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BEFORE THE PLANNING COMMISSION
OF THE
COUNTY OF KAUAI

-----)
In The Matter Of The Application) USE PERMIT
of) NO. U-2018-1
AES LAWA'I SOLAR, LLC a Delaware) CLASS IV ZONING
limited liability company, for a) PERMIT
Use Permit, a Class IV Zoning) NO. Z-IV-2018-1
Permit, and a Special Permit for) SPECIAL PERMIT
real property situated at Koloa) NO. SP-2018-2
and Lawa'i, Kona, Kaua'i Hawai'i)
identified by Kaua'i Tax Map Key)
No. (4)2-6-003:001 (por.).)
-----)

PUBLIC HEARING and SPECIAL MEETING,
Taken at Lihue Civic Center, Moikeha Building, Meeting
Room 2A-2B, 4444 Rice Street, Lihue, Kauai, Hawaii
96766, commencing at 9:03 a.m. on September 26, 2017,
pursuant to Notice.

REPORTED BY:
TERRI R. HANSON, CSR 482
Registered Professional Reporter

1 APPEARANCES

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COMMISSION MEMBERS:

Kimo Keawe, Chair

Roy Ho

Glenda Streufert

Sean Mahoney

Wade Lord

ALSO PRESENT:

Michael Dahilig, Planning Director

Kaaina Hull, Deputy Planning Director

Jodi Higuchi-Sayegusa, Deputy County Attorney

For AES Lawai Solar, LLC:

MICHAEL J. BELLES, ESQ.

MAX W.J. GRAHAM, JR., ESQ.

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HEARING

(Call to order, roll call taken, and agenda approved.)

MR. DAHILIG: This a new agency hearing for action, Special Permit SP-2018-1, Use Permit U-2018-1, and Class IV Zoning Permit Z-IV-2018-2, to construct and operate a solar utility facility on a parcel located along the makai side of Koloa Road approximately 600 feet southeast of the Koloa Road and the Lawai intersection, identified as Tax Map Key No. (4)2-6-003 Parcel 1 and continuing with project area of approximately 196.33 acres of a 1,062.291 acre parcel.

The applicant is AES Solar, and they're the director to proceed for the matter 9/12/17 as well as supplemental information that was provided for the agenda.

Mr. Chair, the department would recommend opening the agency hearing at this time.

CHAIR KEAWE: We'd like open the agency hearing for this.

MR. DAHILIG: Mr. Chair, we do have three individuals signed up to testify at this agency hearing; Kathleen Johnson, followed by Patricia Fallbeck, followed by Kelley Phillips. Kathleen Johnson.

CHAIR KEAWE: Please step up to the desk

1 and state your name.

2 KATHLEEN JOHNSON: My name is Kathleen
3 Johnson.

4 CHAIR KEAWE: There's a button on the top
5 of the mic, push it up.

6 KATHLEEN JOHNSON: Hello.

7 CHAIR KEAWE: Hello.

8 KATHLEEN JOHNSON: My name is Kathleen
9 Johnson, and I did submit a letter, and I was hoping to
10 maybe get some answers to my letter before I spoke. But
11 should I go ahead and speak now?

12 CHAIR KEAWE: Go ahead. You have three
13 minutes, ma'am.

14 KATHLEEN JOHNSON: Okay. My questions --
15 one of my first concerns was in the application they
16 mention the prior sugarcane fields and the present
17 cattle grazing on the area. And I'm just curious why
18 they did not mention the coffee fields that were there
19 for about 13 years. And I was hoping to get a response
20 to that today.

21 CHAIR KEAWE: Maybe you'll get a response
22 when the applicant has a chance to make their
23 presentation.

24 KATHLEEN JOHNSON: Right, yeah. Because I
25 live right next door to the field. And when the coffee

1 fields were there, they did overspray the fields and
2 actually killed the coffee plants, and that's a concern.
3 I mean, there's, you know, human error, mistakes can be
4 made. You know, the coffee plants were there for a
5 dozen years, and then they oversprayed 'em.

6 And, you know, they said, Oh, bad soil. But,
7 hey, they oversprayed 'em. And, you know, after that
8 happened -- the next year after that, you know,
9 25 percent of the coffee plants died; and the year after
10 that, another 25 percent of the coffee plants died; and
11 the next year they abandoned the field. So, I mean,
12 these things happen.

13 And in that regard, I know they're talking
14 about having sheep graze on the land to keep down weeds.
15 But until the facility is built and fenced and all, they
16 will have to spray for weed control until everything is
17 all established. And I do want to be notified when they
18 spray.

19 I asked that of the coffee plantation, and they
20 never gave me a call, never notified me. And I do
21 insist that, you know, even if it's five minute's
22 notice, that they notify me before they spray so I can
23 leave.

24 And the other question is, you know, where --
25 you know, I've looked at the diagrams. They're very

1 hard to read. And my question is, where are the
2 inverters going to be located, and where are the power
3 lines going to be located? 'Cause in my research, those
4 are --

5 MR. DAHILIG: Three minutes, Mr. Chair.

6 CHAIR KEAWE: Wrap up your testimony,
7 please.

8 KATHLEEN JOHNSON: Okay. So those are the
9 main health concerns, the inverters and the power lines.

10 And I guess the other concern is I heard that
11 excess electricity was going to be sold to Oahu. I
12 don't even know if this is possible. And that's
13 something I forgot to add in my letter, but I -- you
14 know, I know that they're going to be selling electric
15 to KIUC, but can they or will they be selling to Oahu
16 Electric?

17 CHAIR KEAWE: Thank you for your testimony.

18 KATHLEEN JOHNSON: Thank you.

19 MR. DAHILIG: Patricia Fallbeck, followed
20 by Kelley Phillips.

21 PATRICIA FALLBECK: Good morning. I'm
22 Patricia Fallbeck, and I live right next to the coffee
23 field that were the area there, and so we've got some
24 concerns about what's going on. We're in favor of this
25 concept, and I was very pleased with the concerns that

1 were expressed for the environment and for the safety of
2 the people.

3 We were feeling a little uncomfortable about
4 supporting the whole project, though, until we could see
5 some exact blueprints. When we stopped at the planning
6 office, they said those things were not available, and
7 we just had the concept paper.

8 And so things that were not addressed in there
9 that we have some concerns about are any restrictions
10 for further structures on the property and how would we
11 be notified? And would we have a chance to give some
12 input into any changes or things that will come about in
13 that construction time. So I don't know how we would be
14 notified again. If the blueprints are available, would
15 we be able to look at those things?

16 And the concerns that we had about the -- I've
17 heard so many urban legends about solar farms and the
18 electromagnetic stuff disturbing the communications, the
19 telephone and internet and things of that nature. And I
20 didn't see that addressed, and I would like those
21 concerns addressed.

22 CHAIR KEAWE: Thank you for your testimony.
23 We're hoping that all of your questions will be answered
24 shortly.

25 PATRICIA FALLBECK: Thank you.

1 MR. DAHILIG: Kelley Phillips.

2 KELLEYPHILLIPS: Good morning, Chair,
3 Commissioners. My name is Kelley Phillips. I live with
4 my family at 4141 Koloa Road and 4143 Koloa Road
5 directly across the street from this parcel.

6 And although we're not adverse to solar and
7 alternative energy, we do have some concerns about the
8 scope of it and the transmission lines, distribution
9 lines, poles and towers. Again, we're not -- we don't
10 know where those are going to be located. We would like
11 to know some more information, and we'd like to
12 encourage the mitigation of visual and possible health
13 aspects that may go along with those.

14 We have an issue about traffic. You know,
15 Koloa Road is stressed traffic-wise as attested to by
16 the poor condition of the pavement along the road,
17 notwithstanding the recent patches that were made.

18 You know, my wife's family has been in our area
19 for 104 years, her grandfather being an original
20 homesteader in that area. During that time, as you
21 know, it's been pineapple, sugar, coffee and now cattle.
22 And PV is probably not a bad thing. It's just we're
23 concerned about the scope and the visual impact, health
24 impacts.

25 Traffic, you know, the traffic going in and

1 out, the entrance is right across from your property.
2 And traditionally the only time when there's been a
3 backup in traffic is when there's been chicken fights,
4 but that doesn't happen too much anymore. But we would
5 assume that there would be traffic going in and out,
6 their trucks and whatnot, as this is developed. And I'm
7 assuming, again, that once it's up and operational,
8 there wouldn't be too much, but we're not too sure about
9 that.

10 Two more things. I haven't seen the cultural
11 piece, but I see the archaeologist. I think there's
12 been a study. I would like to be able to see that. I
13 don't think there's anything right across from our place
14 because it's been in agricultural so many years.

15 Cleaning up, though, if you know the Kaupale
16 and next to the Kumano, there is a heiau on the hill
17 there, and that was documented by Bennett Archaeology of
18 Kauai. So I'm sure that's -- the archaeologists are
19 aware of that. It's not a significant one. One thing
20 about Bennett, though, he did not have local informants.
21 So he didn't have too much information on that heiau,
22 but there is a structure there.

23 And the other last thing is Lawai, Omao,
24 Kalaheo is in the rain belt. Is this really the right
25 place? Brydeswood to Eleele, a lot of sun. So, but I'm

1 not an engineer or weather forecaster. But thanks for
2 the opportunity to testify.

3 CHAIR KEAWE: Thank you for your testimony.

4 MR. DAHILIG: Mr. Chair, that's all I have
5 signed up to testify on this agency hearing. The
6 department would recommend making a final call for any
7 further testifiers on this agenda item and close the
8 agency hearing.

9 CHAIR KEAWE: Anyone else wish to testify?
10 Yes, ma'am. Please step forward.

11 SUSAN KELSEY: Good morning. My name is
12 Susan Kelsey, and I live on Kiani Street. I like solar.
13 I like the idea of it. I, however, don't like the idea
14 of it in prime ag land. And this has been agricultural
15 land for years and years and years and years. They have
16 beef cattle on it. And, yes, I understand they're going
17 to run sheep. But really, how many people eat lamb
18 versus how many people eat beef. And you're going to
19 take 200 acres or so from beef, you know.

20 The rain belt issue is an issue. There are
21 sunnier areas. And it just seems like there may be some
22 other alter- -- other place that could put it; rooftops,
23 parking lots, you know, any kind of place other than on
24 prime ag land. And that's kind of all I have to say.

25 CHAIR KEAWE: Thank you for your testimony.

1 We'll entertain a motion to close the hearing.

2 COMMISSIONER: Chair, move to close the
3 hearing.

4 CHAIR KEAWE: Do I have a second?

5 COMMISSIONER: Second.

6 CHAIR KEAWE: Moved and seconded to close
7 the hearing. Any discussion? (No response.)

8 If not, all those in favor. (Ayes.)

9 Any opposed? (No response.) Thank you.

10 MR. DAHILIG: Thank you. Mr. Chair, we are
11 now at action on this particular agenda item. Deputy
12 Director Hull will be presenting the report on behalf of
13 the department.

14 CHAIR KEAWE: Mr. Hull.

15 MR. HULL: Chair, Members of the
16 Commission, the commissioners received the director's
17 report as well as Supplement No. 1 and Supplement No. 2
18 to the director's report. I'll just go through -- at
19 the Chair's discretion, I'd like to just go through a
20 synopsis and read certain parts of the director's
21 report. But since it's been already accepted for the
22 record, I don't know if it's necessary unless you folks
23 need me to read the whole thing.

24 CHAIR KEAWE: No. I was trying to read the
25 whole thing.

1 MR. HULL: So as in the application, the
2 applicant proposes to construct 28 -- a 28-megawatt
3 solar generation facility encompassing approximately 196
4 acres of the subject property. In addition to the solar
5 panel arrays, a 20-megawatt battery energy storage
6 system and related interconnections with ancillary
7 facilities are also proposed.

8 The solar facility will consist of solar panels
9 mounted on single-axis trackers that will rotate along a
10 fixed horizontal axis from east to west tracking the
11 movement of the sun. All of the power generated by the
12 solar panels will be directed to a new proposed
13 electrical substation.

14 The solar project site will be surrounded by a
15 seven-foot high chain link security fence. There will
16 be a 25-foot buffer around the outside of the security
17 fence. Interior access roads throughout the site will
18 allow for access within the site to all major equipment,
19 and the solar system will have an average height of
20 7.5 feet above the ground, and there will be aligned in
21 rows a distance apart from each other between 18 and
22 25 feet.

23 Concerning the evaluation points, in particular
24 the department would stress that the overall parcel will
25 remain predominantly free of development and the

1 proposed structures will function in conjunction with
2 the overall agriculture use of the parcel.

3 The useable portions of the site will be leased
4 for pasture purposes at a rate or rates that are at
5 least 50 percent below the fair market value.

6 The proposed use will not interfere with other
7 agricultural uses that are generally allowed within the
8 agriculture zoning district.

9 Following the anticipated 25- to 35-year life
10 and operation of the solar facility, all equipment can
11 either be refitted with new equipment or will be removed
12 from the site and the site will be restored to its
13 pre-construction condition.

14 The existing vegetation on the subject property
15 should screen the proposed project site from being
16 visible from Koloa Road and the residential area
17 northwest of the project site.

18 If necessary to mitigate visual impacts, the
19 applicant does propose to install new landscaping around
20 the project area to further screen the site the from Aka
21 Road or Koloa Road.

22 The nearest residential structures are
23 approximately .25 miles northwest of the subject site,
24 and no significant impacts should be generated that
25 affect those residing on the closest residential

1 properties.

2 During operation, the solar panels will not
3 make any noise. However, the inverters and transformers
4 will emit less than 50 decibels at less than 10 feet.
5 That noise level is considered not to be significant.

6 The proposed project is not anticipated to
7 increase traffic impacts in the area. During
8 construction, the applicant proposes to employ traffic
9 control personnel to control traffic entering the
10 northern staging area from the Koloa Road.

11 And for wastewater treatment and disposal, the
12 proposed project will utilize individual wastewater
13 systems approved by the State Department of Health.

14 For solid waste, the proposed project will
15 dispose of solid waste at the county's transfer stations
16 for disposal at the landfill.

17 And as discussed in the application's
18 biological report, the existing state of botanical
19 resources and wildlife have been heavily compromised by
20 the past and present agricultural uses of the subject
21 project. As a result, there do not appear to be any
22 mammalian or avian species or botanical resources that
23 will be negatively impacted by the proposed project.

24 As a result of significant agricultural
25 cultivation in the past, the subject property has been

1 heavily disturbed, and there does not appear to be any
2 pre-contact archaeological resources. However, nine
3 post-contact historic resources have been identified,
4 all of which are related sugarcane cultivation. The
5 applicant proposes to follow an archaeological
6 monitoring plan to mitigate any activities that could
7 adversely affect these historic properties.

8 And finally on the evaluation point, the
9 director's report does go into a little bit of the
10 lacking in the application's submission of a cultural
11 impact assessment. So I'll read the director's report.
12 I'll preface it with that since the original director's
13 report, the applicant has submitted full cultural impact
14 assessment which will go into the Supplement No. 2 after
15 I go over this. But the original director's report does
16 state; the application states the applicant has to
17 complete an analysis of the traditional and cultural
18 practices occurring on or around the subject property.
19 An analysis reflects that the proposed project will have
20 no impact on any traditional or cultu- -- customary
21 practices of Native Hawaiians.

22 However, based on documents submitted by the
23 applicant, the department is unclear as to whether the
24 applicant has provided sufficient evidence concerning
25 cultural impacts given the standards established in the

1 Ka Pa'akai O Ka'Aina versus Land Use Commission, 94
2 Hawaii, year 2000.

3 In particular, the department is not able to
4 determine that the applicant has identified whether any
5 valued cultural, historic, or natural resources exist on
6 the subject property area and whether any Native
7 Hawaiian traditional and customary practices were
8 exercised on the subject property area.

9 As such, the department cannot determine the
10 extent that any resources and traditional customary
11 practices will be affected by the proposed use and
12 cannot develop any proposed feasible conditions to
13 mitigate any such impacts.

14 As such, it would be advisable that prior to
15 action, the applicant submit documents demonstrating
16 that a proactive approach has been taken with the area's
17 cultural practitioners to ensure that traditional or
18 customary practices are not impacted.

19 And that's where the director's report kind of
20 finally leads off with the conclusions being that it
21 does not anticipate any negative impacts to the
22 surrounding area, however, recommending that the
23 applicant submit further documentation demonstrating a
24 proactive approach cultural -- to reaching out to
25 cultural practitioners in the area.

1 And as I stated, since that time, the applicant
2 has submitted a full cultural impact assessment for
3 which we review in our Supplement No. 2, which -- excuse
4 me -- does find that there are no traditional and
5 customary practices of Native Hawaiians including
6 gathering or religious practices presently occurring on
7 the subject property. There are no pre-contact cultural
8 and historic sites or resources located on the subject
9 property, and there are no known Native Hawaiian burials
10 on the subject property.

11 In addition, a solar project will not
12 detrimentally affect access to streams, to the
13 shoreline, or to mountain areas. And they did, indeed,
14 as I stated, proactively reach out and engage in
15 cultural practitioners of this area. And I believe
16 during their presentation, they'll be calling at least
17 one of them for a witness.

18 So in reviewing that document, the department
19 did move forward with a recommendation of approval,
20 which you folks have attached to Supplement No. 1 on the
21 director's report in which our conclusion is that in
22 addition to the conclusionary points initially made in
23 our first director's report, the solar project is in
24 compliance with the provisions of HRS Chapters 6E and
25 Title 13, Subtitle 13, Chapter 284 of the HAR.

