

SB 2923

LINDA LINGLE
Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512

SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE K. OKAMOTO
Deputy to the Chairperson

WRITTEN TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON
ENERGY AND ENVIRONMENT
AND
WATER, LAND, AGRICULTURE, AND HAWAIIAN AFFAIRS
THURSDAY, FEBRUARY 18, 2010
2:45 p.m.
Room 225

SENATE BILL NO. 2923
RELATING TO SOLAR ENERGY

Chairs Gabbard and Hee, and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2923. The Department of Agriculture is opposed to this measure as written and offers comments.

Section 205-2 (districting and classification of lands) presently allows solar energy facilities on Land Study Bureau "D" and "E" rated agricultural lands without a related agricultural activity. These facilities were purposefully limited to "D" and "E" lands because of the perception that these are "marginal" agricultural lands. Senate Bill 2923 proposes to make solar energy facilities a permissible use on "B" and "C" rated agricultural lands, provided that these facilities provide renewable-based energy for agricultural activities on the same property as the facilities. However, there is no guidance as to the minimum size of an agricultural activity or the amount of renewable energy to be supplied to the agricultural activity. Conceivably, a solar energy facility could occupy most of a parcel of agricultural land and supply energy for use by minimal agricultural activity. Regarding co-existence of solar energy facilities and agricultural activities, we understand that solar energy facilities are not compatible with conventional agricultural cultivation that uses heavy field machines, overhead irrigation, and pesticide

sprayers. Most field crops would not grow optimally under the shade of photovoltaic modules. Furthermore, the permissible uses of "B" rated lands are found in Section 205-4.5(a), not Section 205-2.

The Department of Agriculture believes the principal use of "B" and, in many cases, "C" rated agricultural lands is agricultural production. The legislature, in 2008 agreed with us and included "agricultural-energy facilities" as a permissible use on "A" and "B" rated lands with the provision that no less than 90 percent of the land owned by the enterprise operating the facility be in agricultural production.

We are concerned that crafting of piecemeal land use legislation amending Chapter 205 to meet the needs of a particular renewable energy technology, landowner, investor, or other situation will continue to erode the protection of agricultural resources meant for agricultural production.

The Department of Agriculture supports the responsible development of renewable energy resources from a wide array of sources. However, unlike "D" and "E" rated lands, "B" and "C" agricultural lands can and do support intensive agricultural uses and possess the qualities that would qualify these lands as potential Important Agricultural Lands throughout the State. The special permit process provided for in Section 205-6 is the appropriate means to review the appropriateness of solar energy facilities on "B" and "C" agricultural lands on a case-by-case basis.

**Testimony before the
Senate Committees on
Energy & Environment
and
Water, Land, Agriculture and Hawaiian Affairs**

S.B. 2923 – Relating to Solar Energy

**Thursday, February 18, 2010
2:45 pm, Conference Room 225**

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

Chairs Gabbard and Hee, Vice Chairs English and Tokuda and members of the
Committees:

My name is Arthur Seki—I am the Director of Renewable Technology at
Hawaiian Electric Company. I am testifying on behalf of Hawaiian Electric Company
(HECO) and its subsidiaries, Maui Electric Company (MECO) and Hawaii Electric Light
Company (HELCO).

We support S.B. 2923, which allows solar energy facilities on class B and C
agricultural lands. Land availability for renewable energy development continues to be
an issue.

Thank you for the opportunity to present this testimony.



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TESTIMONY

RE: SB2923 RELATING TO SOLAR ENERGY

Chair Gabbard, Chair Hee and Members of the Committee:

Hawaii Farm Bureau Federation on behalf of our farm and ranch families and organizations across the State submits the following comments on SB2923, expanding solar energy facilities as a permissible use on B&C agricultural lands.

HFBF is in strong support of Hawaii's renewable energy initiatives. There are unlimited opportunities for collaboration and we are optimistic about the opportunities for agriculture to benefit from renewable energy ventures. As we move in this direction we provide some level of assurance to avoid unintended consequences.

Last year, SB50 was passed by the Legislature and signed into law as Act 19. This law resulted from a possible loss of active ranchlands to a renewable energy development without the knowledge of the rancher. It was to prevent these unintended consequences in our quest to advance renewable energy. It is expected the proposed change will abide by the conditions of this law on State lands

HFBF believes it is not the intent of the Legislature to negatively impact agriculture in the process of developing renewable energy. We also recognize that there are many "ag zoned" lands that are not suitable for agriculture. We believe that these are the lands that can serve to advance renewable energy while continuing our agriculture industry.

Ranching along with the rest of agriculture is at a transition. There is much excitement about "local beef". Their business model seeks to expand grass-fed beef so adequate ranchlands will be critical. There are also opportunities to complement agriculture and renewable energy. Renewable energy facilities sited near on existing agricultural lands could provide energy for agricultural operations increasing their sustainability and possibly increasing their revenue base. This would be a true win-win situation with having renewable energy as well as agricultural products to increase our level of self sufficiency. We therefore appreciate the condition that the renewable energy project must support the energy needs of the existing operation.

