



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

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS & MEANS

Thursday, February 25, 2016
1:00 p.m.
State Capitol, Conference Room 211

in consideration of
SB 2535, SD1
RELATING TO GEOTHERMAL.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) offers comments on SB 2535, SD1, which concerns county and state authorities to permit geothermal resources exploration and development. The SD1 reserves geothermal exploration and development to the State unless delegated to the Counties by statute.

DBEDT supports the re-establishment of county zoning authority to regulate geothermal development on urban, rural, and agricultural land to provide the appropriate framework to balance economic, technical, environmental, and cultural considerations. Similarly, DBEDT also supports the Department of Land and Natural Resources' (DLNR) authority to regulate geothermal on conservation land.

DBEDT is concerned that this measure does not clearly re-establish the zoning authorities or processes to regulate geothermal resources exploration and development. For example, there is no discussion of the specific permit process to be used to regulate geothermal exploration and development, nor does the measure currently provide guidance to the agencies on permit approval criteria. Recent events have demonstrated the financial and procedural importance of having a defined permitting process in place that allows for effective decision making.

As this measure concerns State authority to regulate mining operations and geothermal resources development and exploration, including drilling conditions and restrictions, we defer to DLNR on these matters. We also defer to DLNR on the fiscal impacts of this measure.

Thank you for the opportunity to offer these comments on SB 2535, SD1.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: kananiaton@gmail.com
Subject: Submitted testimony for SB2535 on Feb 25, 2016 13:00PM
Date: Thursday, February 25, 2016 11:35:42 AM

SB2535

Submitted on: 2/25/2016

Testimony for WAM on Feb 25, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
D. Oliveira	Hawaii County Civil Defense Agency	Comments Only	No

Comments: February 25, 2016 Jill N. Tokuda, Chair Senate Committee on Ways and Means Hawaii State Capitol 415 S. Beretania Street Honolulu, HI 96813 Dear Senator Tokuda, Mahalo for this opportunity to comment on SB 2535, which clarifies that the regulation of geothermal resources development and geothermal resources exploration is reserved to the State unless delegated to the counties by statute. The county supports the repeal of Act 97. We believe that oversight of geothermal permits belongs in the county in which such activity takes place. Placing the permitting authority with county government supports home rule and assures that those people most impacted by any geothermal-related activities have a reasonable opportunity to participate in hearings and voice their concerns or support for such projects. Mahalo for your consideration, Darryl Oliveira Administrator Hawai'i County Civil Defense Agency

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**Testimony to the Senate Committee on Ways and Means
Thursday, February 25, 2016 at 1:00 P.M.
Conference Room 211, State Capitol**

RE: SENATE BILL 2535 SD 1 RELATING TO GEOTHERMAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2535 SD 1, which clarifies that the regulation of geothermal resources development and geothermal resources exploration is reserved to the State unless delegated to the counties by statute. Requires the lessee of a mining lease to comply with all water and air pollution control laws, relating to building, grading, and flood control codes. Requires the rules of the board of land and natural resources regarding mining operations, geothermal resource development, and geothermal resource exploration, including drilling conditions and restrictions, to be uniform throughout the State.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber supports geothermal resources development and exploration, which in turn support growth of business and cheap renewable energy. With geothermal, the regulating power should reside with the state to ensure safe and consistent production and only with the counties when development exists in proximity to residential areas.

Thank you for the opportunity to testify in support of SB 2535 SD 1.

ORMAT®



THE SENATE
THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2016
Thursday, February 25, 2016, 1:00 p.m.
Conference Room 211 State Capitol
415 South Beretania Street, Honolulu, Hawai'i 96813
Hearing on SB 2535 (SD1)

Senator Jill Tokuda, Chair, Senator Donovan Dela Cruz, Vice Chair, COMMITTEE ON WAYS AND MEANS (WAM)

Aloha Chair Tokuda and respected committee members of the Ways and Means committee:

Thank you for the opportunity to provide this testimony on SB 2535 (SD1). Ormat Nevada Inc. supports the purpose and intent of this bill:

- (1) Clarify that regulation of geothermal resources development and geothermal resources exploration shall be exclusively reserved to the State unless delegated to the counties by statute;
- (2) Require the lessee of a mining lease to comply with all water and air pollution control laws, relating to building, grading, and flood control codes; and
- (3) Require the rules of the board of land and natural resources regarding mining operations, geothermal resource development, and geothermal resource exploration, including drilling conditions and restrictions, to be uniform throughout the State.

Regulatory oversight of all geothermal resources in the State, with regards to exploratory or development of geothermal resources need to be with the agency that has the expertise, understanding, knowledge and human resources to safely regulate all aspects of geothermal drilling operations with the primary focus of protecting and preserving Hawaii's natural resources while ensuring the safety of all those involved in such operation.

SB 2535 (SD1) will bring Hawaii up to par with all other leading states in geothermal development, e.g. California, Nevada, Utah, New Mexico, Oregon and Alaska. In all these states, geothermal drilling is regulated exclusively by state agencies who have specific expertise in geology and engineering to be able to ensure safe drilling operation and conservation of the natural resource. Such agencies include the California Department of Oil, Gas and Geothermal Resource; Nevada Department of Minerals, Alaska Oil and Gas Conservation Commission, etc. States like Nevada and California regulate the drilling of tens of wells per year, many times more than what Hawaii sees.