1 The solar project is consistent with the
2 provisions of Hawaii Revised Statutes Section 1-1 and
3 7-1 of the Hawaii State Constitution and will have no
4 negative impacts on any traditional or customary
5 practices of Native Hawaiians and that the solar project
6 is consistent with the objectives and policies governing
7 uses in the Coastal Zone Management Act as set forth in
8 HR 205A.

9 And we do have a recommended 21 conditions of
10 approval, which have been submitted to this body for
11 their review. I wasn't going to go into them unless the
12 commissioners wanted me to.

13 CHAIR KEAWE: No, we'll wait.

14 MR. HULL: Okay. And finally, you folks
15 are in receipt of Supplement No. 2 to the director's
16 report, which has a couple more agency comments that
17 were received at the last minute, including Public Works
18 Engineering, Office of Economic Development, as well as
19 the State Department of Agricultural and State
20 Department, Office of Planning.

21 While the State Department of Agriculture was
22 in full support of the application given the
23 documentation and consultation with Mr. Daryl Kaneshiro
24 on his proposed agricultural operations on the site, the
25 Office of Planning has a few recommendations in their

1 letter. And I apologize that we did not incorporate
2 those into our supplemental, but we literally received
3 them yesterday.

4 They do have a few conditions or recommended
5 conditions which have already been met. So one of the
6 conditions is that the applicant demonstrate that they
7 are in compliance with the Coastal Zone Management Act,
8 which was provided in supplemental documentation by the
9 applicant.

10 And also -- the Office of Planning did also
11 recommend that a cultural impact assessment be executed,
12 which as we presented, the applicant has, in fact, gone
13 through the agricultural impact assessment.

14 There are two additional conditions that the
15 Office of Planning is recommending concerning flora and
16 fauna. And if you are looking at their letter, it's in,
17 as I said, Supplement No. 2, in Exhibit A, is the Office
18 of Planning letter page four. They are recommending
19 that the petitioner -- that a condition of approval also
20 be adopted that states, The petitioner shall develop an
21 endangered species awareness training module which shall
22 include all potential endangered species that may
23 frequent the petition area.

24 And they're also recommending a second floral
25 and faunal condition that states, All construction

1 workers and solar facility employees shall undergo
2 endangered species awareness training prior to starting
3 work.

4 And the department has no objections to those
5 conditions being recommended, and so we would verbally
6 recommend that our 21 conditions of approval, add these
7 two to be 22 and 23 respectively to amend the
8 recommended conditions of approval and attach this as an
9 order that you have folks have.

10 CHAIR KEAWE: So those would be two
11 additional conditions that would be added?

12 MR. HULL: Correct. And we have consulted
13 with the applicant. They have no objections to that as
14 well. But they can go into that further in their
15 presentation. But that is -- that concludes our
16 presentation. So if you folks have any questions.

17 CHAIR KEAWE: Okay. Any questions for
18 Mr. Hull? (No response.)

19 If not, can we hear from the petitioner. And I
20 would ask, Mr. Belles, as your witnesses come up, if
21 they could introduce themselves and explain their role
22 in this petition.

23 MR. BELLES: Good morning, Mr. Chairman.
24 For the record, I'm Michael Belles, representing the
25 applicant, AES Solar. And, yes, Mr. Chairman, I will do

1 exactly as you request. We do have a witness list which
2 identifies each one of the nine witnesses that we will
3 be introducing today, and it generally describes the
4 subject matter that they will be talking about.

5 And if it pleases the Chair, together with the
6 concurrence of the planning director and the staff
7 member, the deputy planning director, there are a few
8 housekeeping measures I would like to be able to go
9 through first to make sure that we have the record
10 intact and that all the necessary documentation is
11 received for the record.

12 And the reason I say this is we have three
13 permits that are being applied for today by the
14 applicant. We have pursuant to the county's
15 comprehension zoning ordinance a use permit and a Class
16 IV zoning permit.

17 But the one item that triggers a lot of
18 procedural and quasi-judicial requirements and
19 conditions is the special permit that is the final
20 jurisdiction rests with the State Land Use Commission.

21 And for that reason, we have the person sitting
22 to my left, which is a court reporter. We have an
23 application that far exceeds anything that we've done
24 before. And we've only done this once before in my 27
25 years in private practice and even 15 years before with

1 the county attorney's office, this is only the second
2 time we've had to have a court reporter and go through
3 the procedures that you're going to be dealing with
4 today.

5 So, again, I apologize in advance. I don't
6 want to give the impression that I'm trying to lawyer
7 this issue. It's just that we needed to get the record
8 to the State Land Use Commission in a form and substance
9 that meets their expectations and their legal
10 requirements.

11 It's just like when you deal with a zoning
12 amendment, as you know, you're advisory to the county
13 council. So too in this case you are advisory to the
14 State Land Use Commission. You'll be making a
15 recommendation to them with a decision and order that
16 you ultimately come up with, and then the State Land Use
17 Commission will be making the final decision about the
18 matter of whether or not this application for the
19 special permit will be approved. So I just wanted to
20 make that clear.

21 And again, apologies for the many machinations
22 and things that typically you do not have to suffer the
23 brain damage and the mind numbing exposure to. But in
24 this case, I don't have an alternative.

25 CHAIR KEAWE: I just want to make sure,

1 this was your choice.

2 MR. BELLES: This is a legal requirement
3 that we must comply with. And again, I wanted to
4 apologize --

5 CHAIR KEAWE: Thank you.

6 MR. BELLES: -- to the commission.

7 MS. HIGUCHI-SAYEGUSA: Chair, can I just
8 clarify. Just referring back, I just wanted to double
9 check with the LUC rules. It seems that there's
10 approvals required from both the Planning Commission and
11 the LUC?

12 MR. BELLES: Correct.

13 MS. HIGUCHI-SAYEGUSA: Okay.

14 MR. BELLES: The Planning Commission is a
15 recommendation only to the State Land Use Commission,
16 and they are the final authority. And basically the
17 responsibility of the commission is to assemble the
18 record. Because the Land Use Commission makes its
19 decision -- or it's confined or limited to making a
20 decision on the record that you create today. And the
21 record will be all the witnesses, the application, and
22 all the other documents that have been filed relative to
23 this case.

24 MS. HIGUCHI-SAYEGUSA: Okay.

25 MR. HULL: Yeah. And so just for

1 clarification because this is an actual discussion that
2 we had with the LUC staff as of recent. When this
3 commission last reviewed an LUC petition app for the
4 LUC, the department had drafted, as Mr. Belles has just
5 pointed out, as an advisory. So it was almost -- it was
6 drafted as a recommendation.

7 While the LUC ultimately acted on it, we were
8 somewhat corrected by the LUC to say that is an approval
9 action by the Planning Commission, not, per se, an
10 official -- like the official action is an approval or
11 denial of an action in that matter. But should the
12 commission approve, that approval functions as a
13 recommendation. But -- and so we had to somewhat draft
14 this differently because the LUC kind of corrected us to
15 state, don't look at it as a recommendation in the
16 official wording. It's an official --

17 CHAIR KEAWE: So should the commission
18 approve, I mean, it's an integral step to final
19 approval?

20 MR. HULL: Correct.

21 MR. DAHILIG: And, Commissioner, just I
22 would like to refer you to this PDF page, just get over
23 to it. Page 529 of 562 PDF. Page 529. So there was a
24 draft decision of findings of fact, conclusions of law,
25 decision and order.

1 Ultimately if the commission chooses to act on
2 the item today, we will need to have you adopt. And
3 while there is some scrubbing that we may need to make
4 adjustments to if the commission reaches that point, and
5 we'll reach that discussion if the commission is ready
6 to make a motion on the item. But there will be a
7 couple of adjustments that we're going to make to the
8 draft document being submitted for your review in order
9 to transmit it seamlessly over to the Land Use
10 Commission.

11 So just as a flag in the road down the line, if
12 you do -- if the commission does reach that juncture and
13 wanted to deliberate and act on this item today, we will
14 need you to also clearly make a motion to adopt this
15 draft order, as the commissioner suggests.

16 CHAIR KEAWE: Okay. Anything else, Mr.
17 Hull?

18 MR. HULL: No.

19 CHAIR KEAWE: Mr. Belles.

20 MR. BELLES: Okay. In the beginning, first
21 of all, we would like to establish and identify clearly
22 for the record what is the record. We have a list of 38
23 exhibits that begin with the application and continue
24 with a number of studies, reports, resumes, and various
25 witnesses that are going to be appearing before you

1 today.

2 And the 38th exhibit was just drafted this
3 morning in response to a request by Office of State
4 Planning where they asked to identify the various
5 classes of soil that exist on the land. And we broke it
6 down into B, C, and D. That's what they asked us to do.
7 And just for the record, the Class B soils we have 126
8 acres, Class C soils we have 45 acres, and Class D soils
9 we have 25 acres.

10 And my partner, Mr. Graham, will be
11 distributing this to the staff, to the court reporter,
12 and for the commission's records and files. So that
13 will be Exhibit No. 38.

14 The other thing I would like to ask is that the
15 Planning Commission take judicial notice of all the
16 records and files that exist in the file for this
17 particular application. There have been numerous
18 communications, letters, public witnesses like the ones
19 today. They have previously submitted their testimony
20 in writing, so that will all be part of the record.

21 And by taking judicial notice of this, this
22 gives us the ability to make sure that everything you
23 have in your records and files is available to the State
24 Land Use Commission, in addition to the four or five
25 inches that I have of documents in front of me today.

1 So if you could make that determination, I
2 would appreciate that, Mr. Chairman.

3 MS. HIGUCHI-SAYEGUSA: Again, we would need
4 a motion to receive all the documents that were
5 transmitted as the record.

6 MR. BELLES: And then take judicial notice.

7 MS. HIGUCHI-SAYEGUSA: And take judicial
8 notice.

9 MR. BELLES: Correct.

10 MR. DAHILIG: Just as a clarity, do you
11 want to take that motion now or do you want to take it
12 at the end of -- if you're presenting the test- -- in
13 the testifiers or any additional testimony to have the
14 whole record be received at that point?

15 MR. BELLES: My preference, and this is not
16 absolute, would be to at this stage at least identify
17 the record as best as we know it now knowing that there
18 may be some changes, and we can make those additions at
19 the conclusion of the hearing, if it pleases commission.

20 CHAIR KEAWE: Commissioners, do you
21 understand what they're asking? They would like us to
22 approve and receive the record that have already been
23 submitted, and then at the end we will, if it's approved
24 by our approval, whatever else is added to the
25 procedures?

1 MR. BELLES: If anything.

2 CHAIR KEAWE: If anything. Commissioner
3 Streufert.

4 COMMISSIONER STREUFERT: Are we approving
5 and accepting or are we just accepting?

6 MR. DAHILIG: Receiving.

7 CHAIR KEAWE: We're just receiving.

8 COMMISSIONER STREUFERT: So we don't have
9 to accept it?

10 CHAIR KEAWE: No, no, no. We don't have to
11 approve it. We just receive it.

12 COMMISSIONER STREUFERT: I move to receive.

13 COMMISSIONER: Second.

14 CHAIR KEAWE: It's been moved and received
15 -- moved and seconded that we receive the records for
16 this particular item. Is there any discussion on this
17 item? (No response.)

18 If not, all those in favor. (Ayes.)

19 Any opposed? (No response.)

20 Motion passed away.

21 MS. HIGUCHI-SAYEGUSA: I'm sorry. Just to
22 clarify once more, the additional request is to take
23 judicial notice of -- I'm sorry. Could you repeat?

24 MR. BELLES: Of the entire records and
25 files relating to this application, yes.

1 COMMISSIONER MAHONEY: Is that a separate
2 motion?

3 MR. BELLES: That would be a separate
4 motion yes.

5 MS. HIGUCHI-SAYEGUSA: Separate motion.

6 COMMISSIONER MAHONEY: Chair, move to
7 receive -- or to take judicial notice of the record.

8 COMMISSIONER: Second.

9 CHAIR KEAWE: Well, there's a question.
10 Let's discuss this. Go ahead.

11 COMMISSIONER STREUFERT: Do we have any --
12 I'm not sure I have all their latest documents. Is
13 there some way of identifying all the 38 documents that
14 we're supposed to have?

15 MR. BELLES: If you want, I can read
16 through the entire list. It's a page and a half.

17 COMMISSIONER STREUFERT: Can we have
18 someone look at it? Are we sure that we have them all?
19 If we're sure we have them all --

20 CHAIR KEAWE: Yeah, Mike.

21 MR. BELLES: Mr. Hull has a complete set of
22 all the documents.

23 MR. DAHILIG: As I mentioned earlier, 38 is
24 the second supplement. Here it is. So the item No. 38,
25 which is the last item, will be circulated to the

1 commission as the testimony from the Office of Planning.
2 If you look at this. So this is part of what, I guess,
3 is essentially the end document of the litany of
4 documents that have been submitted to the Planning
5 Commission and the staff or moving over to the -- I
6 think, you know, in terms of how they're -- it's tagged
7 from an evidentiary standpoint. Like by Mr. Belles, you
8 can see that set of, Commissioner Streufert, that big
9 thick document here that's in front of Mr. Belles,
10 that's actually in your iPad.

11 And then once what's coming up on the
12 additional items that we hear, that will be submitted.

13 CHAIR KEAWE: Commissioner Streufert, are
14 you okay?

15 COMMISSIONER STREUFERT: Yes.

16 CHAIR KEAWE: All right. We have a motion
17 on the floor. All those in favor. (Ayes.)

18 Any opposed. (No response.)

19 Motion carried.

20 MR. BELLES: Thank you again, all, very
21 much, and I really appreciate your patience and
22 understanding in working with us through this ungainly
23 process and one that's atypical like you're most
24 familiar with. It's far more formal than I would like
25 it to be, but it's just a legal requirement for us to

1 get the appropriate decision by the State Land Use
2 Commission at the end of the day.

3 AUDIENCE MEMBER: Point of order.

4 CHAIR KEAWE: Yes, ma'am.

5 AUDIENCE MEMBER: Could Mr. Hull move the
6 table so this half the room can see him?

7 THE VIDEOGRAPHER: Can't hear.

8 MS. HIGUCHI-SAYEGUSA: Mic.

9 AUDIENCE MEMBER: Just a point of order, I
10 would like to have Mr. Hull move the table, if that's
11 possible, so this half with the room can see him. I
12 have a hearing problem, and I read lips.

13 CHAIR KEAWE: Okay. What if we just move
14 the partition? Now you can see him, ma'am.

15 AUDIENCE MEMBER: Thank you.

16 CHAIR KEAWE: Mr. Belles.

17 MR. BELLES: Yes, Mr. Chair.

18 CHAIR KEAWE: Continue.

19 MR. BELLES: Okay. Thank you, as a
20 prefatory comment, I will say that virtually all the
21 questions that were asked by the public witnesses prior
22 to my coming here to the table will be responded to
23 either by the applicant in reference to documents that
24 are already in existence in the application or other
25 consultants and experts that we will be having as

1 witnesses later this morning. So -- and three of the
2 four did previously submit written testimony. It did
3 help us anticipating those questions and, therefore,
4 incorporating responses appropriate to most, if not all,
5 the questions.

6 CHAIR KEAWE: Okay.

7 MR. BELLES: The first witness I would like
8 to call is Mr. Rob Cooper. He's the business
9 development manager for AES Distributed Energy, AES
10 Corporation, and AES Lawai Solar. And he'll be talking,
11 telling you about who and what AES is, and he'll also
12 generally be describing the development of the project.

13 CHAIR KEAWE: Mr. Belles, I assume these
14 witnesses need to be sworn in.

15 MR. BELLES: Yes, they do, Mr. Chairman.
16 Thank you.

17 CHAIR KEAWE: Proceed.

18 MR. BELLES: Mr. Cooper, please come
19 forward.

20
21 ROB COOPER,
22 after having been first duly sworn,
23 testified as follows:

24
25 ROB COOPER: I do.

1 CHAIR KEAWE: Thank you.

2 MR. BELLES: And before he starts, just for
3 the record and those of you have access to your iPads
4 and the documentation, Mr. Cooper's resume is found as
5 Exhibit 17. So that will help give you a little bit of
6 background about Mr. Cooper. But beyond that, I'll turn
7 it over to him. He'll give you a brief history of AES,
8 talk about the application and the project overview.

9 MR. DAHILIG: Mr. Cooper, just for the
10 record, can you state your name and your address for the
11 record.

12 ROB COOPER: Yeah. My name is Rob Cooper.
13 My address is 1823 Hooker Street, No. 3, Denver,
14 Colorado.

15 And as Mike said, I'm business development
16 manager for AES. I'm responsible for the development of
17 the project up to project construction commencement.

18 I, you know, just want to thank you, the
19 Planning Commission, for your time today. I'm going to
20 give an overview of AES. The AES Corporation is a
21 Fortune 200 global power company founded in 1981 focused
22 on energy generation of all types throughout the world.
23 We have over 37,000 megawatts of generating power plants
24 in 17 countries and a work force of 19,000 employees.

25 Of that overall generation, 7,000 megawatts of

1 those are renewable with solar, energy storage, wind and
2 hydro. And AES has a long-standing presence in the
3 state of Hawaii through its ownership and operation of
4 a power generating facility on Oahu for the past 25
5 years.

6 And I work for a division of AES called AES
7 Distributed Energy, which is focused solely on
8 development and operation of solar and solar plus
9 storage facilities just like this one.

10 And then a separate entity, AES Lawai Solar,
11 LLC, was created specifically for this development
12 project and is hundred-percent owned by AES. This is
13 common practice for projects like this and is required
14 primarily for the financing of the project with outside
15 lenders.

