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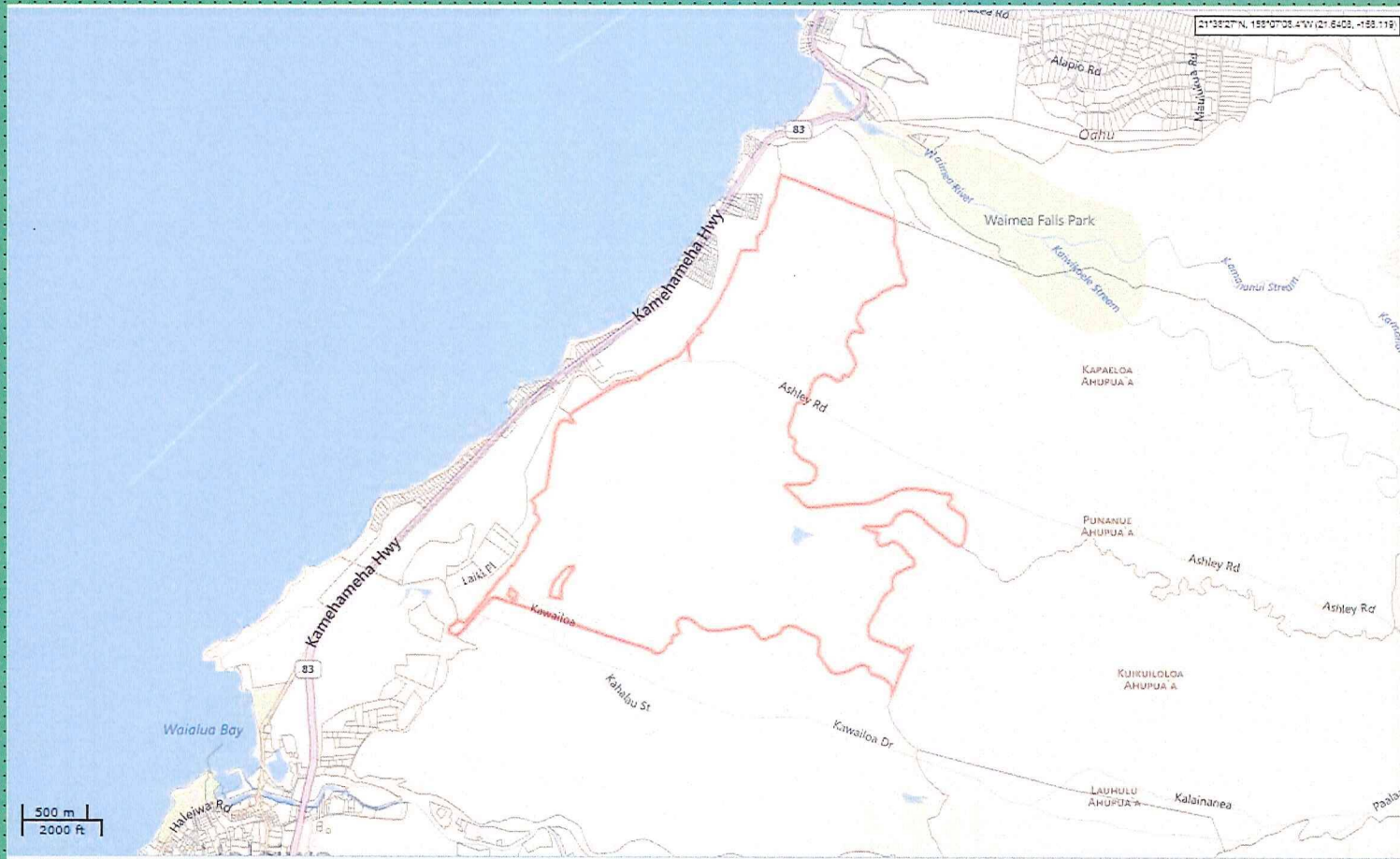
KAWAILOA SOLAR, LLC

SOLAR PHOTOVOLTAIC FARM/SHEEP GRAZING OPERATION
KAWAILOA PLANTATION
WAIALUA DISTRICT, OAHU, HAWAII
TMK NOS. 6-1-006:001 AND 6-1-005:001

