

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

NEIL ABERCROMBIE GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR

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Statement of

RICHARD C. LIM Director

Department of Business, Economic Development, and Tourism before the

SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, February 25, 2014 9:10 a.m. State Capitol, Conference Room 211

in consideration of SB 2664, SD1 RELATING TO NATURAL RESOURCES.

Chair Ige, Vice Chair Kidani, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports SB 2664, SD1, which: (1) includes geothermal within the definition of a renewable energy producer for public land leasing purposes; (2) eliminates ambiguities, modifies definitions and incorporates additional technical, non-substantive changes; and (3) provides additional clarity and detail regarding Department of Land and Natural Resources (DLNR) administration of the State's mineral leasing program, including fees and penalties.

There are no additional costs to the State of Hawaii for implementation of this measure. The clarifications to the definition of a renewable energy producer and procedures for awarding mining leases should encourage geothermal development, supporting the State's energy policy directives of a diversified renewable portfolio anchored by geothermal and ultimately contribute to additional income to the State from payroll taxes, royalties, and increased economic activity.

We defer to DLNR regarding the provisions of this measure impacting the administration of the State's mineral leasing program.

Thank you for the opportunity to offer these comments in support of SB 2664, SD1.

NEIL ABERCROMBIE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of WILLIAM J. AILA, JR. Chairperson

Before the Senate Committee on WAYS AND MEANS

Tuesday, February 25, 2014 9:10 A.M. State Capitol, Conference Room 211

In consideration of SENATE BILL 2664, SENATE DRAFT 1 RELATING TO NATURAL RESOURCES

Senate Bill 2664, Senate Draft 1, proposes to revise statutory provisions relating to the regulation of mineral resources under Chapters 171 and 182, Hawaii Revised Statutes, to include geothermal within the definition of a "renewable energy producer" and to provide clarity, eliminate ambiguities, and incorporate technical, non-substantive changes in accordance with Act 97, Session Laws of Hawaii 2012. While the Department of Land and Natural Resources (Department) strongly supports this measure, we respectfully request the following revision.

The Department requests that the proposed revision to the definition of "geothermal resources" as stated in Senate Bill 2664 be reinstated:

"SECTION 4. Section 182-1, Hawaii Revised Statutes, is amended as follows:

1. By amending the definition of "geothermal resources" to read:

"Geothermal resources" means the natural heat of the earth, the energy, in whatever form, below the surface of the earth present in, resulting from, or created by, or which may be extracted from, such natural heat, and all minerals in solution or other products obtained from naturally heated fluids, brines, associated gases, and steam, in whatever form, found below the surface of the earth, but excluding oil, hydrocarbon gas, or other hydrocarbon substances, and any water, mineral in solution, or other product obtained from naturally heated fluids, brines, associated gases, and steam, in whatever form, found below the surface of the earth, having a temperature of 150 degrees Fahrenheit or less, and not used for electrical power generation]."



CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ESTHER KIA'AINA FIRST DEPUTY

WILLIAM M. TAM

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEY ANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE PARKS



The Department believes that this definition provides better clarity of "geothermal resources" which is fairly consistent with definitions used in other states. Regarding low temperature applications, the Department believes that the proper and safe use of such low temperature resources can be adequately regulated through rule making.

Thank you for the opportunity to testify on this measure.

From: <u>mailinglist@capitol.hawaii.gov</u>

To: WAM Testimony

Cc: <u>henry.lifeoftheland@gmail.com</u>

Subject: *Submitted testimony for SB2664 on Feb 25, 2014 09:10AM*

Date: Monday, February 24, 2014 7:12:53 AM

SB2664

Submitted on: 2/24/2014

Testimony for WAM on Feb 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Henry Curtis	Life of the Land	Oppose	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



Indigenous Consultants, LLC

Mililani B. Trask, Principal

P.O.Box 6377 **Hilo, HI** 96720

Mililani.trask@gmail.com



Bill#: **SB 2664** Committees: WAM

Hearing Date: Tuesday, February 25, 2014

Room: 211 Time: 9:10 am

Testimony in Support with Amendments

February 24, 2014

Aloha Senators,

Indigenous Consultants (IC) is a Hawaii based, indigenous LLC owned and operated by Native Hawaiians. It was created to assist indigenous peoples in developing their renewable energy resources in ways that are: culturally appropriate, environmentally green and sustainable, socially responsible and economically equitable and affordable. For several years the IC has worked with Innovations Development Group in New Zealand and indigenous Maori developing geothermal resources, which are trust assets of Maori Land Trusts. In addition, the IC has acted as a consultant to other indigenous people in Hawaii and Asia who are addressing development of their trust renewable energy resources in ways that; directly benefit their people, bring in revenues, create small business opportunities and ensure fair & affordable rates to consumers, including themselves and their communities.

IC supports the inclusion of geothermal within the definition of a renewable energy producer and the updated language that eliminates ambiguities because clarity in permitting procedures is essential for both regulators and potential renewable energy developers. The elimination of conflicts in statutory language through this bill will remove barriers and thus help the State achieve its renewable energy objectives.

IC supports the language changes proposed by DLNR and requests that the report reference and support uses of steam for hot house agriculture.

Please pass this measure, with definition changes recommended by DLNR.

Sincerely,

Mililani B. Trask

Indigenous Consultants, LLC

Malai B. Jasol

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: barb@kanekiki.com

Subject: *Submitted testimony for SB2664 on Feb 25, 2014 09:10AM*

Date: Monday, February 24, 2014 6:49:38 AM

SB2664

Submitted on: 2/24/2014

Testimony for WAM on Feb 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Barb Cuttance	Individual	Oppose	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: saralegal@live.com

Subject: Submitted testimony for SB2664 on Feb 25, 2014 09:10AM

Date: Saturday, February 22, 2014 3:29:41 PM

SB2664

Submitted on: 2/22/2014

Testimony for WAM on Feb 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Sara Steiner	Individual	Oppose	No

Comments: I oppose any further geothermal exploration in the Hawaiian islands. It is a dirty polluting enterprise, it is not a clean renewable resource. Not to mention the expense is not feasible in the light of solar getting cheaper all the time.

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From: <u>mailinglist@capitol.hawaii.gov</u>

To: WAM Testimony

Cc: <u>shannonkona@gmail.com</u>

Subject: Submitted testimony for SB2664 on Feb 25, 2014 09:10AM

Date: Monday, February 24, 2014 10:09:17 AM

SB2664

Submitted on: 2/24/2014

Testimony for WAM on Feb 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Oppose	No

Comments: Oppose. The further one lives from geothermal development the better it sounds, that's why it sounds so good to people who live in Honolulu. Come and spend a week in the 'Puna Sacrifice Zone' to see what the area neighbors experience everyday - not counting the horrendous drilling noise, blowouts, gasses, and evacuations. Geothermal is a dinosaur technology whose day has past.

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From: <u>mailinglist@capitol.hawaii.gov</u>

To: WAM Testimony

Cc: <u>suzanne@punapono.com</u>

Subject: *Submitted testimony for SB2664 on Feb 25, 2014 09:10AM*

Date: Monday, February 24, 2014 9:25:23 AM

SB2664

Submitted on: 2/24/2014

Testimony for WAM on Feb 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Suzanne Wakelin	Individual	Oppose	No

Comments:

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