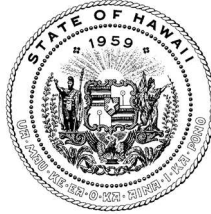


DAVID Y. IGE
GOVERNOR OF
HAWAII



DEPT. COMM. NO. 62

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

November 10, 2022

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-Second State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki, Speaker
and Members of the House of
Representatives
Thirty-Second State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Geothermal Royalties Dispositions and Status of Geothermal and Cable System Development Fiscal Year 2022 report, as required by Sections 182-18 and 196D-11, Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, a copy of this report has been transmitted to the Legislative Reference Bureau and the report may be viewed electronically at <https://files.hawaii.gov/dlnr/reports-to-the-legislature/2023/EN23-Geothermal-Report-FY22.pdf>

Sincerely,

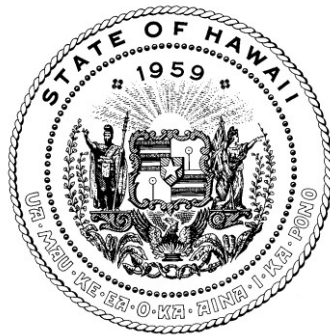
A handwritten signature in cursive script that reads "Suzanne D. Case".

SUZANNE D. CASE
Chairperson

Enclosure

Report to the Thirty-Second Legislature
2023 Regular Session

**GEOHERMAL ROYALTIES DISPOSITIONS
and
STATUS OF GEOHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2022**



Prepared by the

Department of Land and Natural Resources
State of Hawaii

In response to
Sections 182-18 and 196D-11, Hawaii Revised Statutes

October 2022

**GEOTHERMAL ROYALTIES DISPOSITIONS
and
STATUS OF GEOTHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2022**

This report is prepared pursuant to Sections 182-18 and 196D-11, Hawaii Revised Statutes (HRS), and covers the period from July 1, 2021 through June 30, 2022.

Section 182-18, HRS – Geothermal Royalties

During FY 2022, PGV worked to restore electrical production to levels prior to the 2018 eruption along the Kilauea East Rift Zone (KERZ). Existing geothermal wells were modified, and new wells were drilled to restore electrical production. PGV also continued updating its power plant infrastructure by replacing older power generation equipment with more efficient units and refurbishing electrical substations with the goal of increased efficiency and clean energy production to meet its allowed energy production limits.

In FY 2022, geothermal royalties were received in the amount of \$1,888,087.79. Statutory distributions to the County of Hawaii (30% or \$566,426.34) and the Office of Hawaii and Affairs (20% or \$377,617.56) were made during this period.

Issued Permit(s)

1 (one) permit was granted to maintain an existing well.

Well Number	Well Type	Permit Type	Date Permit Granted
KS-5	Production	Maintenance	11/11/21

Section 196D-11, HRS - Geothermal and Cable System Development

The Department of Land and Natural Resources is responsible for the effective management of geothermal resources and its development, to protect the health and safety of the public and to ensure the continued viability of the resource for the future. Currently, the Island of Hawaii is the only island benefiting from geothermal development. Power generation from geothermal energy began in May 1993 and, on average, annually provided more than 25% of the Island’s power demands. Currently power generation is ramping back up to reaccommodate those demands.

No program work was performed during the FY to effectuate the intent of this statute regarding an interisland deep water electrical transmission cable system.