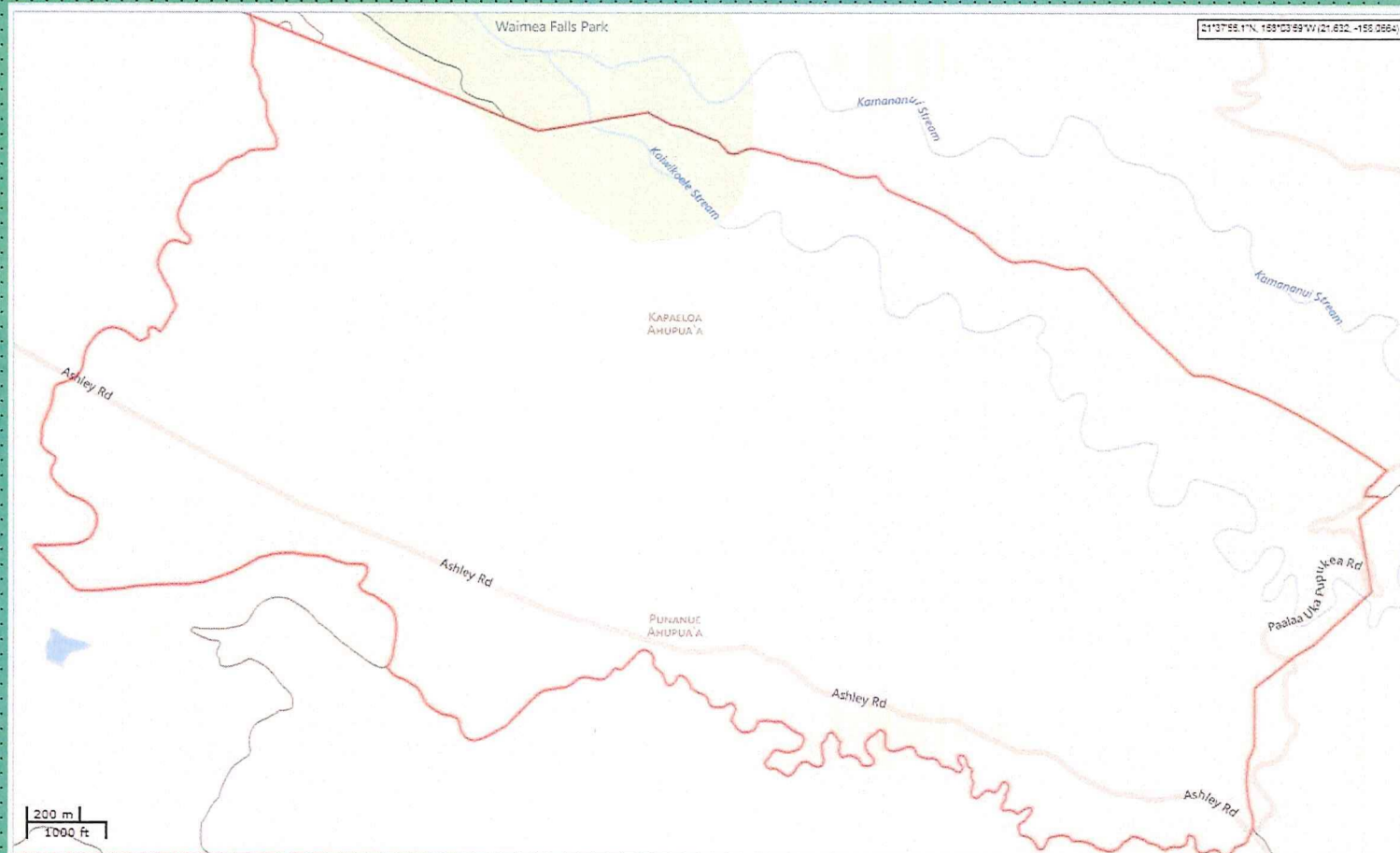
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STATE OF HAWAII
LAND USE COMMISSION