This measure addresses B and C lands which are significantly more productive than D and E lands. We therefore believe that several additional issues need to be addressed.

In 2003, such concerns were already in the minds of your constituents. Act 90 was passed to address these concerns. The preamble to Act 90, SLH 2003 stated:

The purpose of this chapter is to ensure the long-term productive use of public lands leased or available to be leased by the department of land and natural resources for agricultural purposes by allowing these lands to be transferred to and managed by the department of agriculture.

To date, some lands have transferred but many still reside in DLNR and the industry has found that ranchlands, especially are difficult to be transferred. This has been a very serious concern among our ranchers for many years. If such a transfer had happened in a timely manner, Act 19(2008) would not have been needed.

Therefore, HFBF respectfully requests consideration of the following amendments to the Bill.

provided further that for lands with an overall (master) productivity rating class B or C, the solar energy facility on the land shall, at a minimum, is accessory and secondary to the principle agricultural use and provides for the energy requirements via a renewable energy source for the agricultural operations on the land on which the solar energy facility is established;

and in the case of State Lands, has the approval of the Hawaii Department of Agriculture.

We believe such amendments will promote renewable energy while continuing with our State's policy to support and expand agricultural endeavors.

We appreciate this opportunity to provide our position on this matter. If there are any questions, please contact Luella Costales at 848 2074. Thank you.



LAND USE RESEARCH
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Via: WTLTestimony@Capitol.hawaii.gov

February 5, 2010

Strong Support for SB 2923 Relating to Solar Energy
(Solar Energy on Class B and C Agricultural lands)

The Honorable Senators Mike Gabbard, Chair, J. Kalani English, Vice Chair, and Members Senate Committee on Energy and Environment,
The Honorable Senators Clayton Hee, Chair, Jill N. Tokuda, Vice Chair, and Members Senate Committee on Water, Land, Agriculture and Hawaiian Affairs,

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

LURF **strongly supports SB 2923**, which allows solar energy facilities on lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class B and C; and requires the solar energy facility on class B and C land to provide for the energy requirements via a renewable energy source for the agricultural operations on the land on which the solar energy facility is established.

Section 205-2, Hawaii Revised Statutes, already allows solar energy facilities in class D or E agricultural districts, pursuant to Act 31, Session Laws of Hawaii 2008,

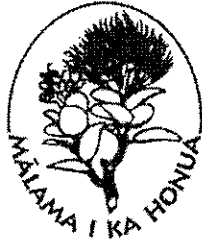
Renewable energy resources can greatly benefit Hawaii's economy, environment, energy security, and sustainability. The increased use of Hawaii's abundant renewable energy resources, such as wind, solar, ocean thermal, wave and biomass resources is key to reducing Hawaii's green house gas emissions and contribution to global warming and creating new job opportunities and economic diversification.

Renewable energy resources also continue to greatly benefit Hawaii's goal towards generating electricity to serve its consumers. Continued technological improvements in renewable energy infrastructure indicate that physical requirements of the infrastructure are becoming smaller while producing an increased amount of renewable energy.

Allowing solar energy facilities to be built on B and C agricultural lands will result in favorable effects for Hawaii's economy, environment and energy security, as solar technological improvements can benefit production on agricultural lands, in part by providing renewable energy to the agricultural operations. In addition, productive agricultural lands would benefit directly from solar energy produced on such lands.

Thank you for the opportunity to express our **strong support of SB 2923**.

We know you and look forward to your favorable consideration.



Sierra Club Hawai'i Chapter

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SENATE COMMITTEE ON ENERGY AND ENVIRONMENT SENATE COMMITTEE ON WATER, LAND, & OCEAN RESOURCES

February 18, 2010, 2:45 P.M.

(Testimony is 1 page long)

TESTIMONY IN OPPOSITION TO SB 2923

Aloha Chair Gabbard, Chair Hee, and Members of the Committee:

The Hawai'i Chapter of the Sierra Club *opposes* SB 2923, which would allow solar installations as a matter of right on class B and C agricultural lands. While we support the intent of this bill -- ostensibly to encourage the development of renewable energy -- we need to ensure agricultural land is available for traditional activities like . . . actual farming.

According to the national report card for states, between 2000 and 2005 Hawai'i converted crop land to other uses faster than any other state in the nation but one. We cannot continue this trajectory. Farmers are increasingly complaining that they cannot find open farmland available for longterm lease. We should avoid increasing uses permitted in agricultural districts without recognizing these additional commercial uses create additional competition (that may yield a greater profit) and reduce the amount of land available for actual farming.

Further, large solar farms require special conditions to deal with light reflection, traffic, interconnections, and other potential negative impacts. These issues would need to be addressed if other agricultural activities or residents live nearby—a situation the existing special use permit process addresses. But if solar farms are allowed as a matter of right within the agricultural district, this decision making and public input process may not occur.

The bill may be intended to allow construction of renewable energy sources to power agricultural operations. The law, however, already allows for the installation of renewable energy systems to power agricultural operations. *See* Haw. Rev. Stat. § 205-4.5 (a). Accordingly this bill is unnecessary for this purpose.

Mahalo for the opportunity to offer this testimony.