

SB 2535

RELATING TO
GEOHERMAL

LATE TESTIMONY



LATE

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Testimony to the Senate Committees on
Transportation and Energy;
Public Safety, Intergovernmental, and Military Affairs;
and
Water, Land and Agriculture
3:00 p.m., Tuesday, 16 February 2016
State Capitol, Conference Room 229
Honolulu, HI 96813

Re: SB 2535 Relating to Geothermal

Aloha Chair Inouye, Chair Nishihara, Chair Gabbard and Members of the Committees:

My name is Jacqui Hoover and I have the privilege of serving as Executive Director and Chief Operating Officer of the Hawaii Island Economic Development Board (HIEDB), a private, member-based 501(c)3 organization incorporated in 1984 to help strengthen and diversify Hawaii Island's economy.

HIEDB strongly supports SB 2535 which recognizes "... that the development and regulation of geothermal energy production is a matter of statewide concern..." and excludes "... restrictions imposed by the Counties that are inconsistent with or contrary to State laws and regulations."

In 2012 when the Hawaii County Council considered an ordinance prohibiting all geothermal drilling and drilling operations during evening hours within one-mile radius of any residence as a noise abatement mitigation, HIEDB provided testimony in opposition citing concerns about safety of both geothermal production personnel and environment being compromised. HIEDB referred to international geothermal drilling best practices and safety, and to the numerous industry experts and representatives of the Hawaii State Department of Land and Natural Resources (DLNR) who also testified in opposition.

As the Council adopted the ordinance which is contradictory to best practices and to the regulations imposed by the DLNR which has oversight of geothermal production activities on behalf of the State, SB 2535 offers an opportunity for preemption which HIEDB believes to be necessary in order to ensure that geothermal production can be executed safely and consistently in Hawaii in support of the State's clean/renewable energy goals.

Mahalo for the opportunity to speak in support of SB 2535.

Sincerely,

Jacqui L. Hoover
Executive Director and COO

LATE

DAVID S. DE LUZ, JR.

P. O. BOX 4848
HILO, HI 96720

February 16, 2016

The Honorable Lorraine R. Inouye, Chair

Senate Committee on Transportation and Energy

The Honorable Clarence K. Nishihara, Chair

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

The Honorable Mike Gabbard, Chair

Senate Committee on Water, Land and Agriculture

State Capitol, Room 229

Honolulu, Hawaii 96813

RE: S.B. 2535, Relating to Geothermal

HEARING: Tuesday, February 16, 2016 at 3:00 p.m.

Aloha Chair Inouye, Chair Nishihara, Chair Gabbard, and Members of the Committees:

My name is David S. De Luz, Jr. and I am a lifelong resident of the Big Island of Hawaii. As a family owned business person, I have firsthand experienced the issues, concerns and consequences of our geothermal development and its impact on our community and business. I am in STRONG support S.B. 2535 and following state why:

1. Allows counties to adopt ordinances to regulate geothermal resources exploration conducted less than one mile from a residence if the ordinance is not inconsistent with state law;
2. Prohibits counties from adopting ordinances to regulate geothermal resources exploration conducted one mile or more from a residence;
3. Clarifies that the regulation of geothermal resources development and geothermal resources exploration is reserved to the State unless delegated to the counties by statute;
4. 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; an

5. 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.

There are multiple benefits which geothermal power production has for consumers and the public. For example, the current production of power from geothermal energy not only dramatically decreases the State's dependence on fossil fuels (current displacement is equivalent to 300,000 barrels of oil per year from the existing facility in Puna), the on demand power which is available from geothermal power production on a 24/7 basis allows the energy grid to absorb more power from fluctuating renewable sources such as wind and solar energy.

On the Big Island, geothermal energy has proven itself to be a source of reliable and cost efficient power which provides stable cost efficient power of 20% of the island population, and which also serves as a lower rate source during evening hours to charge electric vehicles.

Geothermal power fosters the ability to sustain housing opportunities which are affordable and provide flexibility in housing options. It can lessen costs to those who purchase power from the energy grid, and can allow more net energy metering from PV systems to be linked to the grid.

Already highly regulated by the EPA and the State of Hawaii, geothermal energy exploration and production activities have been proven to be a safe and clean operation which operates under a closed loop system that emits little to no emissions. The highest pollution emissions continue to emanate from plants which burn fossil or other fuels, which only increase the rate of climate change.

The adoption of local county regulations can conflict with State regulation and interfere with the ability of a geothermal energy producer to safely and efficiently conduct exploration or production activities, leading to an increase in the cost of production or discourage investment in the production of additional geothermal energy power.