TMK No. (1) 6-1-005: 1



TMK (1) 6-1-006:1



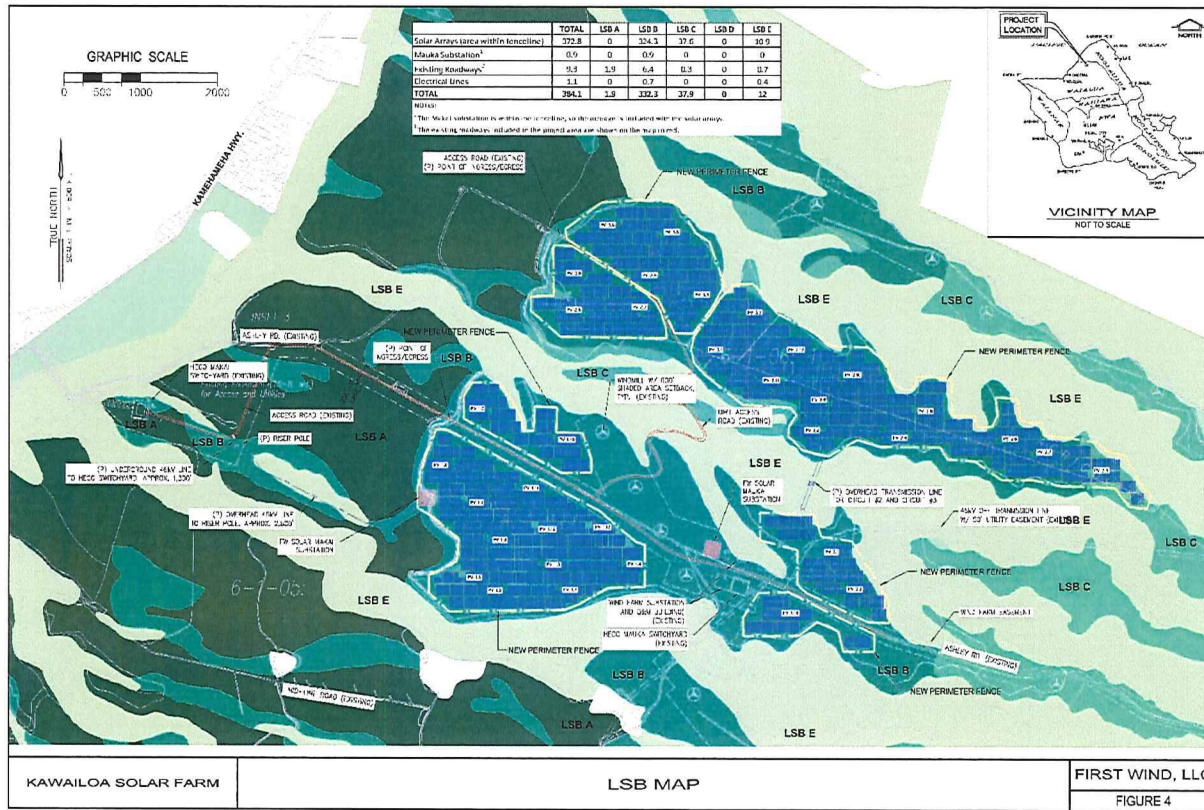


