

TESTIMONY OF
JAMES P. GRIFFIN, Ph.D.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

TO THE
HOUSE COMMITTEE ON
ENERGY AND ENVIRONMENTAL PROTECTION

March 19, 2019
9:30 a.m.

Chair Lowen and Members of the Committee:

MEASURE: H.R. No. 156

TITLE: URGING THE PUBLIC UTILITIES COMMISSION TO DENY APPROVAL OF THE PALEHUA WIND PROJECT.

DESCRIPTION: URGING THE PUBLIC UTILITIES COMMISSION TO DENY APPROVAL OF THE PALEHUA WIND PROJECT.

POSITION:

The Public Utilities Commission offers the following comments for consideration.

COMMENTS:

The Public Utilities Commission (“Commission”) has an open proceeding regarding the Palehua Wind Project (see Docket No. 2018-0400). As part of this proceeding, Hawaiian Electric has requested a waiver from Competitive Bidding Framework, approval of the associated power purchase agreement between Hawaiian Electric and the Palehua Wind Project, and permission to construct a 138 kV transmission line extension above ground pursuant to Hawaii Revised Statutes § 269-27.6 and 27.5.

The Commission is in receipt of numerous public comments relating to this project, including from the Makakilo-Kapolei-Honokai Hale Neighborhood Board, the Nanakuli-Mailii Neighborhood Board, the U.S. Fish and Wildlife Service, Representative Cedric Gates, and Representative Stacelynn Eli.

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The Commission is currently reviewing Hawaiian Electric's application and will ensure that a copy of any resolutions adopted by the Legislature related to this proceeding are included in the record before the Commission.

Thank you for the opportunity to testify on this measure.



Eurus Energy America Corporation

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Testimony by Dean Masuno, Eurus Energy America

In opposition to House Resolution 156 - URGING THE PUBLIC UTILITIES COMMISSION TO
DENY APPROVAL OF THE PALEHUA WIND PROJECT

House Committee on Energy and Environmental Protection
Tuesday, March 19, 9:30 am, room 325

Aloha Chair Lowen and members of the Committee,

My name is Dean Masuno and I am here on behalf of Eurus Energy America (EEA). EEA is opposed to House Resolution 156 and would like to provide some background on this project.

We understand that Rep. Eli and some other residents of West Oahu may believe that EEA did not adequately communicate the status of the project to the community early on. We would like to take this opportunity to correct any misinformation and to provide an update on the project and on Eurus' outreach and education efforts to date. Attached is information that we have developed, and in some cases, have already provided to the community, business leaders and government officials.

WHY WIND

Palehua Wind will harness the power of the wind and convert it into clean, sustainable energy, bringing Hawaii much closer to reaching its 100 percent renewable energy goal mandated by HB 623 and signed by Governor Ige in 2015. The Intergovernmental Panel on Climate Change predicts up to 3.2 ft of global sea level rise by 2100. This will have particularly damaging impacts for Hawaii, where nearly 550 cultural sites would be destroyed, 38 miles of major roads would be flooded, and 25,800 acres of land near the shoreline would be inundated, resulting in an economic loss of more than \$19 billion.

Clearly, climate change makes pursuing renewable energy an imperative for Hawaii. Wind-derived generation is a clean, infinite source of power and is one of the most economical sources of renewable energy. Wind generation furthers Hawaii's energy independence and will increase Oahu's energy reliability and affordability while requiring less land than other renewable energy sources. As noted in Hawaiian Electric Company's application to the Public Utilities Commission (PUC) "Hawai'i's current reliance on imported fossil fuels, without any real opportunity for hedging against dramatic increases in oil prices, is untenable from an economic and security standpoint."

In line with this, the PUC has also specified that “pursuing a diverse portfolio of renewable energy resources provides the best long-term strategy to maximize the use of renewables to achieve public policy goals” and that “wind generation, which has fundamentally different electricity production characteristics than solar... should increase the amount of variable renewable energy capacity that may be reliable and economically integrated into the grid” and “will provide more ‘balance’ to [Hawaiian Electric’s] portfolio of renewable energy sources”.

