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November 16, 2020

Kathy Sokugawa, Director
c/o Mr. Raymond Young
City & County of Honolulu
Department of Planning and Permitting
650 South King Street, 7th Floor
Honolulu, HI 96813
Submitted via email: ksokugawa@honolulu.gov; rcsyoung@honolulu.gov

Subject: AES West O'ahu Solar, LLC State Special Use Permit No. 2020/SUP-6, TMK 9-2-002:007 (por.); Response to Agency Comments

Dear Ms. Sokugawa,

As part of the application process for a Special Use Permit (SUP) for the proposed AES West O'ahu Solar Plus Storage Project (Project), the City and County of Honolulu Department of Planning and Permitting (DPP) solicited comments from a variety of public agencies regarding the Project. This letter is intended to provide responses to agency comments received as of November 13, 2020, as provided by DPP.

Letters received from the following agencies either indicated that their facilities/services would not be impacted or that they did not have any further comments on the Project: State of Hawaii Department of Transportation (DOT), City & County of Honolulu Department of Environmental Services (ENV), U.S. Fish and Wildlife Service (USFWS), Honolulu Police Department (HPD) and University of Hawaii (UH) Environmental Center. As such, these letters are not further addressed. Comments received from the State of Hawaii Land Use Commission (LUC) and Office of Planning (OP) are addressed below.

Land Use Commission

1. With respect to the issues described in the Application and FEA, we note that the State Historic Preservation Division's ("SHPD") review and acceptance of the Archaeological Inventory Survey Report ("AISR") is pending at this time. As part of the AISR fieldwork, two historic properties were documented within the Project site: historic irrigation and plantation infrastructure and the Waiahole Ditch System. The AISR found that the Project will have no effect on significant historic properties within the Project site, and therefore no mitigation commitments are required. It is anticipated that the Applicant will obtain the SHPD's letter of concurrence regarding the findings of the AISR and submit said letter to the Department of Planning and Permitting during the course of acquiring the required permits for the Project. In this regard, we share the Office of Planning's concern that the SHPD's concurrence should be a part of the record prior to any decision by the Planning Commission on the Application. As such, clarification should be provided whether such concurrence has been obtained at this stage of the entitlement process.

AES acknowledges LUC's concern and request to receive SHPD's concurrence with the effect determination for the Project prior to any decision by the Planning Commission. As described in the SUP application, pursuant to Hawaii Revised Statutes (HRS) § 6E and Hawaii Administrative Rules (HAR) § 13-284, the AIS Report and effect determination was submitted to SHPD in coordination with DPP on February 5, 2020. At the time the SUP application was submitted to DPP on August 31, 2020, SHPD had not yet provided a response regarding their review of the AIS Report and the effect determination. Subsequently, on September 15, 2020, SHPD contacted DPP to request a copy of the SUP application. It is understood that DPP provided SHPD with a link to the SUP application; in addition, Cultural Surveys Hawai'i also transmitted a link to the SUP application and receipt was acknowledged by SHPD. In addition, a meeting was held with SHPD staff September 25, 2020 to discuss the AIS Report. During this meeting, SHPD staff indicated that review comments on the AIS Report would be forthcoming. Follow-up correspondence sent to SHPD on November 3, 2020 emphasized the timeline for the SUP process and reiterated LUC's concern, with a request to receive SHPD's concurrence by November 27, 2020 for consideration in the Planning Commission's decision-making. A copy of the letter was sent to LUC and is attached for reference.

As indicated, AES is continuing to proactively work with SHPD to obtain their acceptance of the AIS Report and concurrence with the effect determination for the Project. However, in light of SHPD's workload and other factors affecting the timeliness of their response, AES respectfully requests that Project approval be conditioned on receipt of SHPD's concurrence prior to decision-making by the Land Use Commission.

2. We also note that as part of the Cultural Impact Analysis, Ms. Lynette Paglinawan, one of the cultural practitioners and educators familiar with the Project site, recommended that a wall of trees be planted surrounding the site as restitution to the wandering spirits believed to congregate in the area. The Applicant responded that this recommendation would be considered as part of the landscaping effort for the Project. Given the cultural significance of the area, we urge the Applicant to continue consulting with Ms. Paglinawan to ensure her concerns are fully addressed in the landscaping plan.

