

SB 3088

RELATING TO
HYDROELECTRIC
POWER

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

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TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON TRANSPORTATION AND ENERGY
AND WATER, LAND, AND AGRICULTURE

February 9, 2016
2:45 P.M.
CONFERENCE ROOM 229

SENATE BILL NO. 3088
RELATING TO HYDROELECTRIC POWER

Chairpersons Inouye and Gabbard and Members of the Committees:

Thank you for the opportunity to testify on House Bill No. 2045 that allows a "small hydropower facility" as defined by the U. S. Department of Energy as a hydroelectric facility on all Agricultural District lands. The Department of Agriculture offers comments.

This bill removes from Section 205-4.5(a)(23) the requirement that small hydroelectric facilities on all Agricultural District lands are accessory to agricultural activities on agricultural lands and for agricultural use only. The bill does retain the requirement that "small hydropower facilities" not adversely impact or impede the use of agricultural land or the availability of ground or surface water for all uses. Because impoundment and diversion facilities may include the damming of rivers, we recommend that the Department of Land and Natural Resources and the U. S. Fish and Wildlife Service be consulted.



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For your information, the U. S. Department of Energy states that a “small hydropower facility” has a generating capacity of 100 kilowatts to 30 megawatts. (<http://energy.gov/eere/water/types-hydropower-plants>). According to the Hawaii State Energy Office, the largest capacity hydroelectric facility in Hawaii is the Wailuku River (Hilo) Power Company’s 11 megawatt facility.

Thank you for the opportunity to submit our testimony.

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



JAMES J. NAKATANI
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
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**TESTIMONY OF JAMES J. NAKATANI
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION**

**BEFORE THE COMMITTEES ON WATER, LAND, AND AGRICULTURE &
TRANSPORTATION AND ENERGY**

Tuesday, February 9, 2016
2:45 p.m.

**SENATE BILL NO. 3088
RELATING TO HYDROELECTRIC POWER**

Chair Gabbard, Chair Inouye, and Members of the joint Committees,

My name is James Nakatani, Executive Director of the Agribusiness Development Corporation ("ADC"). The ADC strongly supports Senate Bill No. 3088 which permits hydroelectric facilities on Agricultural District lands that are considered small hydropower facilities under federal law.

The ADC is intrigued by hydroelectricity and would explore the idea of producing a clean source of energy to help its farmers become more self-sufficient and protect their bottom line while creating more efficiency in their water usage. The elevation changes of its ditch systems and water lines make conditions ideal for generating hydropower, which can be created 24/7 indefinitely assuming that the reservoir it is utilizing never runs dry. More importantly, because hydroelectricity uses "non-consumptive water", all of the

water used to generate the hydropower is returned to the reservoir or original source.

In addition to the environmental benefits, permitting hydropower facilities on agricultural district lands can help generate the necessary funding to modernize the entire water system which can benefit its users.

Thank you for the opportunity to testify.



Email: communications@ulupono.com

SENATE COMMITTEES ON TRANSPORTATION & ENERGY AND WATER, LAND, &
AGRICULTURE

Tuesday, February 9, 2016 — 2:45 p.m. — Room 229

Ulupono Initiative Strongly Supports SB 3088, Relating to Hydroelectric Power

Dear Chair Inouye, Chair Gabbard, Vice Chair Nishihara, and Members of the Committees:

My name is Kyle Datta and I am General Partner of the Ulupono Initiative, a Hawai'i-based impact investment company that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown food; increase affordable, clean, renewable energy; and reduce waste. We believe that self-sufficiency is essential to our future prosperity, and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports SB 3088, which permits hydroelectric power facilities larger than 500kW on Agricultural District lands, because it aligns with our goal of increasing the production of clean, renewable energy in Hawai'i. Of particular interest to Ulupono is the ability to create run-of-river hydroelectric and pumped storage hydro projects. Energy storage projects are gaining more support as variable renewable energy is increasing. Yet, for all the battery technology developments, hydroelectric and pumped storage hydro are some of the most cost efficient and technologically proven energy storage systems in the world.

Through increasing the electric generating capacity cap, more projects can be built that benefits farmers and ranchers, the utility, and ratepayers. For farmers and ranchers, a hydroelectric power and pumped storage project can provide both a supplemental revenue source and more effective water capture and usage. For the utility, these projects can provide more firm, renewable generating capacity and greater grid effectiveness. For the ratepayer, these energy projects can lower the cost of energy use.

However, these hydroelectric projects can require larger economies of scale to make them economically viable. The current 500kW cap is too small to allow for hydroelectric infrastructure and pumped storage hydro to develop in a timely manner.

As Hawai'i's energy issues become more complex and challenging, we appreciate this committee's efforts to look at policies that support renewable energy production.

Investing in a Sustainable Hawai'i

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Thank you for this opportunity to testify.

Respectfully,

Kyle Datta
General Partner

Kaala Coleman

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 07, 2016 8:39 PM
To: TRE Testimony
Cc: dale@hicattle.org
Subject: *Submitted testimony for SB3088 on Feb 9, 2016 14:45PM*

SB3088

Submitted on: 2/7/2016

Testimony for TRE/WLA on Feb 9, 2016 14:45PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Hawaii Cattlemens Council	Support	No

Comments:

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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February 9, 2016

HEARING BEFORE THE
SENATE COMMITTEE ON TRANSPORTATION AND ENERGY
SENATE COMMITTEE ON WATER, LAND, AND AGRICULTURE

TESTIMONY ON SB 3088
RELATING TO HYDROELECTRIC POWER

Room 229
2:45 PM

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

I am Randy Cabral, President of the Hawaii Farm Bureau Federation (HFB). Organized since 1948, the HFBB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

HFB supports the intent of SB 3088, which permits hydroelectric facilities on Agricultural District lands that are considered small hydropower facilities under federal law

Renewable energy is important to the State's energy goals. Hydroelectric facilities can serve as a feasible alternative energy source to meet such goals. That being said, viable farming and ranching activities on agricultural lands must be maintained in order to retain agricultural lands for future generations. Lands capable of supporting viable agricultural activities should be protected and kept in agriculture. Hydroelectric facilities can provide the State with alternative energy options, as long as it is secondary to agricultural activities on agricultural lands.

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