WHY PALEHUA

Palehua is located in the Waianae Mountain Range above Makakilo. Studies and the PUC filing clearly identify Palehua as the last viable onshore commercial wind site on Oahu. For years, Palehua has suffered environmental damage that affects neighboring communities. Gill Ewa Lands (GEL) ohana acquired Palehua as part of their commitment to restore the mountain’s native forest and intends to use funds generated by Palehua Wind to aid in their restoration efforts. EEA has partnered with this ongoing effort by committing funds to ensure the continuity of the restoration efforts during the development phase. Reforestation with native species will lessen damage from erosion, protect the watershed, and restore animal habitats. Removing invasive plants and creating access roads and breaks will reduce fire risk to both the local ecology and neighboring residential areas. Land management and maintenance will preserve cultural sites and zoning for the clean energy project and reforestation will protect the Palehua area from residential development.

PALEHUA FAST FACTS

- 13 turbines
- 47-megawatt facility
- 150,000+ megawatt-hours of electricity generated annually
- 25,000 Oahu homes’ energy use equivalence
- 22-year project lifespan
- 74 percent of Oahu residents support large renewable projects
- 10.975 cents per kwh (the lowest cost wind project in the State of Hawaii, well below avoided cost of oil)
- Palehua Wind creates electricity that is 63% less expensive than the current average cost of electricity for Oahu residents

With respect to the resolution statements:

The project is located between the communities of Nanakuli and Makakilo as indicated on the site map of the facility included in Hawaiian Electric Company’s application to the Public Utilities Commission.

To minimize the visual impact to the community of Nanakuli, Eurus purposely eliminated potential turbine sites on the ridge closest to Nanakuli. No turbines are currently expected to be visible from Nanakuli High and Intermediate School.

We are still in the early stages of development with the most significant environmental and cultural studies yet to be conducted. Environmental Impact Statement scoping has also not yet begun. Additionally, while the Resolution incorrectly indicates that “early community outreach was not performed,” in reality, EEA has been conducting community outreach since September 2017. In fact, there has been considerable positive feedback from the initial stages regarding a push for renewable energy and job creation. This enthusiasm can be seen in the comments received prior to filing of the application that were included as an exhibit to the application to the Public Utilities Commission. As we continue to progress the project, we will continue to appropriately engage the community just as we have done from the early days.

As many of you know, West Oahu has historically borne outsized environmental and health hazards due to the concentration of fossil fuel burning energy facilities located at Kahe and the Campbell Industrial Park. The clean energy produced at Palehua Wind will help reduce the impact of these pollutant-emitting facilities that currently disproportionately impact those living in West Oahu and as indicated in the PUC filing, help Oahu meet its 100 percent renewable energy goals, lower and stabilize electricity costs for all Hawaiian Electric Company consumers, reduce Hawaii’s dependency on imported oil, and promote greater resiliency in times of natural disasters.

We look forward to working with the community to address their concerns. And we look forward to working with the state to achieve its 100 percent renewable energy goals.

Mahalo for your consideration.

HR-156

Submitted on: 3/18/2019 1:42:45 PM

Testimony for EEP on 3/19/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
	Individual	Oppose	No

Comments:

Aloha Chair Lowen and members,

Thank you for hearing this bill. I am writing in opposition to EURUS (an international company) proposing a wind farm to be located on Palehua, O`ahu. I have submitted a request for myself and 5 other residents of the Westside to be either intervenors or to participate in the PUC process for this project. I am submitting testimony as an individual as I currently do not have permission to speak for the other five members of our little coalition.

This area has previously been considered to have a wind farm located in this vicinity and after much opposition from the community, then Mayor Mufi Hannemann stated that he would deny any permits required from the City and County of Honolulu to be issued. This was approximately 10 years ago.

Many in the community then and now are concerned about the project location due to sensitive issues of cultural and archaeological history of the area. In addition, the location is also subject to endangering various native species, i.e. bats, pueo and potentially the O`ahu elepaio. The USFWS has identified some of the upper Waianae Mountain Range (not this specific area though) as an area that is critical to the recovery of the elepaio. Who knows if this area might eventually be subject to the same right to protection?