As discussed in Section 3.3.4 of the SUP application, input from Ms. Paglinawan was considered in development of the landscape plan, which has been designed to include clustering of primarily native species in key areas along the eastern boundary of the Project area. Through continued consultation, the proposed approach to the landscape plan has been shared with Ms. Paglinawan, who acknowledged the intent of the landscape plan relative to the site constraints. She reiterated the focus of cultural landscaping on restoring balance to areas that have been disturbed by humans. AES is continuing to work with Ms. Paglinawan to explore additional opportunities that may serve to restore balance in the region.

3. Finally, we note that honey production and cattle production and grazing have been identified in the Application and FEA as the most promising compatible agricultural activities given the site-specific conditions and the general lack of water availability. However, it has come to our attention that cattle production and grazing may not be feasible given that there may be insufficient ground clearance from the proposed structures for the cattle to graze productively. As such, we suggest that the Department of Agriculture be consulted in regard to potential alternatives that are suitable for the Project site.

As described in Section 3.2.2 of the SUP application, AES developed a compatible agricultural plan and proactively sought agricultural partners for the Project with assistance from Scott Enright, the former Hawai'i Department of Agriculture Chairperson and Deputy Director. The resulting plan goes beyond the statutory requirements to simply provide land for complementary agricultural uses, and instead seeks to provide meaningful contributions and generate agricultural products. In addition to providing the Project area at no cost for the compatible agricultural activities in the proposed plan, AES would provide support and subsidize honey production and cattle production/grazing activities in partnership with Aloha Bee LLC and Rocker G Livestock (respectively). Through ongoing discussions with Mr. Enright, the Department of Agriculture has not raised any objections to the proposed agricultural plan.

The UH West O'ahu Mauka Lands property are currently used by Rocker G Livestock for cattle ranching as part of a rotational pasture system. As discussed in the SUP application, the intent is to allow for continued use of the Project area for cattle ranching, while also providing a sustainable form of vegetation management. Rocker G Livestock produces an average of 175,000 lbs. of beef annually that is sold throughout the state. In addition to contributing to local food production, the operation provides valuable land stewardship services including vegetation management and fire prevention. Based on extensive coordination with Rocker G Livestock, it is anticipated that the Project area would be used specifically to graze and wean stocker-size (smaller) steer and heifers. Limiting the cattle within the Project area to smaller and younger animals would minimize potential damage to solar modules while allowing the animals to graze productively and still benefiting the overall ranching operation. These cattle would be managed in the same manner as the current ranching operation. The animals would be rotated through the Project area with rotation management based on rainfall levels and forage growth and volume. Given the interceding space between the rows of panels, the Project area is expected to provide ample space to support the cattle production and grazing operation.

Office of Planning

The letter from OP offers an analysis of the Special Permit Guidelines, identifies State issues and concerns and offers a recommendation for approval, based on the information provided in the SUP application. AES appreciates OP's review and agrees with the analysis provided in their letter. Specific items recommended by OP are addressed below.

1. OP recommends that the proposed mitigation measures as indicated on Page 45-46, Section 6.2.2. Wildlife, be imposed as conditions should the application be approved.

AES acknowledges the importance of the measures to avoid and minimize impacts to wildlife species, and has committed to implementation of these measures through the HRS § 343 environmental review process. Nonetheless, AES would support inclusion of these measures as a condition of approval for the SUP.

2. The project site is within five miles of the Kalaeloa Airport. Thus, OP would also recommend that the Department of Transportation conditions be imposed to mitigate any adverse impacts of the solar project on aircraft operations in the area.

Similar to the previous response, AES is committed to implementation of the mitigation measures identified by DOT through the HRS § 343 environmental review process, and supports inclusion of these measures as a condition of approval for the SUP.

3. We note that the Special Permit information would be incomplete without adequate assessment and mitigation measures, if necessary, to meet the SHPD concerns and requirements. SHPD should approve the AIS prior to the Special Permit decision by the City Planning Commission.

As noted above in response to comments from the LUC, AES acknowledges OP's concern and request for SHPD's acceptance of the AIS prior to any decision by the Planning Commission. Efforts to obtain SHPD's review and acceptance are ongoing, with the most recent correspondence (dated November 3, 2020) emphasizing the timeline for the SUP process and requesting SHPD's concurrence by November 27, 2020 for consideration in the Planning Commission's decision-making; a copy of this letter was sent to OP.

The AIS Report, which includes a detailed description and significance assessment of the historic properties within the Project area as well as an effect determination for the Project, is provided as Attachment G to the SUP application. As detailed in the report, the Project area and associated historic properties were previously studied by Dega et al. (1998). The assessment presented in the AIS Report is consistent with the conclusions of the previous study, which was accepted by SHPD.