16 And a little bit about the project. We're
17 proposing to construct and operate a solar plus battery
18 energy storage facility with 28 megawatts of solar
19 panels. The solar panels will be combined with an
20 energy storage system so that a majority of the solar
21 output during the day can be shifted and later
22 discharged to the non-daylight peak powers.

23 The solar panels will be mounted on a
24 single-axis tracking system which will rotate east to
25 west as the sun moves across the sky, which actually

1 increases the energy output of each panel by up to
2 20 percent over a standard fixed system.

3 And the battery energy storage system is
4 20 megawatts with five hours of duration of battery,
5 with a total of 100 megawatt hours of total capacity.

6 The battery system will containerized in
7 modified shipping containers which will house the
8 battery cells, the electrical wiring, HVAC and the fire
9 protection system. And these battery containers will be
10 located on eight power blocks which are distributed
11 throughout the overall site.

12 The proposed facility will interconnect to and
13 deliver power to the Kauai Island Utility Cooperative.
14 AES and KIUC have an executed 25-year power purchase
15 agreement and interconnection agreement whereby KIUC
16 will purchase all of the power generated by the facility
17 and control when the energy is dispatched from the
18 batteries.

19 The PPA and the interconnection agreement were
20 both recently approved by the Hawaii Public Utilities
21 Commission.

22 And AES was selected by KIUC for this project
23 through a competitive bid process which began last year,
24 and we responded to a request for proposals. And Brad
25 Rockwell from KIUC will elaborate further on that during

1 his testimony.

2 As previously mentioned, the facility will be
3 located up to 196 acres of land located in Lawai. The
4 land was chosen by KIUC through its RP process and is
5 well suited for this proposed subject for several
6 reasons.

7 One, well-suited topography for required
8 minimal site work. Its insulated and natural vegetative
9 screening will provide minimal visual impact to
10 neighboring properties. And there are existing
11 transmission lines already running through the site
12 which will provide ease of interconnection and negate
13 any need for any new power poles to be constructed on
14 the site.

15 The facility will be located within a larger
16 approximately 1,000-acre parcel owned by McBryde Sugar
17 Company. McBryde and AES have executed a grant easement
18 agreement for the use of the 196 acres for the
19 construction and operation of the proposed facility for
20 the term of the power purchase agreement.

21 At the end of the PPA term and the project
22 life, AES will decommission the facility, which will
23 include removing all of the equipment and returning the
24 land to substantially the same condition as the original
25 condition.

1 AES will deliver to McBryde a financial removal
2 security which will be maintained for the entirety of
3 the project, ensuring that the decommissioning is
4 completed.

5 And I'm done. But I'm going to pass it on to
6 my colleague, Cameron, who's responsible for the
7 construction and operation of the facility, and he will
8 touch on a few more important aspects of the project.
9 Thank you.

10 MR. BELLES: Mr. Chairman, I have no more
11 questions for Mr. Cooper. He's available for any
12 cross-examination by the department or the Planning
13 Commission.

14 CHAIR KEAWE: Commissioners, do you have
15 any questions?

16 COMMISSIONER LORD: I have a question.

17 ROB COOPER: Yes.

18 COMMISSIONER LORD: You had said that the
19 units or the infrastructure for storage was located in
20 several areas around the site, is that correct?

21 ROB COOPER: Yeah, distributed throughout
22 the arrays. So it's not all of the battery blocks are
23 in one location. They're kind of distributed throughout
24 the array on eight different energy blocks which are all
25 accessible by internal roadways. And Cameron, who's

1 coming up next, will actually show the map and show
2 where each of those will be.

3 COMMISSIONER LORD: I'll wait to see that.
4 Thank you.

5 ROB COOPER: Yeah.

6 CHAIR KEAWE: Mr. Hull, do you have any
7 questions for this witness?

8 MR. HULL: The department has none.

9 CHAIR KEAWE: Anyone else? I have a
10 question, it's technical. Should I wait for the
11 engineer guy?

12 ROB COOPER: I think after Cameron we can
13 collectively answer.

14 CHAIR KEAWE: All right. Thank you.

15 AUDIENCE MEMBER: Can we ask a question?

16 CHAIR KEAWE: No, ma'am.

17 AUDIENCE MEMBER: Okay.

18 CHAIR KEAWE: Go ahead.

19 MR. BELLES: Thank you very much,
20 Mr. Chair. We'll take our second witness. We're
21 actually going at a more rapid speed than I expected,
22 which is good for everyone, I think.

23 The second witness will be Cameron Haughey.
24 He's the EPC project manager. And if there are some of
25 you who don't know what an EPC project manager is, if it

1 makes you feel any better, neither my partner, Max
2 Graham, nor I knew that. And Mr. Graham is a Notre Dame
3 graduate in engineering. So we Googled it, and it
4 stands for engineering, procurement, and construction.

5 So he's basically here for the life of the
6 project to make sure it's up and running and will manage
7 it. So I'd like to call Cameron Haughey as the next
8 witness, please.

9 CHAIR KEAWE: How do you pronounce his last
10 name, Mike?

11 MR. BELLES: Hoi. And I made sure I
12 cleared that up because it's spelled H-a-u-g-h-e-y, and
13 like my name, it's pronounced many ways. And I don't
14 bother correcting anybody anymore.

15 CHAIR KEAWE: Okay. Mr. Haughey, can you
16 step up. We need to swear you in.

17
18 CAMERON HAUGHEY,
19 after having been first duly sworn,
20 testified as follows:

21
22 CAMERON HAUGHEY: Yes.

23 CHAIR KEAWE: Thank you. Could you please
24 state your name and address for the record.

25 CAMERON HAUGHEY: My name is Cameron

1 Haughey. I live at 7382 Buckingham Court, Boulder,
2 Colorado.

3 CHAIR KEAWE: Okay. Proceed.

4 MR. BELLES: Mr. Chairman, if I may impose
5 on the commission just for a few-minute recess. The
6 reason being that we would like to set up for a
7 PowerPoint presentation.

8 CHAIR KEAWE: We were about to do a break
9 at 10:00. We can take it now.

10 MR. BELLES: Okay. I appreciate it. Thank
11 you very much.

12 CHAIR KEAWE: Why don't we take about a
13 15-minute break to allow them to set up their
14 presentation.

15 MR. BELLES: Thank you so much.

16 CHAIR KEAWE: Thank you.

17 (Break from 9:50 to 10:04.)

18 CHAIR KEAWE: We'd like to reconvene the
19 meeting, please. Mr. Belles.

20 MR. BELLES: Okay. Thank you again,
21 Mr. Chairman. Again, for the record, Mr. Haughey's
22 resume is Exhibit 18, and what we've labeled as the
23 video tour simulation, which will be the PowerPoint
24 presentation, which we will be having right now. That
25 will be Exhibit 31. And I'll turn it over to

1 Mr. Haughey.

2 CHAIR KEAWE: Proceed.

3 CAMERON HAUGHEY: First, thank you for
4 having us today, and I'm honored to be here and given
5 the opportunity to do this project. Can we dim the
6 lights just a little bit more. I wanted to start out
7 with an orientation. One moment while I set up.

8 It's a little dark. All right.

9 All right. Again, my name is Cameron Haughey.
10 I'm responsible for the engineering, procurement, and
11 construction of the project. I wanted to start out with
12 just making sure everyone was aware of the actual
13 project site. So I wanted to pull up a map here to show
14 some landmarks, and then we're going to go to a short
15 video, a virtue flyover, and I'm going to highlight a
16 few features of the project and the construction.

17 So the project site's right here. These are
18 the blue solar panels. Just north of the array is the
19 Kaneshiro Ranch. Let's see. We have the botanical
20 garden. That is just to the south. Kukuiula resort,
21 and we have New Mill of the Kauai Coffee Plantation
22 visitor center here. I'm going to start the video.

23 (Playing video.)

24 CAMERON HAUGHEY: As we fly over the site,
25 the solar panels are the blue areas, the construction

1 areas are yellow. And the power blocks --

2 THE VIDEOGRAPHER: Mic. Can't hear you.

3 CAMERON HAUGHEY: The distributed power
4 blocks were just shown and that substation area. We'll
5 fly in and see the north access road, that's Koloa Road.
6 That's how you can access the site from the north.

7 We have a southern access road, which is using
8 the existing cane haul roads. This keeps us out the Aka
9 community area and that entrance.

10 We'll be entering here on Route 540, which is
11 the southern construction entrance. This keeps us away
12 at minimal disturbance to the neighborhoods.

13 Coming back to the north construction entrance,
14 and now the temporary construction areas. You'll see
15 them labeled 1, 2, and 3; 1 and 2 are about 10 acres.

16 That's the southern construction area, staging
17 area. And again, the north temporary construction
18 staging area two. I show this area as 3 as kind of a
19 plan B, if needed, but I think the 20 acres will be
20 sufficient.

21 This is an internal roadway. There's four of
22 them. They provide access to the site. Another feature
23 is that all the trackers and solar panels that you see
24 here are directed to each internal road. That's due to
25 the fact that there's no inter-row electrical trenching.

1 All wires are integrated into the tracker, flow down to
2 the internal road, and trenching is along the roadside.
3 So it's minimal disturbance to the land. Basically the
4 roads -- the trenching along the roads and the power
5 blocks.

6 This is existing power transmission lines, and
7 the KIUC substation sits right there. AES will be right
8 next to it, and the interconnection point is
9 underground. Basically throwing the wires underneath
10 the ground and connecting into the KIUC. Very simple
11 interconnection.

12 These are the existing power poles and
13 transmission lines running east/west through the site.
14 This makes it an ideal spot for the solar and a great
15 location facing south with relatively flat grade.

16 This is the eight power blocks that Rob spoke
17 of distributed throughout the site. And now we're going
18 to zoom into one to scale. They're a containerized
19 solution. It's a 40-foot shipping container is the
20 vision, and they're loaded with batteries. This is the
21 inner inverter and transformer as well.

22 There will be a seven-foot chain link fence, as
23 mentioned earlier. Dual agriculture activity with
24 sheep. And these are the examples of the solar
25 trackers. They rotate east and west.

1 Another thing to point out is the accessibility
2 within the site and how this is designed allowing the
3 grass to grow and water to flow through the site. It
4 also allows easy access for emergency vehicles.

5 So I would like to pause there and go into some
6 construction impacts that are -- will be minimal during
7 the construction. I want to point them out to you and
8 discuss. I think we're done with that. I think we can
9 reference these maps over here.

10 So now that you're familiar with the site and
11 its layout, I'd like to address some of the limited
12 construction duration impacts and move into the
13 long-term operations of the project.

14 First, site access in the both north and south
15 which you saw are Routes 530 and 540. Having both of
16 those areas minimizes the impacts to just one area and
17 allows construction workers and the material deliveries
18 easy access to the site both accessing from the north
19 and the south.

20 We chose this to basically limit the
21 disturbance to the community in the residential area of
22 Aka Road. There is an entrance there. Totally we will
23 not be using that road for the access.

24 Once inside the project, there are existing
25 roads labeled A through D. They are the only new roads

1 that are going to be constructed on the site. This
2 minimizes the ground disturbance.

3 As you go into the site, we saw that there was
4 the ability to drive large vehicles through the site.
5 That's much different than maybe what you've seen on the
6 island. There's 18- to 25-foot space between the rows.
7 That allows the grazing to occur, water to flow, and
8 decreases the disturbance or -- excuse me -- basically
9 it allows the site to have water flow throughout.

10 There is no trenching between the rows and all
11 the trackers integrated to wiring on the structure.
12 We've designed all the trenching and wiring to be
13 alongside the internal roads further minimizing that
14 ground disturbance.

15 With ground disturbance comes the dust control.
16 We will be mitigating through a full range of best
17 management practices. And what is great about this
18 site, it is rather insulated from the site and the
19 neighboring communities and has a thick, natural
20 vegetative screen.

21 The major areas of the dust control will be
22 most likely on a south existing cane haul road with
23 deliveries of the materials. We will have water trucks
24 on site serving both north and south.

25 As with any construction, we will have the

1 typical construction noise during sunlight hours.

2 Construction noise will be a very short duration only
3 through the construction.

4 During normal operation and after the
5 construction of the system, we will be virtually silent.
6 The equipment has approximately 50 decibels of noise at
7 the distance of 10 feet away from the power blocks.
8 That is conversation level. The nearest residential
9 structure is just over a mile away. So the site will be
10 silent during that operation. Excuse me. That's a
11 quarter of a mile away. So the site will be silent
12 during the operation.

13 At AES the number one value is safety. Safety
14 is an absolute priority. Before construction, in our
15 engineering and designing system, during construction,
16 and in the long-term operations through the full life
17 cycle of the project.

18 To that effect, the site will be monitored 24/7
19 for the system performance and automatic detection of
20 the alarms.

21 We have a remote monitoring center with fully
22 staffed, manned operators. There will be full-time
23 staff on island after the site construction and during
24 the life of the system.

25 Everyone has concerns with fire for the

1 batteries. And with safety being number one priority at
2 AES, we share those concerns. Without getting into
3 extremely deep details, we'll start with the prevention
4 first.

5 We monitor every battery of the system. If any
6 voltage or temperature sensors get out of range, those
7 units are shut down immediately until we can solve and
8 check the issue.

9 The issue with battery technology is not really
10 the fire ignition or flame. It's heat built-up or
11 thermal runaway. We have multiple system redundancies
12 designed into our system in the control sensors and
13 monitoring, and even our HVAC systems have redundancies
14 to address this issue.

15 If a container has -- excuse me. Each
16 container has its own fire suppression system. It's
17 completely contained within the unit. And with our
18 distributed design, having a space between each
19 container and the power blocks, there is absolutely no
20 chance that we can have an out-of-control situation. We
21 have even chosen a fire suppression system that is
22 completely nontoxic to the environment.

23 Furthermore, I have also met with the Kauai
24 County Fire Department. I've gotten into the details of
25 the system, and the fire suppression has confirmed it is

1 addressed and exceeded all the standards and
2 regulations.

3 A couple of last items. The site and the
4 design fits perfect with the dual agricultural usage.
5 Daryl will be discussing this a little later, but I
6 wanted to mention that the sheep grazing will be ongoing
7 to keep the agricultural on site.

8 Last, education is of great importance to me.
9 Knowledge is one of the best gifts you can give anyone.
10 Our construction crews and anyone that steps foot on the
11 project will be educated about the safety, education
12 about -- education modules will be developed by our team
13 of experts on their respective fields on the topics of
14 the biological, archaeological, and cultural aspects of
15 the site.

16 CHAIR KEAWE: Are you done, Mr. Haughey?

17 CAMERON HAUGHEY: Yes.

18 CHAIR KEAWE: Mr. Hull, do you have any
19 questions.

20 MR. HULL: The department has no questions
21 at this time.

22 CHAIR KEAWE: Okay. Commissioners?
23 Commissioner Ho.

24 COMMISSIONER HO: On your map here, I don't
25 see any -- do you have an office building, storage,

1 warehouses?

2 CAMERON HAUGHEY: Yes. That will be in the
3 temporary staging areas to the north and the south
4 throughout the secure site by the electrical drop-in
5 fencing.

6 COMMISSIONER HO: So a couple of those
7 staging areas that are temporary will become permanent?

8 CAMERON HAUGHEY: No. The operation center
9 will be near the substation. It's sharing the fence
10 line with KIUC substation. We'll just be on the outside
11 of our substation.

12 COMMISSIONER HO: Would this also have
13 overnight crews that are working in this area?

14 CAMERON HAUGHEY: No overnight crews, but
15 we will have 24/7 security going with construction.

16 CHAIR KEAWE: Any other questions?
17 Commissioner Streufert, do you have any questions?

18 COMMISSIONER STREUFERT: Yeah, I do have
19 one. You said that the closest residential area is .25
20 miles away.

21 CAMERON HAUGHEY: Yes.

22 COMMISSIONER STREUFERT: On the mainland,
23 what is the normal distance from the residential areas?

24 CAMERON HAUGHEY: For a system this size,
25 it can be even much closer.

1 COMMISSIONER STREUFERT: Where would that
2 be? Can you think of one that is closer?

3 CAMERON HAUGHEY: Yeah. I've done multiple
4 projects like school systems.

5 COMMISSIONER STREUFERT: This large in
6 area? This large?

7 CAMERON HAUGHEY: This large. I've done 10
8 to 15 megawatts of this size. There are sites that are
9 within a quarter mile of a residence.

10 COMMISSIONER STREUFERT: Could you name
11 one? I'd like to Google it.

12 CAMERON HAUGHEY: Yeah, I believe there's
13 one in Bridgeville, Delaware. It's for the Delaware
14 Electric Cooperative.

15 CHAIR KEAWE: Okay. Any other questions?
16 Commissioner Lord.

17 COMMISSIONER LORD: Thank you, Mr. Chair.

18 THE VIDEOGRAPHER: Check you mic.

19 COMMISSIONER LORD: I'll do that. Thank
20 you.

21 Can you tell us about a little detail on your
22 construction schedule?

23 CAMERON HAUGHEY: Sure. Our goal is to
24 start 2/1 of 2018. The construction duration will be
25 eight months. And then we go into a commissioning phase

1 ending at the end of the year, 2018. We would like to
2 bring it online before 2019.

3 COMMISSIONER LORD: So the commissioning
4 phase is the testing and approvals and?

5 CAMERON HAUGHEY: It's working with KIUC,
6 making sure everything syncs up, the batteries are
7 operating, and the dispatch is working.