KAWAILOA SOLAR FARM

VICINITY MAP

FIRST WIND, LLC
FIGURE 1

LSB Map



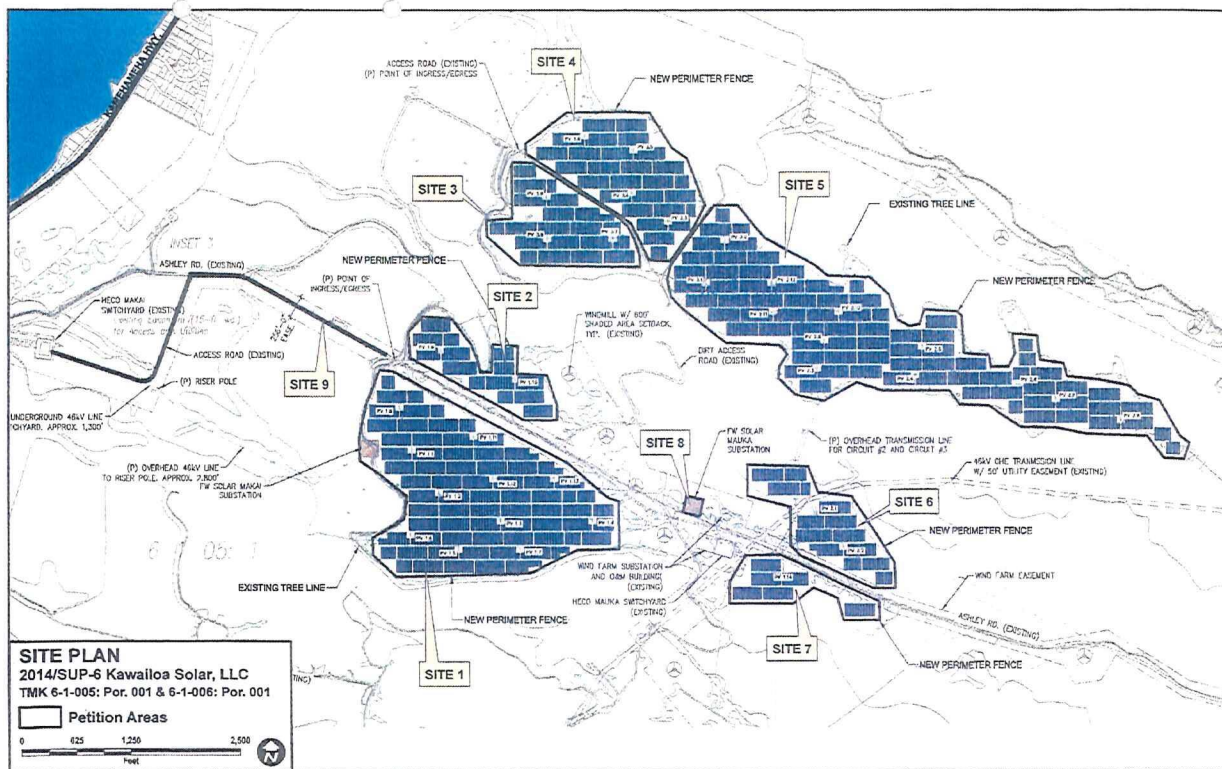


