



February 13, 2012

Honorable Mike Gabbard, Chair Senate Committee on Energy and the Environment

Honorable Donovan Dela Cruz, Chair Senate Committee on Water, Land, and Housing

Honorable Will Espero, Chair Senate Committee on Public Safety, Government Operations, and Military Affairs

Hawaii State Capitol Honolulu, HI 96813

Re: Support of SB 3003 – Relating to Geothermal Resources

Dear Chairs Gabbard, Dela Cruz and Espero and members of the Committees:

Since 2004, Ormat Technologies, Inc. has operated the Puna geothermal power plant which now boasts a current generating capacity of 38 MW. Puna Geothermal Venture has been in commercial operation since 1993. Most recently, Ormat completed the construction and is working towards declaration of commercial operation of an 8 MW expansion to provide even more clean, renewable energy to the residents and businesses of Hawaii County.

SB 3003 amends Chapters 182, 183C, 343 and 205 with regard to geothermal resources exploration. Ormat would like to offer these comments in support of SB 3003:

Much of Hawaii contains undeveloped geothermal resources. In order to develop that potential, it is imperative that developers are able to conduct exploration efforts in a timely manner. Therefore, Ormat supports the proposed amendments in SB 3003 that will reduce current barriers to geothermal exploration. The measures suggested in SB 3003 will streamline the current regulatory process which regulates the exploration of geothermal resources. In Ormat's humble opinion, we believe that the amendments suggested by SB 3003 would not diminish the protections afforded to landowners, the environment, or the general public related to any activity that woud result in development or the production of electricity, which would remain subject to the provisions of Chapter 343 on State or other lands for which Chapter 343 applies. While research and data collection are the types of categories of activities which can be considered exempt from Chapter 343, the proposed legislation would specifically provide geothermal exploration as an exempt activity.

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Related to the goal of streamlining the regulatory process is the portion of SB 3003 which removes the geothermal subzone designation requirement. Ormat submits that this step in the process is unnecessary, costly and time consuming. If a location has the potential for the production of renewable geothermal energy, the development of the site can be properly authorized through a permitting and review process which is not dependent upon prior subzone designation.

Thank you for the opportunity to provide our comments and for your considertion of our support for this proposed legislation.

Best Regards,

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Paul A. Thomsen Director Ormat Technologies, Inc.