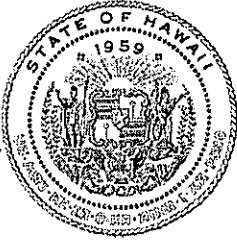


SB 2658

Measure Title: RELATING TO SOLAR ENERGY.

Report Title: Solar Energy; Agricultural Land

Description: Requires that solar facilities on agricultural lands with an overall productivity rating of class B or C occupy up to thirty, rather than ten, per cent of the acreage of the parcel or two or more adjacent parcels having met the applicable county requirements for the joint development or joint lot use of those parcels; provided that the area occupied by the solar facilities in excess of twenty acres shall only be made available for agricultural activities compatible with the solar energy facilities. Requires that solar energy facilities be removed from the land within twelve months when the facilities are no longer in operation.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
RICHARD C. LIM
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEES ON ENERGY AND ENVIRONMENT
And
AGRICULTURE

Thursday, February 6, 2014

3:30 PM

State Capitol, Conference Room 225

in consideration of

SB 2658

RELATING TO SOLAR ENERGY.

Chairs Gabbard and Nishihara, Vice Chairs Ruderman and Kouchi, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of SB 2658, which would permit solar energy facilities on class B or C agricultural lands, provided the solar energy facility does not occupy more than 30% of the acreage of the parcel(s), and the area occupied by the solar facility is made available for compatible agricultural activities. The measure also requires that solar energy facilities be removed within twelve (12) months of the conclusion of the operation.

Our state Energy Policy seeks to make the best use of Hawaii's land and resources by balancing technical, economic, environmental, and cultural considerations. DBEDT respectfully suggests that thoughtful clarification of the following provisions could help achieve this balance:

- Page 2, lines 19-21, and page 15, lines 5-7: In regards to "made available for agricultural activities that are compatible with the solar energy facilities," more clarity on what this constitutes could help ensure that the will of the Legislature is accurately interpreted and implemented.

DBEDT supports the mandated decommissioning and removal of solar energy facilities within twelve (12) months of the conclusion of the operation.

We defer to the appropriate agencies regarding whether a State Special Use Permit (SUP) should be required prior to placing solar energy facilities on agricultural lands.

Thank you for the opportunity to provide these comments.

NEIL ABERCROMBIE
Governor

SHAN S. TSUTSUI
Lieutenant Governor

RICHARD LIM
Director

MARY ALICE EVANS
Deputy Director



LAND USE COMMISSION
Department of Business, Economic Development & Tourism
State of Hawai'i

DANIEL ORODENKER
Executive Officer

Bert K. Saruwatari
Planner

SCOTT A.K. DERRICKSON AICP
Planner

RILEY K. HAKODA
Chief Clerk

FRED A. TALON
Drafting Technician

Statement of
Daniel E. Orodener
Executive Officer
Land Use Commission
Before the
Senate Committee on Energy and Environment
and
Committee on Agriculture
February 6, 2014
3:30 PM
State Capitol, Conference Room 225

In consideration of
SB 2658
RELATING TO SOLAR ENERGY

Chairs Gabbard and Nishihara, Vice Chairs Ruderman and Kouchi, and members of the Committees on Energy and Environment; and Agriculture:

The Land Use Commission takes no position with regard to the policy considerations raised by this measure. We do, however, offer the following comments regarding SB 2658 that seeks to make utility scale solar energy facilities a permissible use within the State Agricultural District on lands classified by the Land Study Bureau (LSB) as class B and C.

We would recommend that the measure be modified to require that solar energy facilities proposed for LSB class A, B, or C lands go through the State Special Permit process. This process, along with any specific limitations on parcel percentage (%) or acreage the Legislature may require, can insure that an open public forum is used to balance competing uses on our best agricultural lands and identify the parties responsible for implementing and enforcing any conditions of approval.

Thank you for the opportunity to testify on this matter.



**OFFICE OF PLANNING
STATE OF HAWAII**

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

NEIL ABERCROMBIE
GOVERNOR

JESSE K. SOUKI
DIRECTOR
OFFICE OF PLANNING

Telephone: (808) 587-2846
Fax: (808) 587-2824
Web: <http://planning.hawaii.gov/>

Statement of
JESSE K. SOUKI
Director, Office of Planning
Department of Business, Economic Development, and Tourism
before the
**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT
AND
SENATE COMMITTEE ON AGRICULTURE**
Thursday, February 6, 2014
3:30 PM
State Capitol, Conference Room 225

in consideration of
SB 2658
RELATING TO SOLAR ENERGY.