8 COMMISSIONER LORD: So a little less than a
9 year?

10 CAMERON HAUGHEY: During, yeah,
11 construction phase, a little less than a year.

12 COMMISSIONER LORD: And then is your main
13 construction entry going to be near the -- near the mill
14 area?

15 CAMERON HAUGHEY: The main construction --
16 the majority of, yes, all materials will be through that
17 southern New Mill area.

18 COMMISSIONER LORD: Okay.

19 CAMERON HAUGHEY: Using the existing cane
20 haul roads.

21 COMMISSIONER LORD: And then you mentioned
22 some internal road construction.

23 CAMERON HAUGHEY: Yes.

24 COMMISSIONER LORD: Can you elaborate on
25 that?

1 CAMERON HAUGHEY: Sure. There's four roads
2 that are in the system, A through D. That provides
3 access throughout the system. It also -- I was trying
4 to explain the trackers, all the electric flows to the
5 internal -- to those internal roads. So there's no
6 trenching going on in between each row. This allows
7 minimal disturbance to the land. As we grade, we'll be
8 trenching those electric lines in.

9 COMMISSIONER LORD: So for the roadways
10 themselves, they're dirt roads?

11 CAMERON HAUGHEY: Dirt roads, 25 feet.

12 COMMISSIONER LORD: Okay.

13 CAMERON HAUGHEY: And meet the requirements
14 turning radius of -- you know, we're going to have to
15 get cranes in, freight, and emergency vehicles.

16 COMMISSIONER LORD: Right. And there will
17 be permanent roadways?

18 CAMERON HAUGHEY: They will be permanent
19 roadways. There's an existing network of roads already
20 on site. So the only new construction of those roads,
21 we'll be doing some improvements to the existing roads.
22 The internal roads are the only new roads which are
23 going to be on site.

24 COMMISSIONER LORD: And then one of the
25 testifiers earlier had a question regarding poles and

1 transmission lines. My understanding in your
2 presentation is that your transmission is all
3 underground?

4 CAMERON HAUGHEY: That's correct. There is
5 an area from -- we have to connect north to south, the
6 north section of the array to the southern section of
7 the array, and we will be crossing over -- I'll point to
8 the map. So we will be crossing over this area right
9 here. With an overhead line -- excuse me. Let me get
10 back to the mic. We will be connecting the north and
11 south with an overhead line of horizontal construction.

12 COMMISSIONER LORD: Okay. Can you
13 elaborate a little bit on that overhead line?

14 CAMERON HAUGHEY: Sure.

15 COMMISSIONER LORD: Maybe height, distance.

16 CAMERON HAUGHEY: Sure. It's a 530-foot
17 span. It's constructed of three poles on each side of
18 the -- inside the north and inside the south boundary.
19 And it spans -- spans the -- just between the reservoir
20 and the dam. It's constructed of three poles on each
21 side to make that large span. And it's in one level or
22 one layer, what's called horizontal construction.

23 COMMISSIONER LORD: And then what's the
24 height of the wires and the poles?

25 CAMERON HAUGHEY: The poles are at 38 feet.

1 COMMISSIONER LORD: Okay.

2 CAMERON HAUGHEY: And the wires will have a
3 sag. And we're using the natural topography of the
4 land, it's a little bit elevated, to kind of sag down
5 into or, you know, using the land to our advantage.

6 COMMISSIONER LORD: Gotcha.

7 CAMERON HAUGHEY: This also limits any
8 impacts to birds. It's a very protected site.

9 COMMISSIONER LORD: I don't have any more
10 questions.

11 CHAIR KEAWE: Commissioner Streufert.

12 COMMISSIONER STREUFERT: I think there was
13 a glare and glint report that was in there. Could you
14 explain a little bit more about how that is determined?

15 CAMERON HAUGHEY: Sure. The solar panels
16 absorb light. They don't reflect it. They want to, you
17 know, create as much energy as possible. So most solar
18 panels and the ones we've chosen for this project are
19 anti-reflective coated. And they also -- the surface of
20 the encapsulant is called stipple. So what that does is
21 it reflects light into the solar panel, not out of the
22 solar panel.

23 Furthermore, the tracking system follows the
24 sun. So as the sun comes up and sets, the trackers
25 follow that sun. And so any reflectivity that could be

1 possible is directed back, you know, at the sun. It
2 doesn't -- like a fixed-tilt system, the angle of the
3 sun will hit it and then bounce and possibly reflect.

4 So the glint/glare study takes into all those
5 variables. And we chose -- you know, we went to Lihue
6 and the Barking Sands flight patterns and did a report
7 on that.

8 COMMISSIONER STREUFERT: So that glint and
9 glare was really about aircraft rather than people
10 living anywhere close by? Because it is in a
11 residential area. It is lower. There are lots -- and
12 it is in the middle of a residential area. It's lower,
13 and there are lots of homes that are above it which are
14 looking down into it. So as is it moves, you're going
15 to be affecting more people as opposed to less people.

16 CAMERON HAUGHEY: The solar panels, again,
17 observe light and reflect very little light, if at all.
18 I could supply some more information on that, visuals to
19 show.

20 COMMISSIONER STREUFERT: We've seen --
21 well, I've seen some solar panels, and I presume they're
22 about the same as they are at Port Allen, is that
23 correct? Are they the same type?

24 CAMERON HAUGHEY: I'm not familiar with
25 that solar module and manufacturer, but I have done the

1 research and made sure that we've chosen a solar module
2 manufacturer that uses all best management practices
3 within the construction of the array to limit any
4 reflectivity.

5 COMMISSIONER STREUFERT: The topographical
6 map, as I recall, has at the upper portion of -- the
7 mauka portion of this area, above where the dams are or
8 the reservoirs are, is actually slightly north facing as
9 opposed to south facing and they're also slightly east
10 facing as opposed to west facing, is that correct?

11 CAMERON HAUGHEY: It is, but with the
12 seven-foot height of the tracker, you can -- and we've
13 avoided a lot of the areas that are facing any north or
14 east. And I could point to the areas that I think
15 you're talking about. They level out with some grade
16 differences in the land, and it's -- so they're facing
17 south. Excuse me. They're orientated north/south, and
18 they will track east/west.

19 COMMISSIONER STREUFERT: Okay.

20 CAMERON HAUGHEY: Yeah. So you do want a
21 gentle slope to a south-facing southern grade or makai.

22 COMMISSIONER STREUFERT: You have Omao to
23 the east, Lawai to the north, and Kalaheo to the west.

24 CAMERON HAUGHEY: The vegetation and the
25 tall trees around the area, I think, would limit any of

1 that.

2 COMMISSIONER STREUFERT: From the road,
3 from the surface, but not from the higher elevations.
4 The total amount of the space -- or the total amount of
5 coverage of the units themselves, the solar panels, is,
6 I think you said 35 acres.

7 CAMERON HAUGHEY: Yes.

8 COMMISSIONER STREUFERT: But with the
9 separation between them, what's the total acres it's
10 going to be using? Is that 196?

11 CAMERON HAUGHEY: The total leased area
12 could be up to 196 acres. We're at about 130 acres
13 within fence line.

14 COMMISSIONER STREUFERT: Thank you.

15 CHAIR KEAWE: Any other questions?

16 COMMISSIONER MAHONEY: I have one.

17 CHAIR KEAWE: Okay.

18 COMMISSIONER MAHONEY: Earlier one of the
19 testifiers mentioned she was worried about the spraying.
20 Are you going to be spraying any kind of anything,
21 pesticides, herbicides or?

22 CAMERON HAUGHEY: No, we will not be
23 spraying any pesticides or herbicides during
24 construction.

25 COMMISSIONER MAHONEY: Okay.

1 CAMERON HAUGHEY: There may be minor
2 herbicide usage during the vegetative maintenance and
3 during the operations of the system.

4 COMMISSIONER MAHONEY: And maybe any --
5 another concern was brought up about possible
6 electromagnetic forces or urban myths?

7 CAMERON HAUGHEY: No, I never heard of any
8 of that.

9 COMMISSIONER MAHONEY: Just so that they
10 would feel that they've been addressed with their
11 questions. Thank you.

12 CHAIR KEAWE: Mr. Haughey, I have some
13 questions. The panels themselves, these are sun-powered
14 panels?

15 CAMERON HAUGHEY: Yes, sir.

16 CHAIR KEAWE: And where are they
17 manufactured?

18 CAMERON HAUGHEY: They are manufactured in
19 Mexico.

20 CHAIR KEAWE: In Mexico?

21 CAMERON HAUGHEY: Yes.

22 CHAIR KEAWE: Okay. And how many would you
23 be putting up?

24 CAMERON HAUGHEY: 64,800.

25 CHAIR KEAWE: 64,800, okay. So if I'm

1 driving on Koloa Road --

2 CAMERON HAUGHEY: Yeah.

3 CHAIR KEAWE: At any point once I get to
4 the entrance of your property, what will I see if I look
5 southwest? Will I see any of those panels?

6 CAMERON HAUGHEY: No, you will not.

7 CHAIR KEAWE: Okay. But again, I think the
8 other question was, at a higher elevation, you may see
9 something out there obviously, and I think that one of
10 the issues was, you know, is there going to be any glare
11 from those panels?

12 CAMERON HAUGHEY: There is no glare of the
13 panels to any residents in the area.

14 CHAIR KEAWE: Okay.

15 CAMERON HAUGHEY: I know there's one --
16 there is one property, the Toulon residence, that has a
17 house that you can see from the site.

18 CHAIR KEAWE: How many?

19 CAMERON HAUGHEY: One residence that I can
20 see from where the solar modules will be located. Now,
21 in the temporary construction area, that will, again,
22 just be temporary.

23 CHAIR KEAWE: Right, right.

24 CAMERON HAUGHEY: You can see it, and
25 you'll see construction, general construction

1 activities.

2 CHAIR KEAWE: Okay. And I guess a couple
3 of last questions. Should you receive all of the
4 approvals that you need and you begin construction.

5 CAMERON HAUGHEY: Yes.

6 CHAIR KEAWE: Obviously one of the issues
7 is going to be best management practices with all those
8 dirt roads.

9 CAMERON HAUGHEY: Yes.

10 CHAIR KEAWE: And hauling in and out 64,000
11 panels.

12 CAMERON HAUGHEY: Yes.

13 CHAIR KEAWE: Through those dirt roads in
14 the neighborhood. You know, often times we have Kona
15 winds where it blows the other way. You've got more
16 houses on the other side. But I would assume, you know,
17 best management practices, you'll address that.

18 CAMERON HAUGHEY: Yes. We'll have -- we'll
19 have water trucks on site and remain to best management
20 practices for the dust control.

21 CHAIR KEAWE: Again, assuming you get all
22 your approvals, what's going to happen when it's done,
23 the installation is finished? What would you have in
24 the way of a maintenance crew or emergency contacts,
25 that type of thing?

1 CAMERON HAUGHEY: Sure. We'll have on site
2 AES staff running the facility. Showing up to --

3 CHAIR KEAWE: So you'll actually have
4 individuals on a 24-hour schedule?

5 CAMERON HAUGHEY: It will not be 24-hour
6 schedule, but we do have a renewable operation center
7 that the system will be monitored for 24/7. Any alarms,
8 the performance of the system, all data which is over a
9 half a million data points will come into that facility.
10 That information is on site as well as the remote site.
11 So any hours that a technician is not on site, we have
12 eyes on the system.

13 CHAIR KEAWE: Okay. So that's all computer
14 based?

15 CAMERON HAUGHEY: It's computer based,
16 yeah. Yes, it is. But on site we have an agent, HMI,
17 or human-machine interface. That will be --

18 CHAIR KEAWE: Right.

19 CAMERON HAUGHEY: -- there, that any
20 operator -- if we have any indication that the system
21 went down or communications went out, a gentleman could
22 be there within, I'll say, 10 minutes.

23 CHAIR KEAWE: Have you had any problems
24 with panel failures?

25 CAMERON HAUGHEY: Solar module failures?

1 CHAIR KEAWE: Yes.

2 CAMERON HAUGHEY: No.

3 CHAIR KEAWE: Okay. So any other
4 questions? Commissioner Streufert.

5 COMMISSIONER STREUFERT: Have you contacted
6 anyone in Omao, Lawai? I mean, I know that you've
7 contacted people on the Koloa Road and Aka Road because
8 that's immediately adjacent to the land. But there's a
9 lot of land that's mauka land, and there's a lot of
10 residents. Have any of them been contacted about this?

11 MR. BELLES: Excuse me. Commissioner,
12 legally we're required to notify everyone within 300
13 feet of the parcel. And it's not the project site.
14 It's the 1,000 acres, which is the McBryde parcel. So
15 we notified everyone within that radius which included
16 some residences across Koloa Road. By and large the
17 primary residences are located to the west of the
18 property.

19 COMMISSIONER STREUFERT: Right, the
20 300 feet.

21 MR. BELLES: Correct. Those are the only
22 ones that received by registered mail a notice of these
23 proceedings and application of the project.

24 COMMISSIONER STREUFERT: Okay. Thank you.

25 CHAIR KEAWE: Any other questions,

1 Commissioners? Anything else? Mr. Hull.

2 MR. HULL: The department has no questions
3 at this time.

4 CHAIR KEAWE: Thank you, Mr. Haughey.
5 Mr. Belles, call your next witness.

6 MR. BELLES: Mr. Chairman, may I please
7 circle back to one issue?

8 CHAIR KEAWE: Go ahead.

9 MR. BELLES: While Mr. Haughey is still
10 here. Mr. Hull, my partner Max Graham and I did a site
11 inspection of the property last week, Thursday, and
12 there's been some talk about a number of residents or
13 communities that are near proximity, and they may
14 actually have a vantage point down to this.

15 But because of the topography and the lay of
16 the land, first of all, in response to your question,
17 Mr. Chair, about what do you see from Koloa Road? All
18 you see are berms, Guinea grass and albizia trees. And
19 those would block the view of any of the stands of solar
20 panels or any of the facility.

21 When you look to the west, we've got a
22 community located about .25 miles away. Only one
23 residence, the residence immediately abutting Koloa Road
24 and looking over at the project, that's the only one
25 that has any view to the property.

1 But again, the panels being only seven feet and
2 with the albizia trees and the other lines of trees and
3 vegetation, they would not be able to see it either,
4 other than the staging area that's going to be located
5 up there for one year where they will see construction
6 vehicles and whatever other items are going to be stored
7 up there.

8 But after the eight months or one year, that
9 will all be removed. And from that point on, there will
10 be a sufficient buffer. And it's my understanding there
11 will be a condition imposed that at the discretion of
12 the planning director, if there are problems with
13 impacts, of visual impacts on any of the neighbors, that
14 can be remedied by landscaping along the perimeter of
15 the property.

16 And I'll turn it over to Mr. Hull to give his
17 unbiased opinion in terms of what he saw and didn't see.
18 Because we also shared the same concern that you had
19 about visual impacts on neighbors, that they may be
20 literally looking down on this. So I'll let Mr. Hull
21 respond if he feels it's appropriate.

22 MR. HULL: Yeah, all I'll say is that the
23 main concern that I had that I addressed it to Mr.
24 Belles and Mr. Graham is the representation for the
25 clients that, the residence, the Toulon residence, would

1 have significant -- who had significant vantage point
2 where a lot of the views will be of the solar panels
3 themselves. And if they had any concerns, and the
4 applicant didn't. They assured the department that they
5 had similarly to that residence to have the discussion,
6 and at this time the department hasn't received any
7 testimony or objection from that resident.

8 CHAIR KEAWE: Okay. Any further questions?
9 Mr. Belles, call your next witness.

10 MR. BELLES: Thank you for allowing me to
11 circle back on that.

12 The next witness will be Brad Rockwell of KIUC.

13 And again, Mr. Rockwell, his resume is attached
14 at Exhibit No. 19. And the intent is to have him talk
15 about the KIUC overview, the general operation in
16 relationship to AES, and also to talk about the
17 procurement process. So you can swear in the witness
18 now, Mr. Chairman.

19

20

BRAD ROCKWELL,

21

after having been first duly sworn,

22

testified as follows:

23

24

BRAD ROCKWELL: I do.

25

CHAIR KEAWE: Okay. Please state your name

1 and address.

2 BRAD ROCKWELL: Brad Rockwell, 2502-D Puu
3 Road, Kalaheo, Hawaii.

4 CHAIR KEAWE: Is that Rockwell?

5 BRAD ROCKWELL: Rockwell.

6 CHAIR KEAWE: Rockwell. Thank you. Go
7 ahead.

8 BRAD ROCKWELL: Good morning, Chair,
9 members, staff. As I said, I'm Brad Rockwell. I'm the
10 power supply manager for Kauai Island Utility
11 Cooperative. I've been working in the power business on
12 the island of Kauai since 2001, been in charge of power
13 supply since 2005.

14 I just wanted to highlight a few things. As
15 most of you are probably aware, KIUC is a member-owned
16 electrical cooperative. It's governed by a board of
17 nine who are elected by the ratepayers. They serve
18 staggered three-year terms. So three positions are up
19 for election every year. They set our policy. They
20 govern us. They share the same constituents as all of
21 you do and as the county staff members do. So I think
22 we're -- our goals are very much aligned of what we're
23 trying to do for the island.

24 KIUC took over from the investor-owned utility,
25 which was Kauai Electric, toward the end of 2002. We

1 are the franchise electric utility for the island of
2 Kauai. We're fully regulated by the Hawaii State Public
3 Utilities Commission.

