

STAND. COM. REP. NO. 1242-20

Honolulu, Hawaii  
, 2020

JUN 30

RE: H.R. No. 127

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Water, Land, & Hawaiian Affairs, to which was referred H.R. No. 127 entitled:

"HOUSE RESOLUTION URGING THE BOARD OF LAND AND NATURAL RESOURCES TO DISPOSE OF THE LONG-TERM WATER RIGHTS LEASES FOR HAWAIIAN ELECTRIC'S NON-CONSUMPTIVE WATER USE ALONG THE WAILUKU RIVER BY DIRECT NEGOTIATION AND PROVIDE GUIDANCE ON DETERMINING THE VALUE OF THE ANNUAL WATER LEASE RENT,"

begs leave to report as follows:

The purpose of this measure is to urge the Board of Land and Natural Resources to dispose of the long-term water leases for Hawaiian Electric's non-consumptive water use along the Wailuku River by direct negotiation and provide guidance on determining the value of the annual water lease rent.

Your Committee received testimony in support of this measure from Hawaiian Electric Company, Inc. Your Committee received comments on this measure from the Department of Land and Natural Resources and Department of Hawaiian Home Lands.

Your Committee finds that although the Department of Land and Natural Resources' Revocable Permit Task Force recommended the conversion of revocable permits to water leases by the end of 2019, no conversion has been made at this time, and it is difficult for the Board of Land and Natural Resources to dispose of long-term water rights because the lease process has not yet

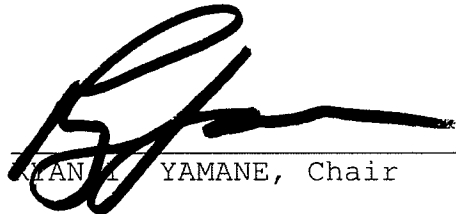
HR127 HSCR WLH HMS 2020-2171



been fully defined. Your Committee further finds that Hawaiian Electric manages Puueo Hydro and Waiiau Hydro, which are hydroelectric generating plants along the Wailuku River; that its use of that water is non-consumptive; and that Hawaiian Electric is the only entity qualified to bid on a water lease to increase the capacity of Waiiau Hydro. Disposing of Hawaiian Electric's non-consumptive long-term water leases by direct negotiation and clarifying the lease process will enable Hawaiian Electric to make necessary repairs and upgrades to its hydroelectric facilities.

As affirmed by the record of votes of the members of your Committee on Water, Land, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 127 and recommends that it be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Water, Land, &  
Hawaiian Affairs,



---

KIANI YAMANE, Chair