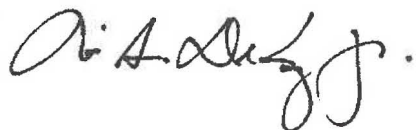
A geothermal energy producer should be allowed to comply with regulations adopted by the EPA and the State, and county efforts to impose improper restrictions which can compromise safety should be preempted. As an example, a recent County of Hawaii ordinance purports to prohibit all night time drilling operations which include safety protocols which are mandated by the State to protect water resources and the environment.

Despite rational opposition from representatives of DLNR who voiced strong concerns about the safety and cost aspects of such restrictions, the ordinance was adopted.

A uniform system of regulation by the State of Hawaii is necessary to further the State's renewable energy goals

Thank you for the opportunity to offer my testimony.

Respectfully submitted by,

A handwritten signature in black ink, appearing to read "David S. De Luz, Jr.", with a stylized flourish at the end.

David S. De Luz, Jr
808-895-4284
Email: delusdjrgmail.com

Kaala Coleman

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 16, 2016 12:49 PM
To: TRE Testimony
Cc: nschomer@msn.com
Subject: Submitted testimony for SB2535 on Feb 16, 2016 15:00PM

SB2535

Submitted on: 2/16/2016

Testimony for TRE/PSM/WLA on Feb 16, 2016 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Nadia Ranne	Individual	Oppose	No

Comments: I strongly oppose this bill. Counties must have the right to enact geothermal laws. Please do not deprive counties of this right! This would also interfere with the ongoing litigation in the Third Circuit Court. In addition, this legislation is intended to benefit Puna Geothermal Venture (PGV) - where there have been many problems and poor regulation. --- There is much evidence that shows how terrible geothermal in Hawaii is for the environment, water pollution, and health of humans and animals, and more known and unknown risks. Your primary role as government is to provide for our HEALTH AND SAFETY. This is a huge issue. We are not collateral damage. --- Please listen to the Puna Pono Alliance. They truly represent our community.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

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Kaala Coleman

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 16, 2016 2:58 PM
To: TRE Testimony
Cc: luellacrutcher@yahoo.com
Subject: Submitted testimony for SB2535 on Feb 16, 2016 15:00PM

SB2535

Submitted on: 2/16/2016

Testimony for TRE/PSM/WLA on Feb 16, 2016 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Luella Nohea Crutcher	Individual	Oppose	No

Comments: I am strongly opposed to SB2535 for several reasons: (1) It is a preemption bill, that would deprive counties of their right to enact geothermal laws. (2) As a legislative act, it would interfere with ongoing litigation in the Third Circuit Court. (3) As such, it is special legislation intended to benefit Puna Geothermal Venture (PGV). (4) The state has a poor record of regulating PGV. This bill offers counties authority to regulate geothermal exploration conducted less than one mile from a residence. Hawai`i County law presently regulates geothermal exploration and geothermal production drilling one mile or less from a residence at night. This bill, will actually take a step backward from the current county law. Also there is a history of health problems occurring in Puna, with residents that live close to PGV has been ignored, What`s the point of drilling, when there will be continuous opposition from communities living close by. Also, if I remember correctly, once the drilling starts, they will not be able to stop drilling at night, so again what`s the point of drilling in the first place. Drilling should be at least 10 miles from any residence or recreation area. Please consider the safety and health issues. Mahalo for your considerations. Luella Nohea Crutcher

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Kaala Coleman

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 16, 2016 4:14 PM
To: TRE Testimony
Cc: rfreitasjr@hotmail.com
Subject: Submitted testimony for SB2535 on Feb 16, 2016 15:00PM

SB2535

Submitted on: 2/16/2016

Testimony for TRE/PSM/WLA on Feb 16, 2016 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Freitas Jr.	Individual	Oppose	No

Comments: I oppose this bill!!!

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Kaala Coleman

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 16, 2016 8:20 PM
To: TRE Testimony
Cc: blawaiianlvr@icloud.com
Subject: Submitted testimony for SB2535 on Feb 16, 2016 15:00PM

SB2535

Submitted on: 2/16/2016

Testimony for TRE/PSM/WLA on Feb 16, 2016 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Ho'omana Pono, LLC.	Oppose	Yes

Comments: We OPPOSE this bill based upon the separation of powers & simply the over reaching intrusive nature of this his bill by the State upon the Counties. There is no one closer to the geothermal issue than the Counties & the residents in those areas.

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