4 We have over a thousand miles of distribute --
5 vdistribution lines, 12.47 kV. We have almost 200 miles
6 of 69 kV-rated transmission lines. We have
7 117 megawatts of oil fire generation capability, 72
8 megawatts of the solar that is connected to the system
9 currently, 27 megawatts of that is rooftop distributed
10 generation, 9 megawatts of hydro electric generation, 7
11 megawatts of biomass, and we have 23 megawatts or
12 16-megawatt hours of battery storage systems on the grid
13 currently.

14 Our power supply mix in 2010, just seven years
15 ago, was 8 percent renewable and 92 percent oil. All of
16 that is 8 percent renewable was hydroelectric power,
17 which was essentially legacy hydroelectric plants from
18 the plantation era.

19 In 2010 we spent \$69 million to pay for that
20 oil to power the 92 percent oil generation and
21 \$4 million for the renewables. Even the amount of money
22 we paid for the renewable generation was based on oil
23 indexed pricing. So essentially 100 percent of our
24 power supply costs in 2010 were -- was rising and
25 falling based on oil prices.

1 Fast forward to today in 2017, we are now
2 45 percent renewable, 8 percent in hydro, 11 percent is
3 biomass, 26 percent in solar. That leaves us with
4 55 percent of our power supply mix on oil. And it
5 brings us to \$39 million in a fuel bill for oil and
6 \$29 million going to renewable energy this year.

7 And I want to say that none of the renewable
8 power supply prices are tied to oil anymore. They are
9 -- most are fixed price for terms of 20 to 25 years. So
10 we're seeing impacts that are reducing our rates and
11 greatly stabilizing our electric rates here on the
12 island.

13 That has been -- if you look at the numbers on
14 that, we've essentially reduced our power supply bill by
15 seven percent despite electric demand growing by three
16 percent in the last seven years. And that three percent
17 growth has been above and beyond what folks are doing by
18 installing solar at their homes and businesses. We have
19 about 11 percent of your members that have done that,
20 and that has helped to keep our electric demand somewhat
21 stable. But despite that, we're still seeing a
22 three-percent increase in the last seven years.

23 Regarding renewable electricity targets, the
24 state legislature has passed a bill that sets renewable
25 energy target goals for electric utilities from the

1 state. Those goals are 30 percent by 2020, 40 percent
2 by 2030, 70 percent by 2040, and 100 percent by 2045.
3 As you can see, being at 45 percent today, KIUC has
4 already significantly surpassed the 2020 state target of
5 30 percent.

6 Our board has recently, within the last year,
7 updated our strategic plan and has set an even more
8 aggressive goal than the state target. Our board has
9 set a goal 70 percent renewable energy by 2030, which is
10 30 percent -- 30 points above what the state has
11 required in that same year.

12 This specific project will increase our
13 renewable energy total by 11 percentage points and will
14 significantly improve reliability by adding enough
15 battery storage to support the grid even when our
16 largest turbine generator, our Kapaia power station,
17 trips offline, preventing the need to shed load.

18 How did we get here with this developer and
19 this specific project? Starting in the spring of 2016
20 we -- I issued a request for offers, and I solicited all
21 the major landowners on the island, and I received a
22 number of offers.

23 We evaluated them based on topography, things
24 like visual impact, access to interconnections. So
25 access to existing transmission lines is critical

1 because any time we are going to extend a transmission
2 line, especially through a residential area, we have to
3 go through a public hearing process, which is part of
4 the PUC. So we always try to minimize having to do
5 that. We look at price, of course.

6 And the winner of that request for offer
7 process was the A&B site that this project is being
8 proposed on. We had planned for many years to build the
9 new substation in that area, Aepo sub. And so that
10 lined up quite well with this project.

11 Separately, once we selected the site, I was
12 somewhat in a parallel path soliciting developers to
13 build the project because for this type of technology,
14 KIUC was not interesting in owning and operating the
15 project. So were looking to contract to buy the power.
16 That enables for more efficient capture of tax
17 incentives which ultimately results in a lower price for
18 the energy, which we can straight pass through to the
19 electric rate since we don't take a profit on the
20 not-for-profit electric cooperative.

21 I reached out to over 40 entities in the summer
22 of 2016 with essentially a rough outline of the type
23 before project we were looking for, 20 megawatts AC,
24 four to six hours of storage, this is kind of the
25 general area we're looking at. That type of thing.

1 I received 20 offers. And upon further
2 evaluation, we decided to select the best seven for a
3 short list. We invited all seven entities to the island
4 to have two days worth of site visits, technical
5 meetings with your engineering team, commercial meetings
6 so we could discuss pricing and any sort of aspects
7 surrounding what would eventually lead to a purchase
8 power agreement.

9 We then asked for renewed offers. We received
10 those in November of 2016. From those, we selected the
11 best offer, which was the AES team. We conducted our
12 final negotiations and executed contracts toward the end
13 of December.

14 Our selection was based largely on price, but
15 also on design, the bankability of the company. AES is
16 a large publicly-traded company. So we felt that they
17 we very bankable and a good partner to bring to Kauai.

18 We then went through the Public Utility
19 Commission application. We filed that earlier this
20 year, and we did get full approval in a fairly clean
21 word from the Hawaii Public Utility Commission in July
22 of this year.

23 I did try my best to address some of the
24 questions that were raised by the public testimony
25 during the break and did hand out my cards if there's

1 any follow-on questions. You know, we're the ones who
2 are here as representatives of your electric
3 cooperative. But certainly if there's any outstanding
4 questions that members have or folks in the public,
5 please grab me afterwards, and I'll give you my card so
6 we can continue the dialog as we bring this project to
7 success, if so proved. Thank you.

8 CHAIR KEAWE: Thank you. Commissioners,
9 any questions? (No response.)

10 Mr. Hull, any questions for Mr. Rockwell?

11 MR. HULL: No questions.

12 COMMISSIONER LORD: I have a question.

13 CHAIR KEAWE: Go ahead, Commissioner Lord.

14 COMMISSIONER LORD: Mr. Rockwell, just a
15 couple quick questions. Can you expand on storage type
16 and how that works? I know there's several different
17 kinds of battery storage.

18 BRAD ROCKWELL: These are going to be
19 lithium ion batteries which are common to what the
20 electric vehicles are using. It's where most of the
21 market is at, and most storage projects are using
22 lithium ion technology. And within that, we like to say
23 there's tier one suppliers, which would be Samsung, LG
24 Chem, you know, the Tesla products, which we did over at
25 the Kapaia solar and storage project. And these are

1 going to be using LG Chem. So it's a very reputable
2 supplier with a lot of history and experience in
3 installations.

4 COMMISSIONER LORD: And what's the expected
5 life on those?

6 BRAD ROCKWELL: The life is -- I don't know
7 if I'm the best suited to answer that. Probably the AES
8 team would be. But, you know, I think the plan is that
9 they're going to significantly overbuild the capacity
10 early on, so we'll end up with more than the contract
11 capacity value. And as the system degrades over time,
12 they'll augment by adding some more in. And that was a
13 similar approach that we took to the Tesla project in
14 Kapaia, which by the way I should mention, has been
15 online since March of this year.

16 And in that case, they essentially planned to
17 add -- just augment by shipping more power packs to the
18 site throughout the 20-year term.

19 COMMISSIONER LORD: And do you know how
20 disposal of those batteries is handled?

21 BRAD ROCKWELL: Typically -- they're going
22 to be shipped back to the factory or the manufacturer,
23 and then handled off site. So...

24 COMMISSIONER LORD: And then you had
25 mentioned, I think I heard you, that this project was

1 going to supply 11 percent of your total needs, is that
2 correct?

3 BRAD ROCKWELL: Yes, correct.

4 COMMISSIONER LORD: And then you had
5 mentioned that you didn't want to pursue the project as
6 a utility because you had some concern of that kind of
7 technology. Can you elaborate on that?

8 BRAD ROCKWELL: Yeah. Our goal with
9 renewable projects has been to place the risk at the
10 appropriate level with the entity that's best suited to
11 handle that. So, for example, if you look at the way we
12 did the land request for offer, we felt that we could
13 best select the site and be very involved in that
14 process and bring that to an outside developer.

15 You know, companies like AES, like Tesla,
16 they're not as familiar with Kauai, and certainly not
17 with the best spots for interconnection. So we bring
18 value to the site selection process, to the
19 interconnection as a utility.

20 We think an entity like a Tesla or like AES, LG
21 Chem, brings the best resources to handle, you know,
22 things like battery storage and the fact that it is
23 somewhat still an evolving market.

24 So, you know, I think that if we had to try and
25 plan to do that and address those risks, I think you

1 might see a little bit higher cost project. Whereas
2 they're a little more comfortable because AES is
3 probably doing this project and, you know, many others.
4 So within the pool of -- they're probably contracting
5 for hundreds of megawatts of battery storage with LG
6 Chem, so much better position to be able to address that
7 than we would be.

8 COMMISSIONER LORD: Thank you.

9 CHAIR KEAWE: Commissioner Streufert.

10 COMMISSIONER STREUFERT: You said that you
11 went out for a request for offers for sites. What were
12 your criteria for the site selection?

13 BRAD ROCKWELL: It was mainly the access to
14 the interconnection, topography, visual impact, the
15 solar resource. Although I will say the solar resource
16 on Kauai you're going to see it's pretty similar just
17 about anywhere, unless you're going really mauka, and
18 the price, the terms, the conditions, the price.

19 COMMISSIONER STREUFERT: And which sites
20 were considered?

21 BRAD ROCKWELL: So we solicited -- any time
22 we're looking at a project this size, we have to go to
23 -- there's only a handful of folks really that have
24 parcels that are this large. So you're talking the
25 state, DHHL, G&R, A&B, Grove Farm. You know, and within

1 the state it could be ADC, it could have been DLNR. I'm
2 trying to think. I don't have the list in front of me.
3 There may be one or two others that we solicited.

4 COMMISSIONER STREUFERT: Do you know what
5 other sites were actually considered besides this one?

6 BRAD ROCKWELL: We have over the years
7 talked with the state, with G&R, with Grove Farm, about
8 a number of sites. And for this specific project, we
9 felt that the A&B site was the best. We're going to
10 continue to be looking at more projects in the future,
11 and we'll circle back, and some of those may be selected
12 for future ones. There may be others.

13 COMMISSIONER STREUFERT: If you're looking
14 at who uses -- the utilization of electricity, where is
15 most of the electricity being utilized?

16 BRAD ROCKWELL: Lihue/Kapaa corridor.

17 COMMISSIONER STREUFERT: So that's further
18 east as opposed to west?

19 BRAD ROCKWELL: Correct.

20 COMMISSIONER STREUFERT: So wouldn't you
21 prefer to have your electric generation closer to where
22 you're utilizing it?

23 BRAD ROCKWELL: Yeah. I think you could
24 say yes. Although distances on Kauai are relatively
25 short. Our line losses are much lower than a typical

1 mainland system. You know, we're talking like three to
2 four percent. So the difference between doing a project
3 in Lihue/Kapaa versus where this one would be is a
4 minimal difference in line losses.

5 But, yeah, and I know from looking at this,
6 there's not a whole lot of -- you know, a lot of that
7 mauka of Lihue/Kapaa area is state, and it can be
8 conservation land and forest preserve and things like
9 that, especially as you get up like along Kuamoo Road
10 and Kawaihau, in that area. So it's challenging to find
11 large parcels there with access to existing transmission
12 lines or an existing substation.

13 COMMISSIONER STREUFERT: But if that's the
14 case, then access to connection is not really that much
15 of criteria for that?

16 BRAD ROCKWELL: Oh, no, it's a big
17 criteria. It's a big reason that, if we have to build
18 -- if we just chose a green field site and we had to
19 build transmission lines to that site, we would have to
20 do a public hearing. We would have to go through an
21 additional layer of Public Utility Commission approvals.
22 And the cost of extending transmission line and the
23 avian species mitigation efforts, it's a whole other
24 ball game.

25 COMMISSIONER STREUFERT: You've already got

1 Kapaia and you've got Kapaa, Anahola, that area, is that
2 correct?

3 BRAD ROCKWELL: We do have projects in
4 Anahola, Koloa, Kapaia, yeah.

5 COMMISSIONER STREUFERT: Okay.

6 CHAIR KEAWE: Any other questions for
7 Mr. Rockwell? (No response.)

8 I just had one, Mr. Rockwell, more from an
9 environmental standpoint. You're probably familiar,
10 several years ago there was a very large fire in a
11 battery storage facility on the north shore of Oahu.

12 BRAD ROCKWELL: Correct.

13 CHAIR KEAWE: And those lithium ion
14 batteries are very difficult to put out as far as fire
15 is concerned. So have you made any outreach to the fire
16 department? Because you're starting to go into that
17 technology now.

18 BRAD ROCKWELL: Right.

19 CHAIR KEAWE: With batteries. I just
20 wanted to touch base, was that a consideration?

21 BRAD ROCKWELL: Of course. And just a
22 couple points of clarification. So that facility on the
23 north shore of Oahu was actually not a lithium ion
24 battery at the facility. That was a lead acid battery
25 with Xtreme Power as the manufacturer.

1 I did get to see some other of the root causes,
2 and it was -- there was some indication that there was
3 improper housekeeping where they had debris in the
4 aisles and things like that that probably contributed to
5 that.

6 So I think that's a little bit different
7 technology. But as AES mentioned, they did have
8 meetings with Kauai Fire Department. And, you know,
9 they have fire suppression systems. That facility on
10 the north shore of Oahu did not have a fire suppression
11 system. So I think we've learned a lot from that one.

12 CHAIR KEAWE: Okay. Mr. Hull.

13 MR. HULL: For the record, Chair, the fire
14 department did submit comments. It is attached to
15 Supplement No. 1, the report in which there were no
16 objections made. It just stated that this project
17 didn't violate Kauai County fire code. And usually the
18 fire department will do a further, much thorough
19 inspection on the proposal after we --

20 CHAIR KEAWE: Yeah. The concern was that
21 they did get contacted before and that they have the
22 technology to put out lithium ion fires.

23 BRAD ROCKWELL: If I may, Mr. Chair, just
24 to get it on the record. Some of the responses I gave
25 to the some of the public testimony, would you mind if I

1 just expanded on that for a moment?

2 CHAIR KEAWE: Go ahead.

3 BRAD ROCKWELL: Some of the concerns that
4 were brought up regarding health concerns specific to
5 EMF, you know, I wanted to address. EMF is typically a
6 concern when you have extremely high voltage power
7 lines. Typically on Kauai, our transmission system is
8 running at a much, much lower voltage than areas that
9 you see on the mainland where EMF is more of a factor.
10 And it's typically only a concern right under the power
11 lines, very close proximity.

12 So we have not had any complaints with any of
13 our existing systems, a notice of health impacts. The
14 existing solar farms we have at Koloa, Anahola, Kapaia,
15 Port Allen, we have not had any complaints about any
16 sort of health impacts from that. And I can testify, as
17 somebody who goes out there all the time, that the noise
18 levels are very low.

19 There was also concerns about agricultural land
20 use. Even if we went to a full build-out of a hundred
21 percent renewable energy with projects likes this, we
22 would probably be looking at roughly a thousand acres in
23 total of use. And I know from the 2015 ag land study
24 that was done here on Kauai, I think there's well over
25 50,000 acres. So we're in a low single-digit percent as

1 far as land use.

2 And I think that was the stuff I wanted to make
3 sure we got on the record. Thank you.

4 CHAIR KEAWE: Thank you very much. Any
5 further questions for Mr. Rockwell?

6 COMMISSIONER STREUFERT: Just one.

7 CHAIR KEAWE: Commissioner Streufert.

8 COMMISSIONER STREUFERT: You said the
9 transmission lines are an issue, and yet most of the
10 energy or a lot of the electricity is used in the
11 Kapaa/Lihue area, and so I'm not quite sure I understand
12 that. What do you mean by having transmission lines
13 closer by as a point of consideration of that in the
14 determination which parcel of land to use?

15 BRAD ROCKWELL: I think if I understand
16 your question, so when we look at a large solar project
17 like this, it needs to be able to interconnect to the
18 electric grid.

19 COMMISSIONER STREUFERT: Right.

20 BRAD ROCKWELL: And so we do that through
21 substations. We have about 14 substations throughout
22 the island. So if you're talking in the Lihue/Kapaa
23 area, Lihue substation is near the old Lihue mill just
24 across Kaunualii Highway tucked back in the trees there.
25 There's potential, maybe we could do something around

1 there, but it's a little bit challenging.

2 Kapaa switchyard is right on Kuhio Highway --
3 or just off Kuhio Highway. It's in a real challenging
4 area. There's no like, you know, large parcels where
5 you're talking about a couple hundred acres, from my
6 knowledge, that you could really do something right in
7 there between there and the bypass road.

8 Our other switchyard on that side is Lydgate
9 switchyard, which is pretty much right by Lydgate Beach
10 Park, and there's potential maybe across the highway.

11 But, you know, we do look at those. We did try
12 and solicit offers from landowners in those areas, but
13 we did not get anything.

14 COMMISSIONER STREUFERT: Because this place
15 that you're looking at right now is open space
16 designation and considered to be a historic heritage
17 resource for open space scenic. It's a large parcel.
18 And if I understand the CZO correctly, it should not
19 occupy more than 10 percent of the acreage or 20 acres
20 of land, whichever is less.

21 BRAD ROCKWELL: Correct.

22 COMMISSIONER STREUFERT: This is over the
23 20 acres of land regardless of how you want to measure
24 it.

25 BRAD ROCKWELL: Which I think is why we go

1 to the State Land Use Commission.