Chairs Gabbard and Nishihara, Vice Chairs Ruderman and Kouchi, and Members of the Senate Committees on Energy and Environment and Water and Agriculture.

Senate Bill 2658 amends the State Land Use Law at Hawaii Revised Statutes (HRS) §§ 205-2 and 205-4.5, to allow “solar energy facilities” within the State Agricultural Land Use District¹ on soils rated by the Land Study Bureau's Overall Productivity Rating (LSB) as “B” and “C.”²

¹ See HRS § 205-2 (“There shall be four major land use districts in which all lands in the State shall be placed: urban, rural, agricultural, and conservation.” As of November 12, 2013, approximately 49% of lands in the state are in the Conservation District and 46% is in the Agricultural District.)

² See *Land Study Bureau (LSB) Detailed Land Classification*, Office of Planning, at <http://files.hawaii.gov/dbedt/op/gis/data/lsb.pdf> (The Land Study Bureau of the University of Hawaii prepared an inventory and evaluation of the State's land resources during the 1960's and 1970's. The Bureau grouped all lands in the State, except those in the urban district, into homogeneous units of land types; described their condition and environment; rated the land on its over-all quality in terms of agricultural productivity; appraised its performance for selected alternative crops; and delineated the various land types and groupings based on soil properties and productive capabilities. A five-class productivity rating system was developed with “A” representing the class of highest productivity and “E” the lowest. Ratings were developed for both over-all productivity, and for specific crops. HRS Chapter 205 uses over-all productivity ratings.)

HRS § 205-2 currently allows solar energy facilities. However, this amendment would expand the land coverage of solar energy facilities from 10 percent or 20 acres (whichever is lesser) to 30 percent of the acreage of the parcel. These statutory provisions would continue to prohibit solar energy facilities on LSB “A” lands within the State Agricultural District.

The Hawaii State Plan, passed by the legislature in 1978 and subsequently amended, promotes both agriculture and the promotion and development of renewable energy for current and future generations.³ As the Committee balances these complex, often competing policy objectives, we provide the following comments for your consideration:

- Statewide, LSB soil productivity ratings of lands within the State Agricultural District are distributed as follows:
 - 3.1%, LSB “A”
 - 6.2%, LSB “B”
 - 14.9%, LSB “C”
 - 24.9%, LSB “D”
 - 50.9%, LSB “E”
- The counties and the State have not completed the process of identifying important agricultural lands (IAL) to the State of Hawaii. The intent of the IAL law is to “conser[ve] the State's agricultural land resource base and assur[e] the long-term availability of agricultural lands for agricultural use[.]”⁴ The IAL law, passed in 2005, implements Article XI, Section 3, of the Hawaii State Constitution, which directs the State to “conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.”
- Allowing non-agricultural uses in the State Agricultural District may contribute to the impermanence syndrome, whereby agricultural use declines due to farmers’ disinvestment in their farm operations in anticipation of development. This has been

³ See HRS §§ 226-7 and 226-18 (relating to the State’s “Objectives and policies for the economy—agriculture” and “Objectives and policies for facility systems—energy,” respectively).

⁴ HRS § 205-41.

observed to occur where competing uses are allowed in areas designed for agricultural uses.⁵

- The list of non-agricultural uses on LSB “B” and “C” lands has grown over time. Currently, HRS § 205-2 allows the following non-agricultural uses: wind generated energy production; biofuel production; limited solar energy facilities; wind machines and wind farms; small-scale meteorological, air quality, noise, and other scientific and environmental data collection and monitoring facilities; open area recreational facilities; and geothermal resources exploration and geothermal resources development. The list of non-food related uses is longer still.
- The State Special Permit under HRS § 205-6 grants counties the authority to allow “certain unusual and reasonable uses within agricultural and rural districts other than those for which the district is classified[.]” In other words, the Special Permit process allows uses in the State Agricultural District that are not agricultural uses or related to agricultural uses on a case-by-case basis. Although we do not advocate for allowing non-agricultural uses within the State Agricultural District, this established process allows counties to review non-agricultural uses to mitigate impacts on the State Agricultural District. As HRS §§ 205-2 and 205-4.5 are currently drafted, Special Permits are not allowed for solar energy facilities on (1) LSB “A” lands, or (2) LSB “B” and “C” lands for more than 10 acres or 20 percent of a parcel (whichever is lesser).