EXHIBIT 2

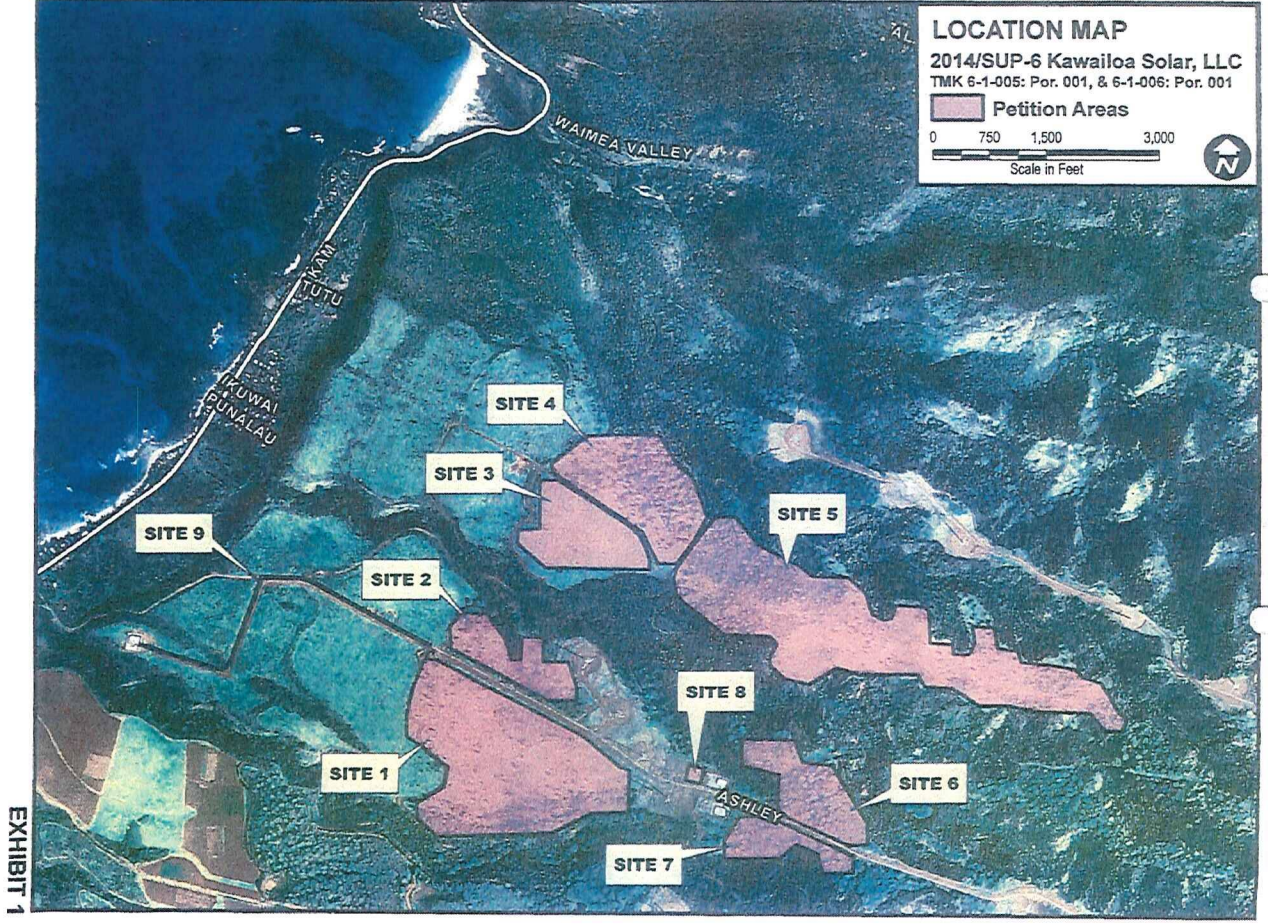
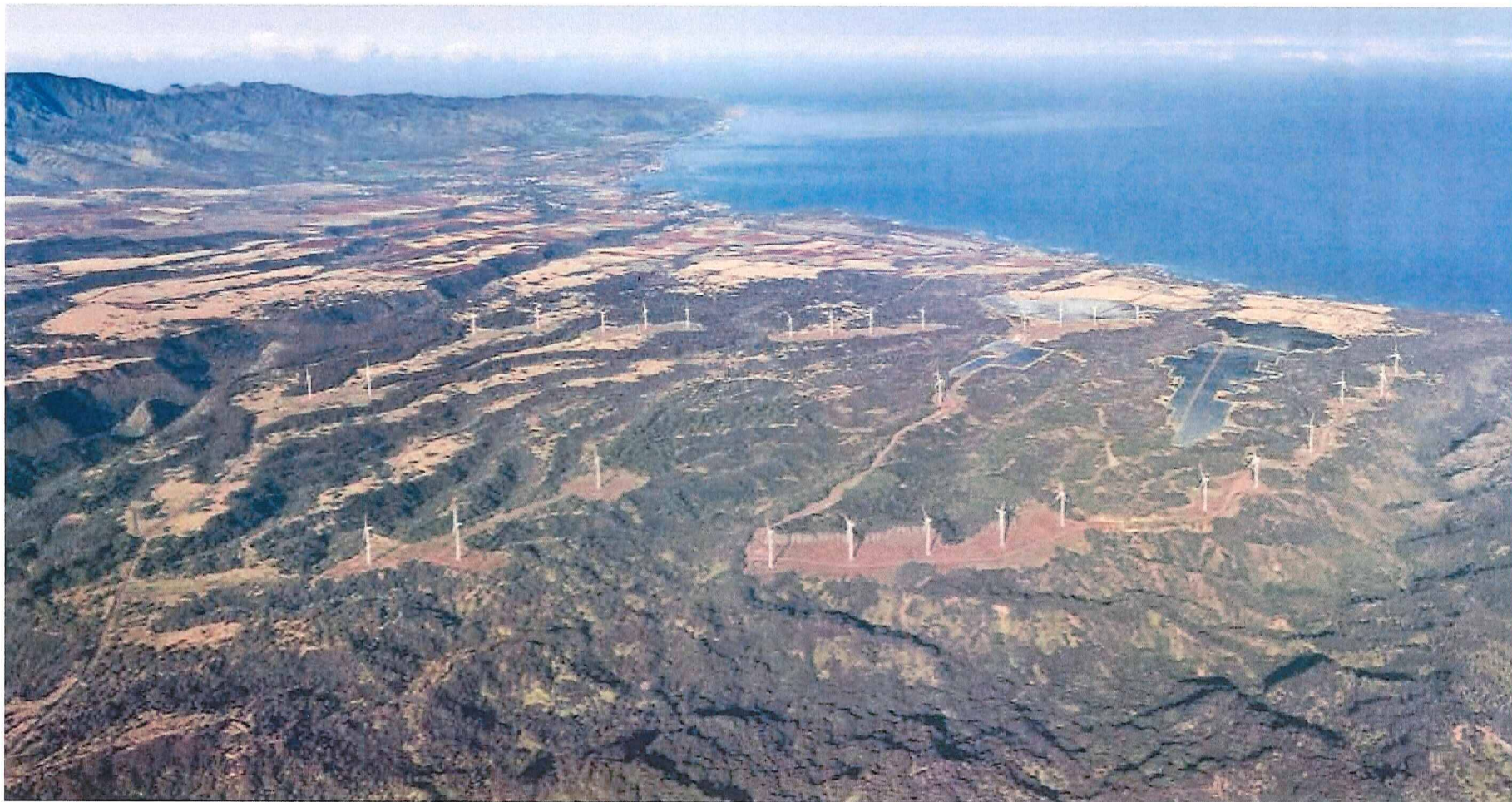