ORMAT NEVADA INC.

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Geothermal energy has been in safe commercial operation in Hawai'i since 1993. Geothermal energy has been providing up to 25% of all the energy consumed annually on Hawai'i Island. This amount of energy is equivalent to about 150,000 barrels of oil displaced annually.

In 2015, the State of Hawai'i passed a law requiring that Hawai'i reach 100% renewable energy by the year 2045. Geothermal energy has played a substantial role on the energy needs of Hawai'i Island. SB 2535 (SD1) will help facilitate the entire State of Hawaii's ability to safely and economically develop additional geothermal resources throughout the State.

We appreciate the continued support from our State legislators and want to express our gratitude for the opportunity to provide the aforementioned testimony. Mahalo a nui loa.

Respectfully,

A handwritten signature in black ink that reads "Michael L. Kaleikini". The signature is fluid and cursive.

Michael L. Kaleikini

Senior Director for Hawai'i Affairs

Please contact me at 808.965.2838 with any questions.

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: hulikalima@gmail.com
Subject: Submitted testimony for SB2535 on Feb 25, 2016 13:00PM
Date: Thursday, February 25, 2016 8:46:31 AM

SB2535

Submitted on: 2/25/2016

Testimony for WAM on Feb 25, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
NO Kapaole	Individual	Oppose	No

Comments: Strongly oppose. Stop undermining/undoing Home Rule and the Counties democratic process and communities previous efforts to address these issues.

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: cvancamp3@hawaii.rr.com
Subject: *Submitted testimony for SB2535 on Feb 25, 2016 13:00PM*
Date: Wednesday, February 24, 2016 7:16:50 PM

SB2535

Submitted on: 2/24/2016

Testimony for WAM on Feb 25, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Carol A. VanCamp	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: dbaker@current-events.com
Subject: *Submitted testimony for SB2535 on Feb 25, 2016 13:00PM*
Date: Thursday, February 25, 2016 8:47:58 AM

SB2535

Submitted on: 2/25/2016

Testimony for WAM on Feb 25, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Debbie Baker	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: dylanarm@hawaii.edu
Subject: *Submitted testimony for SB2535 on Feb 25, 2016 13:00PM*
Date: Thursday, February 25, 2016 9:08:51 PM

SB2535

Submitted on: 2/25/2016

Testimony for WAM on Feb 25, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Armstrong	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: kama@hawaiiantel.net
Subject: Submitted testimony for SB2535 on Feb 25, 2016 13:00PM
Date: Wednesday, February 24, 2016 10:37:27 PM

SB2535

Submitted on: 2/24/2016

Testimony for WAM on Feb 25, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Kama	Individual	Support	No

Comments: In support of SB2535 (SD1), reaffirming that DLNR is the primary regulatory agency for geothermal exploration and development. Approval of SB2535 would bring Hawaii to par with other leading states in geothermal development, where geothermal drilling is regulated exclusively by state agencies who have specific expertise in geology and engineering to be able to ensure safe drilling operation and conservation of the natural resource.

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From: [Limu](#)
To: [WAM Testimony](#)
Subject: SB2535 SD1 -- strongly oppose
Date: Wednesday, February 24, 2016 10:02:11 PM

Aloha All Legislators,

Why again are there people in our government who want to silent the voices of the people that will directly be effected by a poisonous development of Geothermal so close to residual populated area's. How would you all like if we the people of the Big Island take away your voice. And put you in the position by us poisoning you your children & elderly with hydrogen sulfide gas in your neighborhoods. Can you honestly say you would support silencing your own voice?

Hualalai Mountain is over due for a eruption. The steep slope creates the ability of the lava to reach the ocean with in hours. How will you prevent the heads of the wells from being over run by lava. The end result of the high pressure uncapped uncontrolled well will cause mass evacuation of all down wind. And the wind is always changing. Day time on shore night time off shore Who will pay for all the health conditions created by the release of hydrogen sulfide gas that will happen? And all the displaced people. We all breath far to much of it already. We don't need to or want to breath any more. Any time I go to Kona my eyes are dry and burning. And I come home very tired.

A law was created by the state that removed the ability of residents in Puna from bringing any legal action against the Geothermal development. So in other words the company can release hydrogen sulfide gas and create all kinds of health conditions and possibly death. Without the threat of financial liability or court decisions. They only can get fined. Is this your plan now for any and all geothermal development? Take away more and more of our rights?

All of you who vote for this want to be able to gas people and have no liability? Yes?

--

Love is my strength, service is my focus.

Dana G. Moss
Kapaau Hawaii 96755
808 884 5681

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: Thecarbas@msn.com
Subject: Submitted testimony for SB2535 on Feb 25, 2016 13:00PM
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SB2535

Submitted on: 2/24/2016

Testimony for WAM on Feb 25, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Sharade Carba	Individual	Oppose	No

Comments: It belongs to the people not the state of Hawaii

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