2 MR. HULL: No. So for clarification,
3 Commissioner, that specific requirement is put into an
4 over-the-counter permit, not agricultural. So anything
5 larger than that requires a use permit. So if they were
6 under that acreage, technically it's a Class I zoning
7 permit they get over the counter.

8 COMMISSIONER STREUFERT: Right.

9 MR. HULL: So it's part of the bundle
10 package goes to the -- the special permit that
11 ultimately goes to the LUC.

12 COMMISSIONER STREUFERT: So this is why
13 we're looking at this.

14 BRAD ROCKWELL: I will add that as
15 somebody's who's developed, I don't know, half a dozen
16 projects now here on the island, there is no to ideal --
17 at least I haven't found the ideal site yet where there
18 isn't sort of issue, whether it's ag land, whether it's
19 residential concerns, whether it's assess to power
20 lines, whether it's biological or, you know,
21 archaeological, historical, or cultural preservation.
22 There's always something that, you know, we're going to
23 have a deal with.

24 And so I think we just look for the best that
25 we can do at the time trying to be moving forward and,

1 you know, chipping away at this oil addiction that we
2 have.

3 CHAIR KEAWE: Anything else? Any other
4 questions for Mr. Rockwell. (No response.)

5 Thank you, Mr. Rockwell.

6 Mr. Belles, before we continue, we'd like to
7 take another break. If you have any further comment at
8 this point, please share them. If not, we'll take
9 another break. Short one this time. Thank you.

10 MR. BELLES: Thank you.

11 (Break from 11:07 to 11:22.)

12 CHAIR KEAWE: Let's reconvene, please. We
13 all here? Mr. Belles.

14 MR. BELLES: Yes, sir, Mr. Chair.

15 CHAIR KEAWE: Proceed.

16 MR. BELLES: We'll make our -- do our level
17 best to move this thing along as quickly as possible.
18 I, again, appreciate your patience and understanding
19 with all this.

20 Our next witness is Dennis Esaki, the president
21 of Esaki Surveying & Mapping, and his resume is
22 Exhibit 20, and he'll be talking generally about
23 engineering, draining, drainage, and any issues about
24 compliance with applicable county, state laws, rules and
25 regulations regarding the same. So you can swear him in

1 and take it from there.

2

3

DENNIS ESAKI,

4

after having been first duly sworn,

5

testified as follows:

6

7

DENNIS ESAKI: I do.

8

CHAIR KEAWE: Could you state your name and
9 address for the record, please.

10

DENNIS ESAKI: Dennis Esaki, 1610 Haleukana
11 Street, Lihue.

12

CHAIR KEAWE: Thank you. Go ahead and
13 proceed.

14

DENNIS ESAKI: Good morning. I'm Dennis
15 Esaki, president of the Esaki Surveying & Mapping, Inc.;
16 a mapping, civil engineering, and land surveying
17 company; a former Land Use commissioner, and one of the
18 founding directors of KIUC. But I'm now a KIUC member
19 like most of you here.

20

We've worked on similar solar projects at
21 Eleele, Koloa, and the most recent Tesla/SolarCity
22 project an Hanamaulu. We also worked on the green
23 energy power plant. The projects were approved through
24 all the related agencies and are functioning properly.

25

On this project, we have done a topographic

1 survey, we're doing a drainage study, and we're working
2 on the civil engineering plans.

3 We anticipate applying for grading and grubbing
4 permits as necessary.

5 The County Public Works Department and State
6 Department of Health will review and approve their
7 respective plans and permits.

8 Best management practices will be called out
9 and must be followed during construction.

10 NPDES, National Pollutant Discharge Elimination
11 System, must be applied for an approved prior to
12 construction.

13 Some of the things that will be included will
14 be stabilized construction entrance, revegetation for
15 erosion control, silt control, and temporary silt basin.
16 There will also be one or more retention basins to
17 retain any increase flow into the rest of the property.
18 The quality and quantity of water leaving the property
19 identified should be the same as prior to construction.

20 CHAIR KEAWE: That is it? Do you have any
21 further?

22 MR. BELLES: No further questions. He's
23 available for cross-examination, either the department
24 or the commission, Mr. Chairman. Thank you.

25 CHAIR KEAWE: Okay. Mr. Hull.

1 MR. HULL: The department has no questions.

2 CHAIR KEAWE: Commissioners, any questions
3 for Mr. Esaki? (No response.)

4 Okay. Mr. Esaki, thank you.

5 DENNIS ESAKI: Thank you.

6 MR. BELLES: Thank you very much. Next
7 witness will be Dr. Hallett Hammatt.

8

9 HALLETT HAMMATT, PH.D.,
10 after having been first duly sworn,
11 testified as follows:

12

13 DR. HALLETT HAMMATT: Yes, I do.

14 CHAIR KEAWE: Please state your full name
15 and address for the record.

16 DR. HALLETT HAMMATT: My name is Hallett
17 Hammatt. My address is 49 South Kalaheo Avenue, Kailua,
18 Oahu.

19 CHAIR KEAWE: Thank you. Proceed.

20 MR. BELLES: Thank you, Mr. Chair. I'd
21 like to note for the record that Dr. Hammatt's resume is
22 Exhibit 21 with the application.

23 He is an expert witness. I would like to have
24 the commission accept him as such dealing with the
25 issues of archaeology.

1 CHAIR KEAWE: Okay.

2 MS. HIGUCHI-SAYEGUSA: I would -- just to
3 be clear, I would entertain a motion.

4 CHAIR KEAWE: So we need to entertain a
5 motion to recognize Mr. Hammatt as an expert witness.

6 COMMISSIONER MAHONEY: Chair, I'll make a
7 motion to accept Mr. Hammatt as an expert witness.

8 CHAIR KEAWE: Do I have a second?

9 COMMISSIONER STREUFERT: Second.

10 CHAIR KEAWE: It's been moved and seconded.
11 Any discussion? (No response.)

12 All those in favor. (Ayes.)

13 Any opposed? (No response.)

14 Proceed.

15 MR. BELLES: Thank you very much. Dr.
16 Hammatt will be basically responding to two exhibits in
17 the app, Exhibits 26, which is the archaeological
18 inventory survey record, and Exhibit 28, which is the
19 cultural impact assessment report. And he'll also be
20 talking about letters that the Planning Department has
21 received from SHPD, as well as summarizing the findings
22 in both reports and his conclusions and recommendations.

23 So with that very broad introduction, I'll turn
24 it over to Dr. Hammatt.

25 DR. HALLETT HAMMATT: Thank you very much.

1 First let me talk about the inventory survey. This was
2 a field effort involving a number of archaeologists.
3 Nineteen field days actually were involved. We covered
4 the entire project area of about 210 acres actually,
5 including the project area as well as the various
6 facilities that are going to be a part of the project.

7 We found a series of plantation infrastructure
8 sites including ditches and some berms and tunnels and
9 that kind of thing, which we subsumed under one site
10 number. Some of those sites, four of the features of
11 that site are in the project area. The others were
12 excluded.

13 There's another site, which is about 500 feet
14 makai, which was mentioned earlier in the testimony.
15 That's called Niukapukapu Heiau, which was recorded by
16 Bennett in 1934. I have visited that site. I have
17 looked at it, and I don't believe it's going to be
18 impacted by this project at all.

19 So our inventory survey was turned into SHPD.
20 They've accepted that early this month after a short
21 review. And we're -- our recommendation is for
22 archaeological monitoring. The sites were evaluated as
23 important for their information content, which is
24 Criteria D of the State National Register. So we will
25 be preparing a monitoring plan for this particular

1 project, and there will be archaeological monitoring of
2 ground disturbance.

3 So that kind of summarizes the inventory
4 survey. If there are any questions, I'll be glad to
5 answers them.

6 CHAIR KEAWE: Mr. Hull, any questions.

7 MR. HULL: No questions at this time.

8 CHAIR KEAWE: Commissioners, any questions?

9 (No response.)

10 I have a few, Dr. Hammatt.

11 DR. HALLETT HAMMATT: Sure.

12 CHAIR KEAWE: We've received your report,
13 and we want to make sure, could you explain any actions
14 you've taken to identify valued cultural and historic or
15 natural resources to determine the extent of the
16 traditional or customary rights that were exercised in
17 the area?

18 DR. HALLETT HAMMATT: That would be covered
19 under the cultural impact assessment. That's the second
20 document we prepared.

21 CHAIR KEAWE: The second document, okay.

22 DR. HALLETT HAMMATT: So maybe I can
23 proceed with that.

24 CHAIR KEAWE: Okay.

25 DR. HALLETT HAMMATT: We -- our typical

1 approach is we send out outreach letters by email and
2 post to a list of people we have for every area of
3 Hawaii. We have a list of descended groups or kamaaina.
4 We sent out over 50 requests for information.

5 We actually got seven responses. We got
6 responses from SHPD, which is typical, from OHA, we got
7 responses from Kauai Museum, and also a number of
8 individuals including Ted Blake, who is in the audience
9 today.

10 Chad Schimmelfennig, who's a resident of the
11 area, kamaaina, and Lawrence Smith, who actually lives
12 in the project area or very close to it.

13 The result of that consultation relates
14 obviously to the long-term land use for pineapples -- I
15 mean for sugar.

16 And there's -- oh, and also Wilma Holi also
17 responded, a long-term resident of Hanapepe, who is very
18 familiar with that particular area.

19 There were no concerns of traditional or
20 cultural practices.

21 I also want to mention that we have done
22 extensive work makai of this project area in the
23 Kukuiula project area. In this particular project area
24 we're talking about today, we did not do subsurface
25 testing. The reason for that is because we did

1 extensive subsurface testing in pineapples fields makai
2 at the request of SHPD because there is some uncertainty
3 as to whether their findings under the plow zone of cane
4 fields.

5 And we found actually, after extensive testing,
6 we found no findings. So we're fairly confident in this
7 project area that there will be no findings.

8 Also, we considered the comparative small
9 ground disturbance that we would expect in a normal
10 project compared to this one. And so we were fairly
11 confident that there will be no findings in the
12 archaeological monitoring. But, however, just to be
13 safe, we will be monitoring the ground disturbance.

14 CHAIR KEAWE: That was my question.

15 DR. HALLETT HAMMATT: Yes.

16 CHAIR KEAWE: You will be monitoring on an
17 ongoing basis in case something does comes up?

18 DR. HALLETT HAMMATT: Yes, we will be.

19 CHAIR KEAWE: Okay. Anything further, Dr.
20 Hammatt?

21 DR. HALLETT HAMMATT: I'll be happy to
22 answer some questions.

23 CHAIR KEAWE: Any questions for Dr.
24 Hammatt? Commissioner Streufert.

25 COMMISSIONER STREUFERT: I'm sorry. There

1 was a heiau somewhere on this lot that had been
2 identified. Is that part of a larger organization of
3 buildings that might have been disturbed earlier when
4 they were creating --

5 DR. HALLETT HAMMATT: The closest heiau to
6 the project area is actually Niukapukapu Heiau, which is
7 approximately 500 feet makai on a high ridge. I visited
8 that heiau a number of times as part of our Kukuiula
9 project, although it is not in the Kukuiula project
10 area.

11 The view plane of that heiau is makai,
12 obviously as most heiau are. I don't believe there's
13 any impact to that heiau for this project because of the
14 fact that it's not in the project area and the view
15 plain from the heiau would not be impacted by this
16 project.

17 COMMISSIONER STREUFERT: If there's a heiau
18 in an area, is there not usually some community or some
19 other structure that might have been in that area or
20 close to it?

21 DR. HALLETT HAMMATT: Well, that's a good
22 question, and that is true actually. However, this
23 particular heiau is totally surrounded by cane fields.
24 So all that -- and, you know, as I said, in that
25 particular project area makai of the Kukuiula project,

1 we did extensive testing makai of that heiau, and there
2 were no findings.

3 COMMISSIONER STREUFERT: Okay.

4 DR. HALLETT HAMMATT: And all the
5 surrounding area has been cultivated in cane since 1900.

6 CHAIR KEAWE: Any further questions for Dr.
7 Hammatt? (No response.)

8 If not, thank you, Dr. Hammatt. Mr. Belles.

9 MR. BELLES: Thank you very much.

10 DR. HALLETT HAMMATT: Thank you very much.

11 MR. BELLES: The next witness will be
12 Theodore Teddy Blake.

13

14

THEODORE BLAKE,

15

after having been first duly sworn,

16

testified as follows:

17

18

THEODORE BLAKE: I do.

19

20

CHAIR KEAWE: Okay. Please state your name
and address for the record.

21

22

THEODORE BLAKE: My name at Ted
Kawahinehelelani Blake. Excuse me. I reside at Koloa,
23 P.O. Box 96, 96756.

24

CHAIR KEAWE: Okay. Proceed.

25

MR. BELLES: Mr. Blake's resume is attached

1 as Exhibit 22, and Mr. Blake was interviewed by Cultural
2 Surveys Hawaii in the preparation of the CIA report.

3 And I'd simply like him to ask him to summarize
4 just a little bit about his family history in connection
5 to the Koloa/Poipu area, his knowledge and experience
6 with this particular piece of property, and any opinions
7 he may have about any cultural practices that he may
8 know of that may have existed on this land or may be
9 affected by it. Thank you.

10 THEODORE BLAKE: My family's resided in
11 Koloa at least six to five generations. I'm familiar
12 with -- very familiar with the Koloa area ahupuaa of
13 Koloa and the coastline from Mahaulepu, Paa, Weliweli,
14 Koloa, Lawai, and makai.

15 As far as the subject property, my first
16 recollection is was that was all in pineapple. After
17 that, it was in cane. And it was after cane, it was
18 pastures.

19 Being private property, it was difficult to get
20 on, although we did get on it. You know, some guys
21 would go hunting or whatever they wanted. You know, and
22 I'd accompany then. We didn't see much in the way of
23 Wahi Pana. I know it was there. I've seen it makai of
24 the parcel in question and Lawai Valley. The Hikina
25 site, east side of Lawai Valley.

1 We went on probably about a five-hour tour
2 driving with Allen Reis, who worked at McBryde for a
3 long time before he morphed into A&B, and I think he
4 probably oversees the property there. And it was
5 interesting talking to Allen because he brought back
6 memories of some things. When you're trying to back
7 this far, I like to be in a group of people talking
8 because it jogs everybody's memory, and you remember
9 things that you probably wouldn't have if you were
10 interviewed individually.

11 So I talked to Chad Schimmelfennig, whose
12 grandfather Carl used to be one of the lunas for the
13 pineapple fields. And he was his grandfather's
14 favorite. Always accompanied his grandfather, you know,
15 driving around. And I asked him about that specific
16 area.

17 He said, You know, there's a heiau there, but
18 the places we've talked about, and I know there's Wahi
19 Pana there, but I don't think they were significant
20 because my grandfather never stopped to talked about it.

21 And I talked to Jack -- Gerald Blackstad, who
22 lives across the street on Koloa Road, asked him. He
23 mentioned also the same Wahi Pana I just discussed. And
24 then I asked him if there's anything that he knew
25 culturally that went on there.

1 He said none, it was all pineapple and sugar.

2 And then the last one I talked about was Laurie
3 Smith. Laurie's dad -- Laurie has pastures down there.
4 She was concerned about the loss of her pastures, but
5 they've resolved that. I think she's got her lease
6 renewed.

7 So as I looked at it and we went down, we came
8 off of Koloa Road, past Ekahi, past Elua, two
9 reservoirs -- there's four reserv- -- four reservoirs.
10 And I believe the project site is makai, on the makai
11 west side of Elua. I couldn't see the road, Koloa Road.
12 I couldn't see that. And that -- I mean, nowadays,
13 that's a big thing, you know, something interrupting
14 your view plane.

15 The storage area, I didn't -- I found out today
16 where it's going to be. I had heard that it would be up
17 in -- adjacent to Koloa Road, which I didn't think was a
18 smart idea for a developer to do up there. And I found
19 out that that wasn't the case either.

20 So we concluded that after our long tour, and
21 we drove every road in there, and the two employees of
22 Cultural Surveys was with me. Nicole Ishihara and
23 Chantellee Spencer. And extensive, and I didn't feel
24 like cutting all the Guinea grass from the roof of my
25 apana, but it's there.

1 What I appreciate about this is that they've
2 been identified now, so if future development comes up,
3 we already know what's there, and hopefully we get a
4 chance to get in and clean it and see what we got and
5 hopefully from preserve it.

6 CHAIR KEAWE: Okay. Mr. Hull, any
7 questions for Mr. Blake?

8 MR. HULL: I have no questions.

9 CHAIR KEAWE: Commissioners, any questions?

10 COMMISSIONER MAHONEY: I do.

11 CHAIR KEAWE: Commissioner Mahoney.

12 COMMISSIONER MAHONEY: Mr. Blake, so we'd
13 be in concurrence with the archaeology in the report
14 previous --

15 THEODORE BLAKE: I'm sorry.

16 COMMISSIONER MAHONEY: Would you be in
17 concurrence with the archaeologist --

18 THEODORE BLAKE: Yes, I would.

19 CHAIR KEAWE: In that everything that's
20 culturally significant has been identified?

21 THEODORE BLAKE: This is one of the -- and
22 I'm not -- I haven't been paid to advertise for Cultural
23 Surveys. They're one of the better -- they're one of
24 the better companies that we work with in the entire
25 Koloa area. Very receptive, very respectful, and very

1 professional.

