCI is a Maui-based real estate development company that is committed to sustainable development. To guide this effort and determine our performance metrics, we have adopted the nationally recognized U.S. Green Building Council's ("USGBC") Leadership in Energy and Environmental Design ("LEED") rating system. As the land owner of 1800 acres in Makena, including the Maui Prince Hotel and Makena North and South Golf Courses, we have set the very ambitious goal of developing a net-zero energy community. Through energy reduction and renewable energy production on-site, we hope to develop a model sustainable community for Hawaii.

Therefore, we applaud the House Majority in introducing this bill which makes solar energy facilities a permitted use in the agricultural district on class D or E lands. **We are in strong support of HB2502, Relating to Solar Energy.**

This bill will stream line the process to site solar energy facilities in the agricultural district on class D or E lands, and thus, encourage the use of solar energy and reduce Hawaii's dependency on fossil fuels. Additionally, it will assist DCI in meeting its commitment to green building on Maui.

Thank you for the opportunity to testify in support of this important measure, HB2502.