

SB 2288

TESTIMONY TO THE SENATE COMMITTEENON ENERGY AND
ENVIRONMENT

(Thursday, February 2, 2012, 3:30 p.m. Room 224, S.B. 2288 Relating to Energy)

By Jim Pescatore, Honeywell

MEASURE: S.B No. 2288

TITLE: Relating to Energy.

Chair Gabbard and Members of the Committee:

DESCRIPTION: Establishes the negotiated partner approach pilot program for energy savings contracts, which allows agencies to forego requests for proposals and negotiate directly with qualified vendors. Requires the pilot program to be operational from 7/1/12 to 6/30/14.

POSITION: Honeywell supports S.B 2288- Relating to Energy.

COMMENTS: We believe the State of Hawaii agencies are not consistent in their implementation or administration of their energy and sustainability goals and objectives despite rising energy cost and reduced funding. Many do not seem to be able to put together a strategic and comprehensive program.

We believe this bill:

- Demonstrates the State's position to invest in more innovative programs to reach the energy and sustainability goals set forth
- Projects a culture of energy efficiency
- Immediate Local Labor & Local Jobs growth
- Partnering with unions, state agencies and local business
- Speediness to implementation and fastest path to savings
- Reduce the cost of energy, energy demand and improved existing infrastructure
- Reduction in operating expenses
- Reduction of Green House Gases
- Greater Energy Security and sustainability
- More efficient, comfortable, and modernized facilities
- Partnering with the State as a team to help navigate, drive and attain State's aggressive Energy and Sustainability goals

Thank you for the opportunity to testify.

Testimony for ENE/PGM 2/2/2012 3:30:00 PM SB2288

Conference room: 224

Testifier position: Support

Testifier will be present: No

Submitted by: Kuulei Kealoha Cooper-Springer

Organization: Individual

E-mail: whipmkealoha@aol.com

Submitted on: 2/1/2012

Comments:

In supporting this bill moving forward, attached please find my letter to HECO for the RFI issued last year, which reflects the history of the Kealoha estate with regard to geothermal energy. It is time for change, and this bill is a great start for the State of Hawaii. Thank you for your consideration.

Kuulei Kealoha Cooper
1440 Kinoole Street
Hilo, Hawaii 96720

Thursday, June 23, 2011

Mary Ellen Nordyke-Grace
Director, Energy Analysis (mail code CP10-5W)
Energy Resources
Hawaiian Electric Company, Inc.
P.O. Box 2750
Honolulu, Hawaii 96840-0001

*Sent Via Fax / Email

RE: Geothermal RFI - County of Hawaii / James K. & Miulan P.Y. Kealoha Estate

Dear Ms. Nordyke-Grace:

The purpose for this letter is to respond to the RFI issued on June 22, 2011. As Trustee of the James & Miulan Kealoha Estate, the following is a brief history on geothermal as it relates to our estate.

In the late 1950's through the 1970's, my Grandfather, James K. Kealoha, traveled to New Zealand to research geothermal energy. His commitment to geothermal development never wavered. His vision at the time, over 40 years ago, included the transmittal of energy to other islands from Hawaii via undersea cables. At a young age, Papa told me geothermal was the way of the future. Today, his vision has finally come to possible fruition.

Our property is located in Pohoiki, Hawaii, and encompasses a total of 508 acres of which 89.3 acres is in the geothermal subzone. The parcel numbers and more information can be found at our website:

www.kealohaestate.com

The largest of the parcels is 267.50 acres which has been designated in the geothermal subzone (89.3 acres in the 95% range). The second parcel is 138.50 acres, which is adjacent to the parcel in the subzone. The smallest parcel is on both the makai and mauka side of the new Pohoiki bypass road, and has hot ponds located adjacent to the "red rock road" leading to Isaac Hale Beach Park.

In 1994, Mr. Barney Menor, Land Consultant/Manager for ORMAT, contacted me to request permission to do a test drill on our property. Unfortunately, due to his death, it took some time to receive any further information regarding his inquiry.

HECO/HELCO - RFI

June 23, 2011

Page 2

In a subsequent conversation with Mr. Mike Kaleikini of ORMAT which began over five (5) years ago, I was informed that HELCO was not purchasing anymore geothermal energy, thus, ORMAT had no expansion plans.

I met with Mr. Bill Sherman of ORMAT on May 3, 2011, regarding our property and a possible land lease for "land banking" purposes. Frankly, I am not interested in being part of "land banking", however, was pleased that at the very least, ORMAT and HECO/HELCO are entertaining the possibility of expanding production in the Puna area.

Additionally, I have had several meetings with other developers over the years, most recently Innovations Development Group. IDG has the most sensible "model" as it includes a direct community benefit. None of the other companies including ORMAT have the concept of *directly* benefiting the community that hosts geothermal energy, in addition to paying the royalties required by State of Hawaii law. I am certain if given a chance, IDG will change the way our State does business with geothermal developers, and set a precedent that will enable the people of Hawaii to enjoy both lower electric bills combined with direct community benefits.

Over the past few years, Ms. Andrea Gill of the State of Hawaii has been most helpful in providing pertinent information and is a great asset to all of us who support geothermal development. She is a wealth of information and her dedication defies superlatives.

Should we be able to participate in geothermal development on our property, I am of the mind to apply for the entire parcel(s) to be included in the subzone to ensure maximum development of geothermal energy on our property.

I have been Trustee for Papa & Grandma's estate for 28 years, hoping geothermal energy would once again be actively pursued. Finally, I have some hope that his vision will be realized. Reasonable and prudent decisions need to be made by the State of Hawaii and HECO, in order to serve the public that my Papa dedicated his life's work to.

Thank you in advance for your kind consideration and attention to this matter. Feel free to contact me at (808) 934-7799 or (808) 937-8638, or at the email above should you have any questions or need further information. I trust that together, we all can work towards a better future for ourselves, and future generations.

Sincerely,

Kuulei Kealoha Cooper
Trustee, Kealoha Estate

/kkc