Thank you for the opportunity to provide testimony on this measure.

⁵ *Impermanence Syndrome – Have you got it?*, Rutgers, at <http://njsustainingfarms.rutgers.edu/farmlandissues.html> (last visited, Feb. 3, 2014).



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON ENERGY AND ENVIRONMENT, AND
AGRICULTURE
THURSDAY, FEBRUARY 6, 2014
3:30 P.M.
Room 225
SENATE BILL NO. 2658
RELATING TO SOLAR ENERGY

Chairpersons Gabbard and Nishihara and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2658. The Department of Agriculture supports the concept of energy as a complement to agriculture. Renewable energy development is essential to Hawaii's energy security; however, it should be promoted and implemented in a manner that protects prime agricultural land that is fundamental to agricultural production and food security.

According to Office of Planning statistics, about 75 percent of the 1.9 million-acre Agricultural District has "D" or "E" ratings. We strongly believe that these poorer-quality agricultural lands be considered first for siting solar energy facilities. Existing State law does not impose limits on the acreage of "D" and "E" rated lands that can be used for solar energy facilities. On the other hand, "B" and "C" rated agricultural lands comprise 21 percent of Hawaii's agricultural lands, have fair to good capacity for intensive agricultural production, and are more likely to be considered and designated as Important Agricultural Lands.

Thank you for the opportunity to present our testimony.





Directors

Jody Allione
Silver Ridge

Joe Boivin
Hawaii Gas

Kelly King
Pacific Biodiesel

Warren S. Bollmeier II
WSB-Hawaii

TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE
HAWAII RENEWABLE ENERGY ALLIANCE BEFORE THE
SENATE COMMITTEES ON ENERGY AND ENVIRONMENT AND
AGRICULTURE

SB2658, RELATING TO SOLAR ENERGY

February 6, 2014

Chairs Gabbard and Nishihara, Vice-Chairs Ruderman and Kouchi, and members of the Committees, I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance ("HREA"). HREA is an industry-based, nonprofit corporation in Hawaii established in 1995. Our 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 our 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 purposes of SB2658 are to: (1) require that solar facilities on agricultural lands with an overall productivity rating of class B or C occupy up to thirty, rather than ten, per cent of the acreage of the parcel or two or more adjacent parcels having met the applicable county requirements for the joint development or joint lot use of those parcels; provided that the area occupied by the solar facilities in excess of twenty acres shall only be made available for agricultural activities compatible with the solar energy facilities, and (ii) require that solar energy facilities be removed from the land within twelve months when the facilities are no longer in operation.

HREA **supports** this measure with the following comments and recommendations:

- 1) Comments. The intent of the measure clear, as the measure:
 - a) would promote the concept of dual use of Class B & C agricultural lands for agricultural activities and solar energy facilities.
 - b) represents a creative approach to making the best use of available resources to meet Hawaii's clean energy goals and support a strong agricultural industry, i.e., this is at the heart of increasing both our Food and Energy Security.
 - c) does not propose a permanent use of the land for solar, e.g., this measure requires the removal of the solar energy facilities at the conclusion of operation and restoration of the site to its pre-solar facility condition.
- 2) Recommendations: We recommend that you pass this measure out.

Mahalo for this opportunity to testify.

The Pacific Resource
PARTNERSHIP



Testimony of Cindy McMillan
The Pacific Resource Partnership

Senate Committee on Energy and Environment
Senator Mike Gabbard, Chair
Senator Russell E. Ruderman, Vice Chair

Senate Committee on Agriculture
Senator Clarence K. Nishihara, Chair
Senator Ronald D. Kouchi, Vice Chair

SB 2658 – Relating to Solar Energy
Thursday, February 6, 2014
3:30 PM
Conference Room 225

Dear Chairs Gabbard, Nishihara and Vice Chairs Ruderman, Kouchi and members of the committees,

The Pacific Resource Partnership (PRP) is a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters.