EXHIBIT 1

KAWAILOA WIND FARM – AERIAL VIEW



KAWAILOA WIND AND SOLAR FARM – AERIAL VIEW



VIEW FROM ASHLEY ROAD



VIEW FROM ASHLEY ROAD







KAWAILOA SOLAR SHEEP GRAZING OPERATION

- **Number of Sheep:** Flock of 200 sheep to start; up to 400 to 500 sheep total.
- **Utilization of a controlled grazing system:** Schedule for rotating the herd from one paddock to another to ensure that the grass is not over-grazed.
- **Separation of pastures:** Several pastures of varying sizes with fixed or unmovable fencing of posts and hog wire or similar construction. Within those pastures, the herd will be contained within smaller paddocks (around 30 of approx. 12-15 acres each) created by movable electrified fences.
- **Water:** half gallon to two gallons of water per day while grazing, some of which will come through eating wet forage, and some of which would come through the use of fixed or movable water troughs.

LUC GUIDELINES

HAR § 15-15-95

- | | |
|-----|--|
| (c) | Certain “unusual and reasonable” uses within agricultural and rural districts other than those for which the district is classified may be permitted. The following guidelines are established in determining an “unusual and reasonable use”: |
| (1) | The use shall not be contrary to the objectives sought to be accomplished by chapters 205 and 205A, HRS, and the rules of the commission; |
| (2) | The proposed use would not adversely affect surrounding property; |
| (3) | The proposed use would not unreasonably burden public agencies to provide roads and streets, sewers, water drainage and school improvements, and police and fire protection; |
| (4) | Unusual conditions, trends, and needs have arisen since the district boundaries and rules were established; and |
| (5) | The land upon which the proposed use is sought is unsuited for the uses permitted within the district. |

LUC GUIDELINES (HAR § 15-15-95(c))

(1) The use shall not be contrary to the objectives sought to be accomplished by chapters 205 and 205A, HRS, and the rules of the commission;

HRS § 205-2(d): Agricultural districts shall include:

(6): Solar energy facilities; provided that:

(A) This paragraph shall apply only to land with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class B, C, D, or E; and

(B) Solar energy facilities placed within land with soil classified as overall productivity rating class B or C shall not occupy more than ten per cent of the acreage of the parcel, or twenty acres of land, whichever is lesser, unless a special use permit is granted pursuant to section 205-6.

- **This Project requires a special permit as it would occupy 332.3 acres (greater than 20 acres) of Class B soils, 37.9 acres of Class C soils, and 1.9 acres of Class A land.**

HRS § 205-4.5(a): Within the agricultural district, all lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class A or B and for solar energy facilities, class B or C, shall be restricted to the following permitted uses:

(3) Raising of livestock, including poultry, bees, fish, or other animal or aquatic life that are propagated for economic or personal use[.]