We appreciate your efforts in support of processing the SUP application for the West O'ahu Solar Plus Storage Project. Please contact me if you have any questions regarding the responses provided above or if you require further information.

Sincerely,

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Lisa Kettley

Agent for AES West O'ahu Solar, LLC

Enclosures:

Correspondence from AES West O'ahu Solar, LLC to State Historic Preservation Division (dated November 3, 2020)

Cc: Nick Molinari, AES Distributed Energy (West O'ahu Solar, LLC)



November 3, 2020

Dr. Susan Lebo State Historic Preservation Division Kakuhihewa Building, Suite #555 601 Kamokila Blvd. Kapolei, HI 96707

RE: Archaeological Inventory Survey (AIS) Report for the AES West Oahu Solar Project; Honouliuli Ahupua'a, 'Ewa District, O'ahu, Tax Map Key (TMK) 9-2-002:007 (por.); LOG No. 2020.00290

Dear Dr. Lebo,

AES West O'ahu Solar, LLC (AES) proposes to construct and operate a 12.5 megawatt (MW) solar and 50 MW-hour energy storage system project on land owned by the University of Hawaii (UH) in the 'Ewa District of O'ahu. The proposed project will be located within the State Agricultural District, such that a State Special Permit (SUP) will be required with approval by the City and County of Honolulu Planning Commission and State Land Use Commission. An application for a SUP was submitted and has been accepted by City and County of Honolulu Department of Planning and Permitting (DPP) (No. 2020/SUP-6).

As part of the due diligence efforts for the project, an archaeological inventory survey (AIS) was conducted by Cultural Surveys Hawai'i to identify, document and assess the significance of historic properties within the Project area. In accordance with Hawai'i Revised Statutes (HRS) § 6E and Hawai'i Administrative Rules (HAR) § 13-284, and in coordination with DPP, the AIS Report and effect determination for the project was submitted to the State of Hawai'i Historic Preservation Division (SHPD) on February 5, 2020. SHPD ackowledged receipt of the submittal and assigned a LOG number on February 6, 2020. On September 15, 2020, SHPD contacted DPP to request a copy of the SUP application. It is understood that DPP provided SHPD with a link to the SUP application; in addition, Cultural Surveys Hawai'i also transmitted a link to the SUP application on September 16, 2020. A subsequent meeting was held with representatives from SHPD, Cultural Surveys Hawaii and University of Hawaii on September 25, 2020. Based on this



meeting, we understand that SHPD's comments on the AIS Report and effect determination for the project are forthcoming.

As you are aware, the SUP process is underway and DPP has requested agency and public comments by November 8, 2020. Through this process, the State Land Use Commission submitted a letter inquiring about the status of SHPD's review and letter of concurrence regarding the findings of the AIS Report, stating that this documentation should be part of the record prior to any decision by the Planning Commission (see attached). A similar inquiry was also sent by the Office of Planning.

Consistent with these agency inquiries, we are seeking to follow up on the status of SHPD's review of the AIS Report and effect determination for the project. Given the statutory timelines for the SUP process, we respectfully request SHPD's acceptance of the AIS Report and concurrence with the effect determination by November 27, 2020 in order that this documentation may be included in the Planning Director's Report to be transmitted to the Planning Commission in early December. Please let me know if you have any questions or require further information.

Sincerely,

Nick Molinari, Project Development Manager

AES West O'ahu Solar, LLC

Enclosure: State Land Use Commission Letter dated October 22, 2020

cc: Dr. Alan Downer, SHPD
Kathy Sokugawa, Department of Planning and Permitting
Dan Orodenker, State Land Use Commission
Lorene Maki, Office of Planning
Jan Gouveia, University of Hawaii
David Shideler, Cultural Surveys Hawaii

DAVID Y. IGE Governor



2020 OCT 27 PANIE E GRODENKER Executive officer

LAND USE COMMISSION

t & Tourism

Department of Business, Economic Development & Tourism State of Hawai`i

October 22, 2020

Mr. Raymond Young, Acting Branch Chief Community Planning Branch Department of Planning and Permitting City and County of Honolulu 650 South King Street, 7th Floor Honolulu, Hawai'i 96813

Dear Mr. Young:

Subject:

Special Use Permit Application No. 2020/SUP-6

West Oahu Solar Plus Storage Project Tax Map Key: 9-2-002: Portion 007

Honouliuli, 'Ewa, O'ahu

We are in receipt of your memorandum dated October 8, 2020, forwarding the Summary Description and Location Map for Special Use Permit Application No. 2020/SUP-6 ("Application").