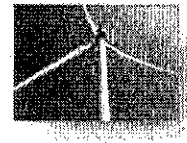
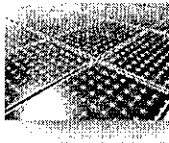
PRP supports SB 2658, Relating to Solar Energy, which requires that solar facilities on agricultural lands with an overall productivity rating of class B or C occupy up to thirty percent of the acreage of the parcel or two or more adjacent parcels having met the applicable county requirements for the joint development or joint lot use of those parcels; provided that the area occupied by the solar facilities in excess of twenty acres shall only be made available for agricultural activities compatible with the solar energy facilities. This measure also requires that solar energy facilities be removed from the land within twelve months when the facilities are no longer in operation.

Hawaii imports most of our energy and most of our food. SB 2658 will allow solar energy facilities to be built on marginal agricultural lands which will provide beneficial effects for Hawaii's economy, environment, and energy security. Revenue generated from solar "farms" can support agricultural uses by subsidizing land leases, providing infrastructure and/or providing energy for water.

The State of Hawaii's goal is to meet 70% of our energy needs by 2030 through energy efficiency and renewable energy. In order to meet this goal, we must be creative in the widespread installation of green energy infrastructure equipment.

February 6, 2014
Testimony supporting SB 2658 Relating to Solar Energy
Page 2

PRP respectfully asks for your favorable consideration of SB 2658 to demonstrate our commitment to a sustainable community in Hawaii.



**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT
SENATE COMMITTEE ON AGRICULTURE**

February 6, 2014, 3:30 P.M.

Room 225

(Testimony is 3 pages long)

TESTIMONY IN SUPPORT OF SB 2658, SUGGESTED AMENDMENTS

Chairs Gabbard and Nishihara and members of the committees:

The Blue Planet Foundation supports SB 2658, allowing the dual use of solar energy generation with farming or ranching on agricultural lands with Land Study Bureau ratings of B & C. We believe passage of this measure will enable greater amounts of low-cost, clean, indigenous energy to power our islands while preserving and expanding the opportunity to provide local food and other agricultural products.

This policy is timely and necessary to expand the amount of affordable renewable energy

Solar energy is currently a bright spot in Hawaii's progress toward energy independence, with increasing amounts of affordable renewable solar powering our lifestyles and economy. The cost of solar energy equipment has dropped some 50% over the past four years, making it more affordable than oil-fired electricity generation. In fact, in responses to an invitation from Hawaiian Electric Company last year for utility scale renewable projects fitting certain criteria, the proposed electricity prices from projects (which were mostly solar) averaged 15.8 cents per kilowatt-hour—far below the 23 to 25 cents per kilowatt-hour for oil-fired generation. These proposed larger photovoltaic farms—the others that are currently in operation—provide the lowest cost solar energy, and those savings are shared with all ratepayers—not just those who can access solar on their own. Further, when we shift our energy dollars away from foreign oil and to local clean energy sources, those dollars circulate in Hawai'i's economy to the benefit of everyone.

Solar energy has widespread support and is typically easier to site than other forms of renewable energy, such as wind and geothermal. A recent poll of Hawai'i residents conducted

Info@blueplanetfoundation.org

55 Merchant Street 17th Floor • Honolulu, Hawai'i 96813 • 808-954-6142 • blueplanetfoundation.org

by the Pacific Resource Partnership found that solar has broad acceptance and support, with 96% of respondents in favor of solar. On O'ahu in particular, much of the available land is more suitable for solar energy than wind. Solar energy's low profile, silent operation, and lack of significant moving parts make it less likely to encounter community resistance than other clean energy sources.

The timing of SB 2658 is critical to provide the opportunity for projects to come online that will make use of the existing 30% federal tax credit for solar—further lowering costs to ratepayers. This 30% federal credit expires at the end of 2016 and it is unlikely to be renewed. This measure will help clear the path for some projects to be built before the credit's expiration, saving ratepayers hundreds of millions over the life of the project. Allowing solar projects to proceed on class B & C lands without having to obtain a special use permit will help to enable timely construction so ratepayers can enjoy the benefits of low-cost renewable energy.

This policy is limited in scope and contains provisions to protect—and increase—farming

This measure contains a number of provisions to protect the long-term value and possible uses of farmland.