2 COMMISSIONER MAHONEY: Thank you.

3 THEODORE BLAKE: Maybe that gets me lunch
4 today (laughter).

5 COMMISSIONER MAHONEY: I always ask about
6 your reference. Thank you.

7 THEODORE BLAKE: Thank you.

8 CHAIR KEAWE: Thank you. Mr. Belles.

9 MR. BELLES: Okay. Next witness will be
10 Jaap Eijzenga. And I have difficulty pronouncing his
11 last name, and I'll apologize in advance.

12

13

JAAP EIJZENGA,

14

after having been first duly sworn,

15

testified as follows:

16

17

JAAP EIJZENGA: I do.

18

19 CHAIR KEAWE: Would you please state your
20 full name and address for the record. And go slowly so
we can get the right -- the right spelling.

21

22 JAAP EIJZENGA: Okay. My name is Jaap
Eijzenga.

23

CHAIR KEAWE: Eijzenga?

24

25 JAAP EIJZENGA: Yeah. I'll spell it for
you. It's J-a-a-p. My last name is E-i-j-z-e-n- --

1 CHAIR KEAWE: E-i-j?

2 JAAP EIJZENGA: -- -g-a.

3 CHAIR KEAWE: E-i-j- -- -g-a. Okay.

4 JAAP EIJZENGA: I'm at 1001 Bishop Street,
5 Suite 2800 in Honolulu, Hawaii.

6 CHAIR KEAWE: Okay. Go ahead.

7 MR. BELLES: Briefly, his resume is Exhibit
8 No. 23. He's prepared report called, The Biological
9 Resources Survey Report dated June 2017. It's Exhibit
10 E5 attached to the original application, which is
11 Exhibit 1. And he's the director of SWCA, Pacific
12 Islands Offices. And like Dr. Hammatt, I would like to
13 ask that the commission accept him as an expert witness
14 on flora and fauna, please.

15 CHAIR KEAWE: Okay. Proceed. Go ahead.

16 JAAP EIJZENGA: I'll summarize briefly the
17 results of the biological survey that my crew did on
18 May 1st and 2nd this year. The survey area encompassed
19 about 250 acres, including the intact project area or at
20 least the project area.

21 For the flora survey, the botanists identified
22 87 plant species total out of which seven -- I'm
23 sorry -- six are indigenous plants.

24 The vegetation basically consists of three
25 vegetation types. We have pasture vegetation, which is

1 where most of the grazing is occurring currently. It's
2 mostly non-native grass. It's mostly Guinea grass.
3 Ruderal vegetation, which is basically the common
4 vegetation type you find in disturbed areas, roadsides,
5 dominated by a mix of non-native grasses and plants and
6 some -- and trees species like albizia, for example.

7 And then there was mixed non-native forest,
8 which is more -- consisted off non-native tree species
9 with a very minimal understory.

10 There are no protected plant species that we
11 found in the area. So in the interest of flora
12 resources, we don't anticipate any impacts.

13 For the fauna survey, 22 bird species were
14 identified on site. Only two of them indigenous birds.
15 One is the black-crowned night heron, and the other is
16 the Hawaiian gallinule, which is protected under state
17 and federal endangered species law. Those birds are
18 entirely restricted to some of the reservoirs that are
19 at the area and are not expected to use any of the other
20 areas of the project site that would be impacted by
21 construction and operation of the PV installation.

22 Other than that, we did not find any habitat or
23 cave dwelling invertebrates. The nearest habitat, as
24 far as we are aware, is at least 1.5 miles away from the
25 site. So those won't be impacted.

1 And, yeah, I think that summarizes the flora
2 and fauna report.

3 CHAIR KEAWE: Okay. Any questions for
4 Mr. Eijzenga? (No response.)

5 I had one. Were there any resident pigs on
6 that property? (Laughter.)

7 JAAP EIJZENGA: I'm sure there are. I'm
8 hearing from folks here that may have spent some time in
9 the area. I can look and see if they were observed.

10 CHAIR KEAWE: The only reason I raised that
11 question is obviously there are a lot of homeowners in
12 the area, and it's always an issue about pigs no matter
13 where you were on this island.

14 JAAP EIJZENGA: Right. Well, they're quite
15 ubiquitous.

16 CHAIR KEAWE: Yeah, exactly. If not, it's
17 not an urgent issue.

18 JAAP EIJZENGA: Okay. I could summarize.
19 Cattle were observed, horses, mule, and a house mouse.
20 And pigs were not directly observed, but sign of pig
21 presence was certainly documented in this area.

22 CHAIR KEAWE: All right. Thank you. Any
23 questions? (No response.)

24 Thank you. Mr. Belles.

25 MR. BELLES: Next witness is Mr. Reginald

1 David.

2

3

REGINALD DAVID,

4

after having been first duly sworn,

5

testified as follows:

6

7

REGINALD DAVID: Yes, sir.

8

CHAIR KEAWE: Thank you. Please state your
9 name and address, please.

10

REGINALD DAVID: My name is Reginald David.

11

I have live at P.O. Box 1371, Kailua-Kona.

12

CHAIR KEAWE: Okay. Thank you.

13

MR. BELLES: Okay. Mr. David has been

14

asked to join us today to complement Jaap's testimony.

15

Again, I won't even try his last name. You're much

16

better at it than me, Mr. Chairman.

17

Reggie is with Rana Biological Consulting, a

18

terrestrial vertebrate biologist. He's been sworn in.

19

His resume is Exhibit 24. And I'd ask, as before, that

20

we accept him as an expert witness, please.

21

CHAIR KEAWE: Can we have a motion to

22

accept Mr. David as an expert witness?

23

COMMISSIONER STREUFERT: I move to accept

24

Mr. David as an expert witness.

25

CHAIR KEAWE: Do we have a second?

1 COMMISSIONER: Second.

2 CHAIR KEAWE: It's been moved and seconded
3 to accept Mr. David as an expert witness.

4 All those in favor. (Ayes.)

5 Any opposed? (No response.)

6 Thank you.

7 MR. BELLES: And Mr. David did prepare a
8 report which has been included and is involved in the
9 application called, Endangered Species Recommendations
10 for the Lawai Solar and Storage Project dated
11 August 3rd, 2017. That's Exhibit E-9 to the
12 application, which is Exhibit 1.

13 So I'd simply like to ask Mr. David to
14 summarize his findings and conclusions.

15 REGINALD DAVID: Thank you, Mr. Chair,
16 Commissioners. Basically when it became obvious that we
17 had a very short aerial run connecting two arrays, I was
18 brought in because I've been working with the native
19 seabirds on this island for close to 30 years, and I've
20 worked on most of KIUC's projects involving native
21 seabirds.

22 Basically what I was asked with doing was
23 meeting with the project manager and with a team of
24 their engineers. And basically we went out and did a
25 field visit on July the 19th of this year. And the

1 focus of that was essentially for me to work with them,
2 the engineers, to design the most effective way to put
3 this short run, I believe it's 530 feet of line, in a
4 location so that it would not impact endangered seabirds
5 flying through that region during the nesting season.

6 Basically what we did is we had three logical
7 places to run the connection. They were basically
8 between the top Aepo Reservoir and the second one, and
9 between the second one and the third one, and then below
10 that one going down to the fourth reservoir.

11 Essentially what we found is that we could put
12 the aerial line on the reservoirs -- between reservoirs
13 two and three. And the ground is such that we can put a
14 couple of very short wooden power poles and run this
15 line at no more than 29 feet above the ground.

16 And that location is completely shielded mauka
17 of the site and below it. So there is -- there is still
18 quite a ways to go towards the ocean. So we -- my
19 opinion was that if he put it there, birds would still
20 know that they still have a fair amount of vegetation to
21 clear before they drop down below the fourth reservoir
22 and head out straight to sea. And then essentially the
23 chances that a bird would actually fly lower than the
24 trees that shield this site are extremely low.

25 We also recommended that we develop one of our

1 standard training modules, endangered species awareness
2 programs put in, recording loops and the like for the
3 construction workers, and then following build-out by
4 the operators. These are similar to programs that we
5 have set up for many entities on this island that have
6 been -- many of them have been running for many years,
7 St. Regis, Hokuala, KIUC, and others. And basically the
8 modules would be extremely similar to those.

9 CHAIR KEAWE: Mr. David, is there any data
10 that that particular area has a larger fly-away
11 population of like shearwaters than in other areas?

12 REGINALD DAVID: No, there is not. And
13 actually we have finally been able to put satellite tags
14 on Newell's shearwaters, the first time over the last
15 three years. Finally got the tags small enough. And we
16 found out that essentially that whole concept of very
17 fixed flight corridors is, in fact, not true. They
18 fundamentally just -- Kauai is a very low island. So
19 they tend to head to sea in whatever direction they feel
20 is a good way to go that night or probably which way the
21 wind is blowing. So, yeah, this is not an area that's
22 considered a high risk for seabird downings anymore?

23 CHAIR KEAWE: Okay. Thank you. Mr.
24 Belles.

25 MR. BELLES: Thank you. Just one last

1 comment or question for Mr. David, and that is,
2 yesterday he received an email response from Fish &
3 Wildlife, and it's identified as Exhibit 36 in the
4 application. I just wanted him to briefly summarize the
5 discussions with Fish & Wildlife and what their
6 assessment is of his report.

7 REGINALD DAVID: Obviously everybody on
8 Kauai knows that the seabird issue is a very hot one,
9 and Fish & Wildlife Service has been involved with
10 seabird issues here for many years.

11 So essentially what I did is I've contacted
12 Fish & Wildlife Service, and I gave them SWCA's report,
13 my report, and my recommendations to provide
14 minimization measures as practicable.

15 And we got written confirmation from the Fish &
16 Wildlife Service that they agreed that with the
17 minimization measures that we have proposed and which
18 the applicant is willing to do, that they do not view
19 this as being problematic. And they basically ask that
20 we do put in these training modules for construction
21 workers and for operators, and that they felt that the
22 flooring height of 29 feet above ground and its location
23 did not represent a real threat to the seabirds passing
24 through that area.

25 CHAIR KEAWE: Thank you. Anything further?

1 (No response.) Nothing, no.

2 Okay. Thank you, Mr. David.

3 REGINALD DAVID: Thank you.

4 MR. BELLES: Most important words you
5 wanted to hear, our last witness.

6 CHAIR KEAWE: Last witness. Mr. Belles,
7 call your last witness, please.

8 MR. BELLES: Mr. Daryl Kaneshiro, please.

9
10 DARYL KANESHIRO,
11 after having been first duly sworn,
12 testified as follows:

13
14 DARYL KANESHIRO: I do.

15 CHAIR KEAWE: Please state your name and
16 address for the record.

17 DARYL KANESHIRO: Thank you. My name is
18 Daryl Kaneshiro, D as in Daryl, and not A as in Arryl.
19 I live 4135 A Noho Road, Omao, actually we call it
20 Koloa, Omao-Koloa, Kauai.

21 CHAIR KEAWE: Thank you.

22 DARYL KANESHIRO: Oh, go ahead.

23 MR. BELLES: Excuse me. Sorry. Again,
24 Mr. Kaneshiro's resume is attached at Exhibit 25. This
25 may sound a little irregular, but I'd like to have him

1 accepted as an expert on farming, ranching and animal
2 husbandry. And I couldn't think of a better way of
3 phrasing it. So if you would, please.

4 DARYL KANESHIRO: Thank you, Mr. Belles.

5 CHAIR KEAWE: Hang on a second. We need to
6 do a motion so you can talk.

7 COMMISSIONER MAHONEY: Chair, I move to
8 accept Daryl Kaneshiro as an expert witness.

9 COMMISSIONER HO: Second.

10 CHAIR KEAWE: Testimony completed. Oh, you
11 didn't? All right. We have a second. So moved and
12 seconded to accept Mr. Kaneshiro as an expert witness.

13 All those in favor. (Ayes.)

14 Any opposed? (No response.) Thank you.

15 You may proceed.

16 MR. BELLES: Okay. Thank you. You have as
17 Exhibit E-8 attached to the application which is
18 Exhibit 1 a document from Omao Farms, which is called
19 Farm/Sheep Grazing Operation and Agricultural Plan.
20 It's dated August 2nd, 2017. And I'd simply like Mr.
21 Kaneshiro to summarize it and tell us what his
22 recommendations are and what other experience he has
23 with a solar facility on Kauai. Thank you.

24 DARYL KANESHIRO: Thank you, Mr. Belles,
25 and thank you, Honorable Commissioners and Members of

1 the Planning Department.

2 I just -- before I do go into the plan that I
3 developed for grazing sheep in this facility, I just
4 wanted to touch bases very little about visual impact.
5 I've heard a lot about visual impact that this may
6 cause.

7 Being that I'm a resident of Omao and also have
8 a farm there right across the street very adjacent to
9 where the proposed project is, I -- you know, I got to
10 tell you that I didn't drive this property. In my
11 younger days when I could ride a horse, I used to ride a
12 horse all the way back down to Spouting Horn and
13 Kukuiula, believe it or not.

14 And as you approach this property from right
15 across our property, you'll find that this property
16 slopes. It slopes down. And from where I'm at from
17 where we run the ranch; 'cause we run the ranch almost
18 300 acres of land from Koloa to Lawai; you know, and
19 I've been climbing all those hills back side of Omao and
20 Kalaheo, I don't believe there will be a significant or
21 great visual impact.

22 And as I stated before, I used to take the
23 horse, ride him all the way back down. I know almost
24 every hill, crevice and crack or puka there is on this
25 property. Come around Koloa Town, stop by a bar, have a

1 beer, and ride my horse back home. But that was the old
2 days.

3 Let me get into what I do now. Currently Omao
4 Ranch Lands, we run over 650, close to 700 sheep on our
5 property. Besides sheep, we also do cattle, and as most
6 of you know, my family has the largest hog operation in
7 the state of Hawaii. It's been in business since 1946.

8 On your property, I also have solar panels,
9 believe it or not. Several years ago we were one of the
10 pioneers of getting KIUC to agree or to support the idea
11 that we had of developing solar panels.

12 Those days, you know, when you first start,
13 it's a little skeptical about solar plants and the
14 effects of reflections and so forth that this may have
15 on the community. But we started, and I believe we're
16 the first ones to be the ones to put up solar panels.
17 We were very small as compared to the Kapaia solar plant
18 or the A&B solar plant. But in those days, there were
19 only three.

20 I run a 250-kW plant right off Kaumualii
21 Highway. You can hardly see it from either direction.
22 If you pass it, just past the Lawai post office heading
23 into Lihue, it's on the right-hand side of the road
24 facing Poipu south. Coming from Koloa, climbing up the
25 hill, passing our pastures all on the mauka side, look

1 far across, you can't even see it. But it's there.
2 It's a small plant, but we believe that, you know, solar
3 eventually will be the key for this island.

4 And, you know, once the plant was built, I had
5 a little problem trying to maintain the area. So I told
6 Arryl one day, Arryl, you better get your butt out there
7 and help me. You've got to get under there and help me
8 and really get out there, grab this weed eater. You
9 know how to operate this weed eater, you know, put it --
10 set him it up and he kept going. So I was kind of smart
11 enough to let him go to the tall grass area. I put him
12 in a real tall grass area. I said, Go. I'm going to do
13 this side, 'cause it's a little more slopey and hard,
14 but go do that one. So he did that.

15 We're talking only two acres of land. Two
16 acres of land, people. He came back a couple hours
17 later, he said, Dad, this is backbreaking.

18 I says, Yeah, but I mean, somebody got to
19 maintain it. I mean, the grass is going to grow over,
20 we're going to lose production for the solar plants, you
21 know, we're going to lose money from KIUC. We won't get
22 paid, you know, at producing the power.

23 So he came up with the idea. He says, There's
24 got to be a better way of doing this, you know, doing
25 this. 'Cause you go to go under the panels, you've got

1 to lean over. An old man like me trying to weed eat
2 under a panel.

3 So he came up with the idea of running sheep in
4 there. At that time I had a herd of about 250,
5 300 sheep. Maybe 250 the most. And we did.

6 He said, You come out here one weekend, you and
7 I will fence this place up and let's do it. And so we
8 did it. And we found how effective they were able to
9 maintain the area, to maintain the solar panels.

10 Today Omao Farms, as we go on there, maintains
11 almost all the solar plants here on the island, the
12 large solar plants with sheep. We initially did Koloa
13 solar, and we're still doing it. We have 160 sheep
14 there. We also went in to do Anahola solar to control
15 the grass, to bring the grass down and later gave to a
16 community member to maintain. Currently we also do
17 Tesla/SolarCity that just came up a couple months ago.
18 We run 250 head of sheep there.

19 So our idea would be, being where the location
20 is, where the proposed solar plant is, will be a perfect
21 place to also keep sheep and comply with the state
22 statutes. As you know, state law, Section 205-4.5(a)21,
23 you know, solar energy facilities on B and C rated ag
24 land that exceeded 10 percent of the parcel or 20 acres,
25 whichever is less, are to seek approval of the special

1 permit and provide land for compatible agriculture
2 activities.

3 So, Commissioners, what is more than compatible
4 than having sheep graze there, possibly 400 sheep, maybe
5 up to 500 sheep? You know, we need to do some analysis
6 and see how we can do that. And also continue to
7 provide agricultural products to our island.

8 This is the goal. This is the goal that we do
9 as we work cooperatively with the different solar
10 entities to be able to achieve that.

11 And I started Omao Ranch Lands with that always
12 in mind. It wasn't an idea to make money. It wasn't an
13 idea to develop. It wasn't an idea to farm. It was a
14 passion for me to do it. And still today we're still
15 doing it. But at the same time, we're doing it, I
16 think, in a better way.

17 So in closing, in closing, and, you know, in
18 basically the plan that I wrote, I just want to share
19 this with all of you. Omao Farms understands the
20 importance of vegetation control under and around the
21 solar panels and throughout the facility and the
22 challenges associated with that maintenance.