While being promoted as a renewable energy source that can take O`ahu energy to 100% renewable, a less than 2% share of the amount of renewable energy for O`ahu does not inspire great need, at this time, to implement a project that has questionable sufficiency.

Wind farms for the entire State needs to be analyzed more carefully, as has been recorded that over the last 30 or so years, the number of days of trade wind weather have decreased from 291 to 260 days per year. We don't know what the future will bring with the number of days of tradewind weather but we have seen a significant documented change. Also, the direction of the tradewinds have altered from a more northeasterly direction to an east northeastern direction. How will this affect these stationary turbines?

Recent publications also claim that wind farms actually cause local micro-climate change. They appear to cause the local temperature around the turbines to increase temperature by 0.7-1.0+ degrees celsius (around 1.26 to 1.8 degrees fahrenheit increase). In addition, these studies suggest that the humidity at the base of the turbines also decrease while humidity at the top of the turbines increase. While this does not appear to be a huge difference, these studies do not talk about long term effects for the land surrounding and under these turbines.

Interesting from an economic viewpoint, there have been reports that in some locations, areas with wind farms close by see a decrease in the value of the lands. The closer to the wind farm you are the more your property/home value decrease due to the negative aspects of living close to wind farms. While these turbines will probably not have the impacts of some of the negative aspects of living close to them, i.e. low-grade vibrations/noise, other impacts such as view planes being affected will definitely be a consideration to potentially cause a degradation of the value of current property surround the wind farms.

Lastly, the people who call the Westside of O`ahu home have shouldered enough. The only two landfills on the island, two refineries for the State, Kahe Power Plant (the largest energy generator on the island), 4 other energy generating facilities on the island (Kalaeloa Partners, AES Coal fired plant, H-Power and HECO's 110 Mw Peaking Power Plant), along with one of the largest if not the largest Industrial parks on island (Campbell Industrial Park), Eurus's largest solar farm on the island call the Westside home. If we are talking about distributing our power generation around the State/Island, putting most of your energy producers in one area is not the most intelligent thing to do.

We support doing our fair share but should not be challenged from an environmental justice standpoint of being everyone else's tool to be used and not respected. We want our lands to be well-preserved, to be attractive and welcoming, not utilized and tossed aside.

I urge you and your committee to support this resolution to stand with us to support the people of the Westside continue to live, work, play and enjoy our community without defacing it's beauty.

Mahalo,

Cynthia K.L. Rezendes



To: The House Committee on Energy & Environmental Protection
From: Brodie Lockard, Hawaii State Climate Lead, Organizing for Action
Date: Tuesday, March 19, 2019, 9:30 am

LATE

Strongly opposing HR 156

Dear EEP Chair Lowen, Vice Chair Wildberger, and Committee Members—

Organizing for Action strongly opposes HR 156.

This resolution is a disappointing display of NIMBYism.

Anywhere wind turbines are placed, they will displease someone's sense of beauty, and make some noise. The turbines need to go somewhere. Nobody wants them in their backyard. I bought my house specifically for its view and quiet neighborhood. But if windmills were best sited to cover my beloved Olomana, I would say, "do it tomorrow."

Hawaii and the planet are in a climate crisis, heading directly toward climate catastrophe. Last year's IPCC and NCA reports made it crystal clear that we need "rapid, far-reaching and unprecedented changes in all aspects of society" to avoid disastrous levels of global warming.

The reports say that reaching the crucial threshold of 1.5 degrees Celsius above pre-industrial levels—by as early as 2030—will precipitate the risk of extreme drought, wildfires, floods and food shortages for hundreds of millions of people.

Each of us must make sacrifices for the survival of the planet in a state that supports our life, whether it's giving up meat, biting the bullet and installing solar panels, or putting up with some noise and imperfect views. Surely life on Earth is more important than a pretty view?

Windmills are not permanent. In a few decades, when technological advancements have created better alternatives, the turbines can be removed, leaving any views almost unaltered from how they are today.