- **Preliminary Agricultural Plan: sheep grazing, or in the alternative, beekeeping**

(21) Solar energy facilities on lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating B or C for which a special use permit is granted pursuant to section 205-6; provided that:

(A) The area occupied by the solar energy facilities is also made available for compatible agricultural activities at a lease rate that is at least fifty per cent below the fair market rent for comparable properties;

- **Intended lease with Kualoa Ranch for the pasturage of sheep at a rate of \$10 per acre per year, which is at least fifty per cent below the fair market rent for comparable parties.**

(B) Proof of financial security to decommission the facility is provided to the satisfaction of the appropriate county planning commission prior to date of commencement of commercial generation; and

- **Proof of financial security in favor of the owner of land, Kamehameha Schools is being provided as required under the terms of the ground lease for the subject property.**





(C) Solar energy facilities shall be decommissioned at the owner's expense according to the following requirements:

- (i) Removal of all equipment related to the solar energy facility within twelve months of the conclusion of operation or useful life; and
- (ii) Restoration of the disturbed earth to substantially the same physical condition as existed prior to the development of the solar energy facility.

- Decommissioning within 12 months following the termination of operations and restoration.

(2) The proposed use would not adversely affect surrounding property;

- **Will not affect areas surrounding project site**
- **Views largely obstructed by natural topography and vegetation**
- **Construction will be temporary, intermittent and localized**
- **Nearest residences are 0.7 mile to W, 1.0 mile to the N**
- **Best Management Practices will be implemented**

SIMULATED VIEW FROM KAMEHAMEHA HIGHWAY



SIMULATED VIEW FROM MAHUKA HEIAU



SIMULATED VIEW FROM MOKULEIA BEACH PARK



SIMULATED VIEW FROM PUPUKEA ROAD



(3) The proposed use would not unreasonably burden public agencies to provide roads and streets, sewers, water drainage and school improvements, and police and fire protection;

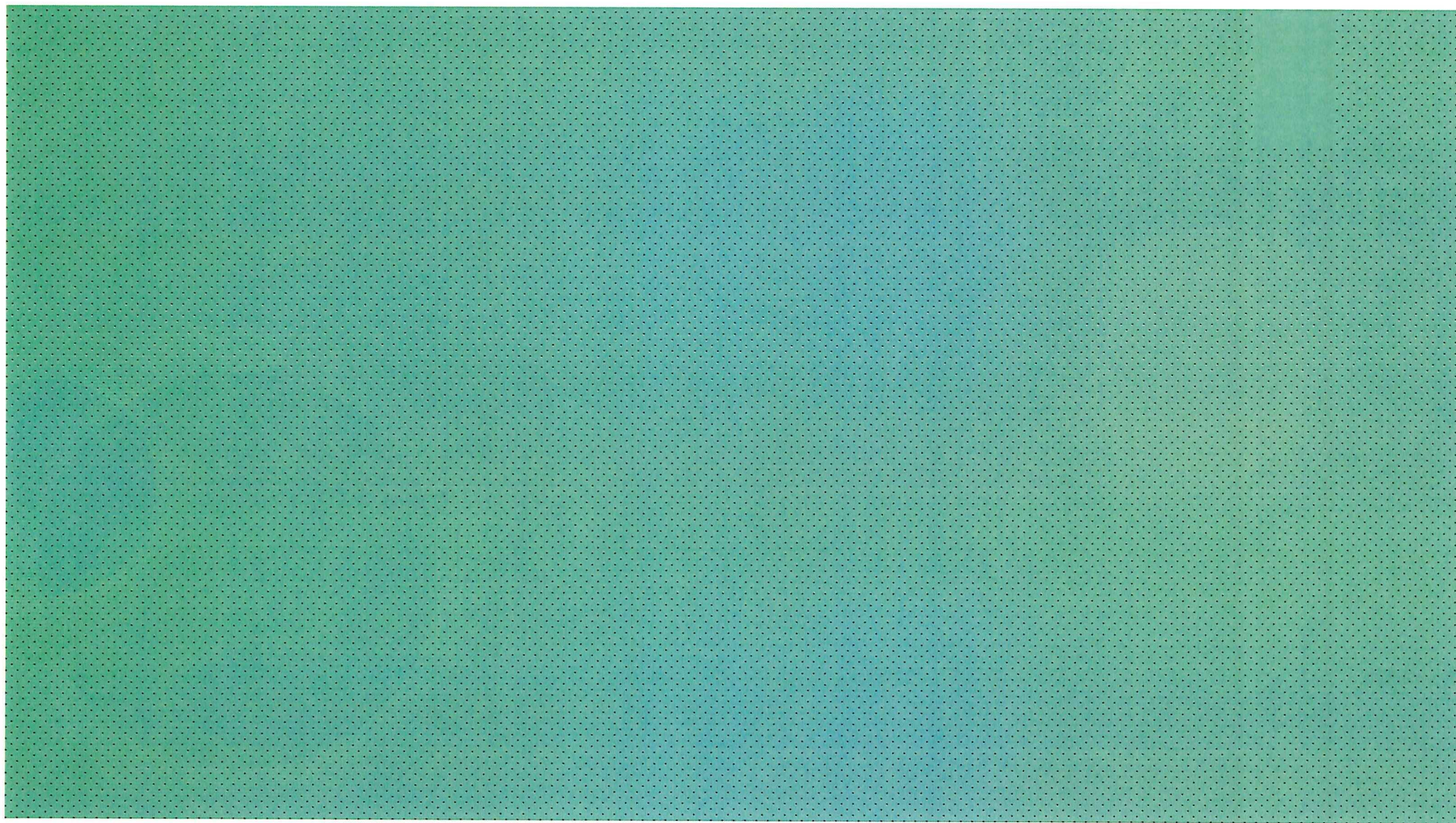
- **Project would not require infrastructure support from public agencies and would be unlikely to use police or fire protection services.**