Based on our review of the Summary Description as well as the Application and Final Environmental Assessment ("FEA") provided by your link, we understand that AES West Oahu Solar, LLC ("Applicant"), proposes to establish a 12.5-megawatt photovoltaic energy generation system and accessory 50-megawatt-hour battery storage system, and ancillary support facilities (collectively "Project"). More specifically, the Project will include: (1) a solar photovoltaic system, (2) a battery energy storage system, (3) a network of electrical collector lines, (4) project substation and Hawaiian Electric interconnection equipment, (5) communication equipment, and (6) service roads and fencing. Compatible agricultural activities will also be part of the overall Project. The Project is expected to have an operational life of approximately 25 years.

We confirm that the 97-acre Project site is designated within the State Land Use Agricultural District. According to the FEA, the Project site includes lands with soil classified by the Land Study Bureau's ("LSB") detailed land classification as overall (master) productivity rating class B (approximately 48 acres), class D (approximately 36 acres), and class E (approximately 13 acres). The Project site does not include any class A soils. Because the Project will occur on lands with soil classified by the LSB's detailed land classification as

overall (master) productivity rating class B, we confirm that the following requirements of Hawai'i Revised Statutes ("HRS") § 205-4.5(a)(21), as noted in the Application and FEA, are applicable:

- (A) The area occupied by the solar energy facilities is also made available for compatible agricultural activities at a lease rate that is at least fifty percent below the fair market rent for comparable properties;
- (B) Proof of financial security to decommission the facility is provided to the satisfaction of the appropriate county planning commission prior to date of commencement of commercial generation; and
- (C) Solar energy facilities shall be decommissioned at the owner's expense according to the following requirements:
 - (i) Removal of all equipment related to the solar energy faciolity within twelve months of the conclusion of operation or useful life; and
 - (ii) Restoration of the disturbed earth to substantially the same physical condition as existed prior to the development of the solar energy facility.

In this case, the Project will occupy a land area greater than 20 acres, ¹ and therefore will require a special use permit from the Land Use Commission ("LUC") pursuant to HRS § 205-6. As such, in the event the City and County of Honolulu Planning Commission ("Planning Commission") acts favorably on the Application, we request that your office closely cooperate with the LUC staff to ensure the timely and orderly transmittal of the record on the matter.

With respect to the issues described in the Application and FEA, we note that the State Historic Preservation Division's ("SHPD") review and acceptance of the Archaeological Inventory Survey Report ("AISR") is pending at this time. As part of the AISR fieldwork, two historic properties were documented within the Project site: historic irrigation and plantation infrastructure and the Waiāhole Ditch System. The AISR found that the Project will have no effect on significant historic properties within the Project site, and therefore no mitigation commitments are required. It is anticipated that the Applicant will obtain the SHPD's letter of concurrence regarding the findings of the AISR and submit said letter to the Department of Planning and Permitting during the course of acquiring the required permits for the Project. In this regard, we share the Office of Planning's concern that the SHPD's concurrence should be a part of the record prior to any decision by the Planning

¹ We acknowledge that the Project is not expected to occupy the entire 97 acres of the Project site and will, in fact, be a subset of the area.

Mr. Raymond Young, Acting Branch Chief October 22, 2020 Page 3

Commission on the Application. As such, clarification should be provided whether such concurrence has been obtained at this stage of the entitlement process.

We also note that as part of the Cultural Impact Analysis, Ms. Lynette Paglinawan, one of the cultural practitioners and educators familiar with the Project site, recommended that a wall of trees be planted surrounding the site as restitution to the wandering spirits believed to congregate in the area. The Applicant responded that this recommendation would be considered as part of the landscaping effort for the Project. Given the cultural significance of the area, we urge the Applicant to continue consulting with Ms. Paglinawan to ensure her concerns are fully addressed in the landscaping plan.

Finally, we note that honey production and cattle production and grazing have been identified in the Application and FEA as the most promising compatible agricultural activities given the site-specific conditions and the general lack of water availability. However, it has come to our attention that cattle production and grazing may not be feasible given that there may be insufficient ground clearance from the proposed structures for the cattle to graze productively. As such, we suggest that the Department of Agriculture be consulted in regard to potential alternatives that are suitable for the Project site.

We have no further comments to offer at this time. Thank you for the opportunity to provide comments on the Application.

Should you have any questions or require further clarification, please call our office at 587-3822.

Sincerely,

Daniel E. Orodenker

Executive Officer