23 It is a delicate and careful balance to
24 maintain vegetative cover to prevent soil erosion during
25 rain events, but also not allowing the vegetation to

1 grow too high and interfere with the solar panels to
2 provide clean, renewable power to KIUC for integration
3 into their distribution system, ultimately reducing the
4 cost of electricity to Kauai consumers. Thank you.

5 CHAIR KEAWE: Thank you. Mr. Belles.

6 MR. BELLES: And my final comment will be
7 that if you look on Exhibit 37, which is the Supplement
8 No. 2 to the planning director's report, you have
9 attached to that a letter dated September 19, 2017, from
10 Department of Agriculture in which they support the
11 application and also make reference very fondly to the
12 operations of Mr. Kaneshiro and state that it's in full
13 compliance with the purpose and intent of Section
14 205-4.5(a)21 of the Session Laws of the State of Hawaii
15 in enabling the complementary uses of utility scale
16 solar energy generation and local food production on B
17 and C class ag land.

18 CHAIR KEAWE: Thank you. Mr. Hull, do you
19 have any questions of this witness?

20 MR. HULL: The department has no questions.

21 CHAIR KEAWE: Commissioners, anything of
22 this witness?

23 Just one real quick question. Someone asked in
24 the audience earlier about a market for the sheep itself
25 as far as a product.

1 DARYL KANESHIRO: Yeah. Is this on?

2 MR. BELLES: Yes.

3 DARYL KANESHIRO: I believe we could
4 probably push out about -- it depends on the size of the
5 herd. If we've got about 400 to -- 400 sheep there, we
6 could probably push out about 240 or 250 a year.

7 How I market my product is that I used to go to
8 the ranchers, and I used to do all of that. But today
9 my focus really is to grow the product rather than to
10 market it. I market it through a wholesaler,
11 Mr. Sanchez, that has slaughterhouse and also a
12 processing plant.

13 Whenever our market demands, I bring 'em back
14 to the our ranch in Omao adjacent to where the project
15 has been proposed. And when I have a herd of about 40,
16 50, he'll come over, he'll drive over, he'll pick it up,
17 and he'll market it for me.

18 So it is in high demand. You know, I've got to
19 say it is in high demand. And even with the 650 head of
20 sheep I have now, I cannot keep up with his demand.

21 CHAIR KEAWE: So, Mr. Kaneshiro, how many
22 employees do you have?

23 DARYL KANESHIRO: Currently two, three with
24 me. But, you know, you can't count me as an employee.
25 I don't get paid (laughter). I do the work. So -- and

1 hoping with an operation like this, I could probably
2 bring in two more. So we'll probably have -- I have two
3 full-time ones right now.

4 CHAIR KEAWE: Right.

5 DARYL KANESHIRO: Double full time with me,
6 and probably bring in two more guys that could help with
7 this operation.

8 CHAIR KEAWE: So the final product is
9 marketed retail to store outlets?

10 DARYL KANESHIRO: Store outlets.

11 CHAIR KEAWE: Here --

12 DARYL KANESHIRO: Yeah. Go ahead.

13 CHAIR KEAWE: And in other areas in
14 Honolulu or just strictly here?

15 DARYL KANESHIRO: If -- we focus, we always
16 focus locally to the restaurants here on the island and
17 also to the stores. But I believe, you know, given that
18 amount of sheep, we still won't be able to meet the
19 demands to even get the product out of Kauai.

20 CHAIR KEAWE: Okay. Thank you. Mr.
21 Belles.

22 MR. BELLES: That clearly concludes our
23 presentation, and I would like to thank you again for
24 your patience.

25 CHAIR KEAWE: Thank you, Mr. Belles. I

1 think we're going to take a lunch break now. We will
2 reconvene, let's see. How about let's reconvene at
3 1:20. Thank you.

4 MR. BELLES: Thank you very much.

5 (Break from 12:08 to 1:20.)

6 CHAIR KEAWE: I would like to call this
7 special meeting to order.

8 Mr. Belles, would you like to continue at this
9 point.

10 MR. BELLES: No, Mr. Chairman. Thank you
11 very much, but we have concluded our presentation.

12 CHAIR KEAWE: Mic.

13 MR. BELLES: Thank you, Chairman, but no.
14 We've concluded our presentation.

15 CHAIR KEAWE: Okay. Could you hold on just
16 a minute.

17 Commissioners, is there -- are there any
18 questions for Mr. Belles that you need answered in order
19 for us to move forward to potentially make a decision?

20 MR. BELLES: I will add one more comment.
21 It's hard for a lawyer, so I apologize.

22 We do have all of our consultants, we asked
23 them to stay. So if you want to revisit any issues with
24 any of our consultants or our witnesses, we would be
25 more than happy to bring them back.

1 CHAIR KEAWE: All right. So back to --
2 back to making a decision. Let's see. Why don't we --
3 why don't we -- you know, I'll just kind of solicit
4 comments. So, Commissioner Ho, do you have any comments
5 on what we've heard so far in regard to this case?

6 COMMISSIONER HO: No comment.

7 CHAIR KEAWE: Okay. Commissioner
8 Streufert.

9 COMMISSIONER STREUFERT: I think you know I
10 that have some concerns. I like the idea of solar. I
11 think that's -- we're going to have to go there or some
12 kind of wind power or something like that.

13 My concern is -- my concerns are there is a
14 visual impact. It may not be from the road, but it is
15 from all of the residential areas higher than the
16 location. And that's most of Kalaheo, part of Omao, and
17 part of Lawai. With that, I'm not sure how that --
18 whether that can be mitigated, and I'm looking to the
19 commission for that.

20 I do believe that we need more open space, and
21 that is part of the community values in the 2000 general
22 plan, and it's also in the state documents. It's
23 something that we are looking for, and this is an area
24 that it's a very large area. It's four times the area
25 that you have at Port Allen right now, which is a large

1 area to begin with. But this is even larger, it is
2 larger.

3 It is in the middle of a residential area that
4 poses some issues for me. And there is really,
5 according to -- and I'm sorry, I don't remember which
6 one, but someone that said that Kauai is an island
7 that's pretty low. And so, therefore, anywhere on the
8 island is relatively low than anywhere else in terms of
9 having a solar farm and in terms of the amount of
10 sunlight you get from it.

11 And so from that perspective, this particular
12 space is not -- the criteria are not set so that this
13 would be the only space on the island.

14 I realize that the notification is about
15 300 feet within from prox- -- in proximity of whether --
16 on Kauai because of the topography, I'm not quite sure
17 that that's sufficient because their view planes are not
18 just horizontal, they're actually vertical. There's
19 lots of people I know at the top.

20 There are some concerns that were identified
21 about health issues. But more than anything else, I'm
22 really looking at the open plane, open space issue
23 because once it's gone, it's gone. And the whole
24 topography, the whole area in that -- in Koloa, Lawai,
25 Kalaheo, Omao, that area is rolling planes, it's green

1 right now. It's a beautiful area. That's -- that's
2 something that we might want to preserve. Because once
3 it's gone, it will be very difficult to get it back.

4 I'm glad that there's no archaeological
5 findings that would -- that we would be disturbing. Do
6 you have some -- I do have a lot of respect for the
7 Hawaiian culture, for what it's accomplished, if no
8 other than the Hokulea which is now in Hanalei. It
9 shows that it's a very advanced civilization, although
10 they may not have had a written language.

11 In terms of connection point or access to
12 connections, I think we've established that it's all
13 over this island, the transmission connections. And so
14 it's not quite -- it doesn't have to be in that
15 particular area.

16 I can't say anything about the terms and prices
17 that we have there because that's not something that --
18 or what's available.

19 And although you have sheep that might be
20 grazing to keep the vegetation down, I'm not quite sure
21 that that constitutes agricultural land. Yes, it is,
22 but the fact is it's not going to look like agricultural
23 land. It's going to look like a solar farm, and a large
24 solar farm.

25 I would like to have -- I would like to have

1 seen more input from people from the west side 'cause
2 they're not well represented here.

3 So those are my concerns. But I do appreciate
4 the fact that KIUC is going solar in renewable energy,
5 and we're getting away from oil dependence.

6 I like the process of utilizing it for
7 agricultural as well as for energy. I'm just concerned
8 about the where, the what, and the how. That's it.
9 Thank you.

10 CHAIR KEAWE: Thank you. Mr. Mahoney.

11 COMMISSIONER MAHONEY: Well, I respect
12 Commissioner Streufert's view. But on this particular
13 case, I think a lot of these issues have been mitigated.
14 I think it's satisfied a lot of -- you know, is there a
15 perfect place, an absolute perfect place? No, but I
16 think the connections and the mandate that we're going
17 to -- that we have for electricity on this island is
18 imperative. And I think there's been a lot of effort.

19 Are you going to be able to see them from
20 someplace? You are.

21 But I think, you know, the technology there --
22 that they're using the non-reflective panels, you know,
23 the landscaping that will be around, and, you know --
24 and even the sheep. I think, you know, I think is a
25 pretty innovative idea to continue that in that area.

1 And it is connected to, I think, some important
2 pathways to make this a successful project.

3 So having considered that and listening to the
4 -- all of the people that have testified about the
5 cultural, the birds, and technology, I would be in
6 agreement that this is a good place to put it, and I
7 would be supportive of it.

8 CHAIR KEAWE: Commissioner Lord.

9 COMMISSIONER LORD: Thank you, Chair. I
10 think with any project of this scale and size, we're
11 talking about tradeoffs. And, you know, clearly there's
12 a public need for Kauai to get, to the extent that it's
13 possible, off of fuel. The idea of sustainability is an
14 important concept, and it's in alignment with the
15 general plan.

16 And I think the applicant has thought through a
17 lot of the mitigation needs of a project of this size,
18 and I hope that they'll continue to do so as we all know
19 projects of this size create issues that come up that
20 can't be foreseen at this time. So I hope that you will
21 work with -- if it does get approved, that you will be
22 working with the stakeholders and the affected parties
23 to mitigate anything negative that may come up as the
24 project comes online.

25 And I do like the complementary use of the

1 sheep as an agricultural component.

2 So overall, I'm in favor of the project. I
3 think that the benefits outweigh the negatives. So I
4 will be voting in favor.

5 CHAIR KEAWE: Okay. Thank you,
6 Commissioners, for your input. I can give my
7 sentiments.

8 I think, you know, we all talk about
9 sustainability and the tremendous effort by KIUC to get
10 us off of fuel oil. Many of us remember the days when
11 we were paying 42 cents a kilowatt hour. And this is a
12 major step along with the strategic plan that they have
13 to get sustainability, you know, systems online.

14 And it's never -- you know, everybody agrees,
15 we want to be sustainable, but don't put it in my back
16 yard. And I think this is a classic case.
17 Unfortunately, this back yard is, you know, 200 acres.
18 But again, the ultimate result for all of us in the long
19 term on Kauai is hopefully lower rates.

20 You know, Mike, I have, you know, positive
21 comments with regard to the efforts you've gone through
22 to make sure you touch all the bases and hit all the
23 points that need to be done, and especially with regard
24 to archaeological surveys and cultural surveys. You
25 know, in recent years it's become much more important.

1 In previous years, it wasn't as important. But now
2 we've got a younger generation out there, and they're
3 more concerned with the aina and their land and making
4 sure that what is done is not incongruent with what the
5 purposes were initially.

6 So like Commissioner Lord said, if this is
7 approved, I assume and hope that the applicant or
8 petitioner would continue those efforts with the
9 community to make sure that there's a link, a positive
10 link, and people can feel comfortable, hey, what were
11 you guys doing? If something happens, they could
12 actually go to someone, make a connection to express
13 their concerns.

14 So, Mr. Hull, could you please read the
15 decision and order.

16 MS. HIGUCHI-SAYEGUSA: Go through any
17 recommendation.

18 CHAIR KEAWE: Yeah, I'm sorry. Yeah, it's
19 25 pages. Sorry. Can you go over the recommendations?

20 MR. HULL: The department is recommending
21 approval of Special Permit SP-2018-2, Use Permit
22 U-2018-1, and Class IV Zoning Permit Z-IV-2018-1.

23 And also for a point of correction, the public
24 notice did have listed the permit numbers in opposite to
25 that and listed it incorrectly. So, for the record,

1 we're just stating that those are inaccurate permit
2 numbers, but everything else was appropriate and correct
3 as far as the location and notification, though.

4 But the department is recommending that those
5 three permits be approved and that the commission adopt
6 and approve the submitted findings of fact, conclusions
7 of law, and decision and order.

8 The one that was recently passed out was an
9 updated one that was attached to Supplemental No. 1.
10 Essentially the only changes that were made were, there
11 was an error including the LUC, the Land Use Commission,
12 within the decision and order because it has -- the Land
13 Use Commission, it shouldn't have that body in the
14 decision and order, as well as the two conditions of
15 approval recommended by the Office of Planning have been
16 now added to the recommendations of approval.

17 And the last condition of approval is also
18 being added after public testimony that prior to
19 building permit submittal, the applicant shall hold a
20 public meeting for residents in the area of Lawai, Omao,
21 Koloa, Kalaheo, and Poipu to review the construction
22 plans and as well to solicit input and mitigate where
23 possible concerns are raised. So that's an additional
24 condition of approval that we've inserted.

25 We submitted this decision and order to all the

1 commissioners. We submitted to the applicant, and there
2 are copies available on the left desk over there for
3 members of the public if they'd to review it.

4 But again, the department is recommending
5 approval and adoption of the submitted findings of fact,
6 conclusions of law, and decision and order for the
7 subject permits.

8 CHAIR KEAWE: Thank you. Mr. Belles, have
9 you had a chance to review the revised decision and
10 order?

11 MR. BELLES: Yes, we have, Mr. Chair.

12 CHAIR KEAWE: Do you concur?

13 MR. BELLES: Yes, we do, Mr. Chair.

14 CHAIR KEAWE: With all the conditions?

15 MR. BELLES: Yes, we do, Mr. Chair.

16 CHAIR KEAWE: Thank you. Commissioners,
17 are we ready to make a decision?

18 COMMISSIONER MAHONEY: Chair, I move to
19 approve the Class IV Permit Z-IV-2018-1, Use Permit
20 2018-2, Special Permit SP-2018-1, and adoption of the
21 conclusions of law.

22 CHAIR KEAWE: Thank you. Do I have a
23 second.

24 COMMISSIONER LORD: I'll second.

25 CHAIR KEAWE: It's been moved and seconded.

1 Any discussion? (No response.)

2 If not, we'll do a roll call vote. Jodi.

3 MS. HIGUCHI-SAYEGUSA: Roll call vote, the
4 motion is to approve and also to approve and adopt the
5 decision of proposed findings of fact, conclusions of
6 law, and decision and order.

7 Commissioner Streufert.

8 COMMISSIONER STREUFERT: No.

9 MS. HIGUCHI-SAYEGUSA: Commissioner
10 Mahoney.

11 COMMISSIONER MAHONEY: Aye.

12 MS. HIGUCHI-SAYEGUSA: Commission Apisa.
13 Absent.

14 Commissioner Ho.

15 COMMISSIONER HO: Aye.

16 MS. HIGUCHI-SAYEGUSA: Commissioner Ahuna.
17 Absent.

18 Commissioner Lord.

19 COMMISSIONER LORD: Aye.

20 MS. HIGUCHI-SAYEGUSA: And Chair Keawe.

21 CHAIR KEAWE: Aye.

22 MS. HIGUCHI-SAYEGUSA: It's approved.

23 CHAIR KEAWE: Motion is approved.

24 MR. BELLES: Thank you all so very much.

25 CHAIR KEAWE: Thank you.

1 MR. BELLES: I really appreciate it.

2 CHAIR KEAWE: All right. If there's
3 nothing else on the agenda for this particular agenda.

4 MR. HULL: There's nothing else on the
5 agenda, so you have to adjourn this agenda, I believe.

6 MS. HIGUCHI-SAYEGUSA: Yeah, the 902
7 special meeting agenda.

8 CHAIR KEAWE: Okay. I will entertain a
9 motion to adjourn this meeting, and to open the next
10 meeting, which is the 901 agenda.

11 COMMISSIONER: Chair, move to adjourn the
12 902 agenda and open the 901.

13 CHAIR KEAWE: Okay. Do I have a second?

14 COMMISSIONER: Second.

15 CHAIR KEAWE: Moved and seconded. All
16 those in favor. (Ayes.)

17 Any opposed? (No response.) Thank you.

18 (Concluded at approximately 1:37 p.m.,
19 September 26, 2017.)

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CERTIFICATE

1
2 STATE OF HAWAII)
3) ss.
4 COUNTY OF KAUAI)

5 I, TERRI R. HANSON, RPR, CSR 482, do hereby
6 certify:

7 That on Tuesday, September 26, 2017, at 9:03
8 a.m.; that the foregoing Planning Commission public
9 hearing and agenda, Re: In the Matter of the
10 Application of Aes Lawa'i Solar was held;

11 That the foregoing proceedings were taken down by
12 me in machine shorthand and were thereafter reduced to
13 typewritten form under my supervision; that the
14 foregoing 131-page transcript represents to the best of
15 my ability, a true and correct transcript of the
16 proceedings had in the foregoing matter.

17 I certify that I am not an attorney for any of
18 the parties hereto, nor in any way concerned with the
19 cause.

20 DATED this 4th day of October, 2017, in Lihue,
21 Hawaii.

22 _____
23 TERRI R. HANSON, CSR NO. 482
24 Registered Professional Reporter
25