(4) Unusual conditions, trends, and needs have arisen since the district boundaries and rules were established;

- Under current Renewable Portfolio Standard (2001), each electrical utility company must achieve certain targets which are measured as percentages of renewable electrical energy sales:
 - 15% of net electricity sales by Dec. 31, 2015
 - 25% of net electricity sales by Dec. 31, 2020
- As of Dec. 31, 2013, 18% of HECO's electrical energy sales on Oahu were generated by renewable energy sources
- Power the equivalent of 15,000 Oahu households
- By providing land for agricultural uses at below-market value rent, as well as pasture infrastructure, Project seeks to address need for solar energy generation and agriculture

(5) The land upon which the proposed use is sought is unsuited for the uses permitted within the district.

- Although not unsuited for agricultural uses, the land is capable of meeting and balancing two important needs – maintenance for agricultural purposes and development of renewable energy resources, which is consistent with the objectives of HRS Chapter 205



HRS § 205-50(b): Upon acceptance by the county for processing, any application for a special permit involving important agricultural lands shall be referred to the department of agriculture and the office of planning for review and comment.

- **Kawailoa Solar's SUP Application was provided to the Department of Agriculture ("DOA") and Office of Planning ("OP") for comment.**
- **DOA recommendation: approve application, but establish sheep pasture operation or other agricultural enterprise.**
- **OP recommendation: approve application conditioned on meeting the requirements of HRS § 205-4.5(a)(21)(A),(B),(C).**

HRS § 205-50(c): Any decision by the land use commission or county pursuant to this section shall specifically consider the following standards and criteria:

- (1) The relative importance of the land for agriculture based on the stock of similarly suited lands in the area and the State as a whole;
 - **The Project site area has been and is currently fallow. Kawailoa Solar is committed to introducing and implementing an agricultural component to the otherwise fallow land, in the form of sheep grazing.**



(2) The proposed district boundary amendment or zone change will not harm the productivity or viability of existing agricultural activity in the area, or adversely affect the viability of other agricultural activities or operations that share infrastructure, processing, marketing, or other production-related costs or facilities with the agricultural activities on the land in question;

- Not applicable.

(3) The district boundary amendment or zone change will not cause the fragmentation of or intrusion of nonagricultural uses into largely intact areas of lands identified by the State as important agricultural lands that create residual parcels of a size that would preclude viable agricultural use;

- Not applicable.

(4) The public benefit to be derived from the proposed action is justified by a need for additional lands for nonagricultural purposes; and

- Installation of the 50 MW solar energy facility, reduction of the cost for electricity to Oahu consumers, and a sheep ranching operation, which will provide a much-needed local source of lamb meat.

(5) The impact of the proposed district boundary amendment or zone change on the necessity and capacity of state and county agencies to provide and support additional agricultural infrastructure or services in the area.

- Not applicable.