First, the measure requires that the land be made available for concurrent agricultural activities (page 2, lines 17 - 21: "provided that the area occupied by the solar energy facilities in excess of twenty acres shall only be made available for agricultural activities that are compatible with the solar energy facilities..."). This dual use of the agricultural lands—which may include the growing of some crops or grazing of livestock—provides double value from land that is likely currently unused. Further, energy generation can improve the viability of land for agriculture by providing infrastructure and subsidizing land costs for complementary agricultural uses. Revenue from the solar operations can help make farming operations pencil out for the entire agricultural operation.

Second, SB 2658 requires that the solar facilities be removed at the end of their operation. Specifically, "the solar energy facilities shall be decommissioned and removed within twelve months of the conclusion of operation..." (page 2, line 21 to page 3, line 2). This ensures that the farmland can be later used for other agricultural purposes at the end of the solar facilities operations. Since solar farms have a relatively small footprint (when compared to other operations or urban uses), the use of the land for a solar farm is really a form of land banking where the land is essentially protected for later use.

Third, this policy enables solar projects (with co-existing ag operations) to proceed without seeking a change in zoning. The land remains as agriculture and will remain similarly protected at the end of the solar facilities operations.

Finally, SB 2658 only relates to agricultural lands with LSB classifications of B & C—it does not include class A lands, the most productive and valuable farmlands.

Blue Planet believes that SB 2658 is an appropriate approach to support both energy and food sustainability. The legislature previously found that allowing solar energy facilities within the agricultural district furthers and is consistent with the purposes, standards, and criteria of uses within agricultural lands, and that renewable energy facilities increase both the State's energy self-sufficiency and food security. Many of the LSB class B & C agricultural lands currently are not being farmed. Because of the requirements in this measure, SB 2658 will likely increase the acreage of ag lands that are actively being farmed or ranched, while providing timely access to harvest the low-cost, indigenous, renewable solar energy to power our islands.

SUGGESTED AMENDMENTS

Blue Planet suggests the following amendments to SB 2658.

Replacing page 2, lines 13 – 21, with the following:

“twenty acres of land, whichever is lesser[→], unless the area occupied by the solar energy facilities is also made available for agricultural activities as defined in paragraphs (1) to (3); provided further that the”

Mahalo for the opportunity to testify.

Sen. Mike Gabbard, Chair
Sen. Russell Ruderman, Vice Chair
Senate Committee on Energy and Environment
Sen. Clarence Nishihara, Chair
Sen. Ronald Kouchi, Vice Chair
Senate Committee on Agriculture
Members of the Senate Committees on Energy and Environment and Agriculture
Hawaii State Legislature
State Capitol
415 S. Beretania Street
Honolulu, HI 96813

TESTIMONY IN SUPPORT OF SENATE BILL 2658 – RELATING TO SOLAR ENERGY

Dear Chair Gabbard, Chair Nishihara, Vice Chair Ruderman, Vice Chair Kouchi and members of the Senate Committees on Energy and Environment and Agriculture,

We own and operate Tin Roof Ranch, an environmentally-friendly, organic, and sustainable farm located on the North Shore of O‘ahu in beautiful Haleiwa. Tin Roof Ranch produces organic, free range chickens and eggs and other organic produce for purchase at local farmers’ market.

We also raise sheep and lambs that we sell to local butchers, stores and restaurants. Demand for lamb and sheep products is so high we cannot keep up with the requests and many times we have to turn down offers to buy our lamb and sheep products.

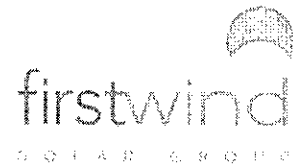
We support S.B. 2658 because it will provide an incentive for large agricultural landowners to open up more land on O‘ahu for sheep farming. The solar energy operation could also help to subsidize segments of the sheep farming operation including lease rent, fencing and water production making farming more cost-effective for the farmer.

Sheep farming needs large tracts of land to be successful because sheep forage in herds within blocks of pasture and then are moved through cross fencing to other sections of the land to allow for regrowth of grass.

Because we pride ourselves on running a farm that utilizes sustainable practices, we also like the idea that our sheep operations would coexist with renewable energy and our sheep could help with grass maintenance for the solar panels.

We respectfully request that you approve S.B. 2658 as a show of support for renewable energy and sheep farming.