This resolution would adversely affect a small population on the eastern slope of the Wai'anae range, but benefit everyone in Hawaii and ultimately everything that lives on Earth. Please defer it.

Thank you for the opportunity to testify.

Brodie Lockard
Hawaii State Climate Lead, Organizing for Action

LATE

HR-156

Submitted on: 3/19/2019 4:21:54 AM

Testimony for EEP on 3/19/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Ho'omanapono Political Action Committee (HPAC)	Oppose	Yes

Comments:

WE STRONGLY OPPOSE THIS RESOLUTION AS WE NEED TO SUPPORT GREEN ENERGY PROJECTS, NOT TRY TO DISCOURAGE THEM. UNFORTUNATELY, PALEHUA & KAHUKU IS THE ONLY PLACES ON O`AHU WHERE THE WINDMILLS ARE MOST EFFECTIVE AT PRODUCING THE AMOUNT OF POWER NEEDED TO JUSTIFY TO THE PPA THAT HECO HAS RECENTLY ACCEPTED. ARGUMENTS AGAINST THIS PROJECT THAT OBJECTS BASED UPON THE ISSUE OF ASTHETICS IS PURELY SUBJECTIVE. THE FACT THAT WE NOW HAVE HOTELS ON THE WESTSIDE, IS ASTHETICALLY UNSIGHTLY, YET, NOT A PEEP FROM ENVIRONMENTALISTS OR THOSE WHO OPPOSE THIS PROJECT BASED UPON THE ISSUE OF ASTHETICS. WE ASK THIS COMMITTEE TO DEFER OR HOLD THIS RESOLUTION.

LATE

HR-156

Submitted on: 3/18/2019 6:04:06 PM

Testimony for EEP on 3/19/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Medeiros	Individual	Support	No

Comments:

Aloha,

I am writing in support of HR156. I strongly oppose the Palehua Windfarm Project. The makers of this project have not come to the Nanakuli community to provide information about it or address concerns residents have. I am concerned about the lack of equity and justice my community constantly faces and this is another example of a company coming to make money off of our coastline regardless of the cost to the people who live here.

This project will change the lives of the people who live in the community. We will have noise pollution as well as the eyesore. This will drastically change the view of our beautiful coastline and will endanger flying creatures in our community.

I strongly support this resolution and hope the the legislature finds that Nanakuli deserves justice.

Mahalo,

Richard Medeiros

LATE

HR-156

Submitted on: 3/18/2019 7:34:38 PM

Testimony for EEP on 3/19/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lemonie Kolowena	Individual	Oppose	No

Comments:

As a resident and beneficiary of NÄ• nÄ• kuli homestead, I oppose the wind farm! I believe the target area for the project conflicts with the current issue of finding an alternative route to commute out of the leeward coast. It's just not appropriate at this time.

HR-156

Submitted on: 3/18/2019 10:51:24 PM

Testimony for EEP on 3/19/2019 9:30:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Haunani Momoa	Individual	Oppose	No

Comments:

LATE

HR-156

Submitted on: 3/19/2019 7:07:33 AM

Testimony for EEP on 3/19/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kahele Naeole	Individual	Support	No

Comments:

Aloha,

I was appalled when I first heard of the plans to build a wind farm at Palehua.

I have hiked in the area numerous times and have found it to be one of the last remaining bastions of native Hawaiian flora and fauna on Oahu, particularly endangered ones. I have seen native birds such as apapane and elepaio, large ohia, koa, and iliahi trees, native tree snails, and pueo - just to name a few.

Thinking of the possible effects of this wind farm on this fragile environment brings to mind the other wind farms throughout our state. It is bad enough that we allow an "acceptable take" (i.e. acceptable kill count) on native bats there. Are we going to do the same for native birds here as well?

Furthermore, the public has not been adequately advised on the degree of deforestation that will need to happen in order to build this wind farm.

I support clean, renewable energy and believe it to be a vital component for the sustainability of our islands. However, doing so at the cost of our native species is unconscionable.

Unless Eurus can provide support that this wind farm will not have permanent effects on the native wildlife in this area, I cannot support their proposal.

Mahalo!