Aloha,
Luann & Gary Gunder
Tin Roof Ranch
Haleiwa, Hawaii



TESTIMONY OF
CRYSTAL KUA, DIRECTOR OF EXTERNAL AFFAIRS – HAWAII
FIRST WIND SOLAR GROUP
BEFORE THE
SENATE COMMITTEES ON ENERGY AND ENVIRONMENT AND AGRICULTURE
February 6, 2014
3:30 p.m.
Hawaii State Capitol Room 225

TESTIMONY IN SUPPORT OF S.B. 2658 – RELATING TO SOLAR ENERGY

Aloha Chair Gabbard, Chair Nishihara, Vice Chair Ruderman, Vice Chair Kouchi and members of the Senate Committees on Energy and Environment and Agriculture,

Mahalo for this opportunity to testify in support of S.B. 2658 with amendments.

First Wind develops, finances, builds and operates utility-scale renewable energy projects throughout the United States and is the largest producer of clean energy in Hawaii with 150 megawatts generated by our four wind projects on Oahu and Maui.

In 2013, First Wind formed the First Wind Solar Group to explore potential development opportunities near the company's wind projects in the Northeast, the West and Hawaii.

In Hawaii, First Wind is developing four utility-scale solar projects on Oahu – two in Mililani, one in Waiawa and one adjacent to our wind farm in Kawaihoa – for a total of 132 megawatts of new renewable energy. These projects will produce enough energy to:

- Power the equivalent of 40,000 homes on Oahu.
- Save Oahu residents approximately \$400 million over the 20-year life of the projects compared to Hawaiian Electric Company's current avoided cost of energy, if the projects are completed before the sunset of the solar federal tax credits in 2016.
- Avoid using 500,000 barrels of oil a year.

Both the Waiawa and Kawaihoa projects are being proposed on agricultural land with a class B soil rating. These locations provide the optimum conditions to set up solar panels – relatively flat terrain with significant solar energy potential.

Currently, HRS Chapter 205 limits solar energy projects on class B and C agricultural land to 20 acres. In order to be financially viable and achieve the kind of clean energy production and cost-savings described earlier, utility-scale solar facilities will take up more than 20 acres. Our Waiawa project is proposed for 228 acres and Kawaihoa is planned for 327 acres.

First Wind understands and is sensitive to the recent public conversations surrounding the use of agricultural land which is why First Wind supports S.B. 2658.

This bill will allow for solar projects on tracts of B and C agricultural land larger than 20 acres if the project also makes the land available for compatible agricultural activity. For First Wind, one leading contender for an agricultural activity that is proven and compatible with solar operations is sheep farming, which is utilized on solar farms in Europe and on the mainland U.S. but we are also open to other recommendations for a compatible agricultural activity.

We see this dual use of the land as a win for renewable energy, a win for local agriculture, and a win for Hawai'i residents for the following reasons:

- The solar project could help provide affordable pasture land and infrastructure (e.g. fencing and roads) for the farmer or rancher, lowering costs and helping to promote local agribusiness.
- Sheep grazing could provide a sustainable way to manage vegetation, keeping the grass and weeds from shading the solar panels; and
- The combined use could provide local residents with both lower-cost clean energy and locally-raised agricultural products.

Because of recent comments we received from local farmers, ranchers and the different agencies with jurisdiction over HRS Chapter 205, we are requesting the bill be amended to add that below-market lease rent also be made available.

For all these reasons, we respectfully request that the committee approve S.B. 2658 with the suggested amendments.

Mahalo.

S.B. 2658 – PROPOSED AMENDMENT

...or ~~in the alternative~~, of two or more adjacent parcels having met the applicable county requirements for the joint development or joint lot use of those parcels; provided that the area occupied by the solar energy facilities in excess of twenty acres shall ~~only~~ **also** be made available for **compatible** agricultural activities **at a lease rate that is below market rent for similar properties** ~~that are compatible with the solar energy facilities~~; provided further that the solar energy facilities shall be decommissioned and removed within twelve months of the conclusion of operation;

As used in this paragraph, "agricultural activities" means activities described in paragraphs (1) to (3).

SB2658

Submitted on: 2/4/2014

Testimony for ENE/AGL on Feb 6, 2014 15:30PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Carl	Individual	Support	No