

BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of )  
MOLOKAI ELECTRIC COMPANY, LIMITED, )  
a Hawaii corporation, for a Special )  
Permit affecting certain land within )  
the Agricultural Land Use District )  
at Naiwa and Kahanui, Milokai, )  
Hawaii )  
\_\_\_\_\_ )

SP80-350

DECISION AND ORDER

BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition )  
 )  
 of )  
 )  
 MOLOKAI ELECTRIC COMPANY, LIMITED, ) SPECIAL PERMIT  
 a Hawaii corporation, ) NO. 80-350  
 )  
 For a Special Permit Affecting )  
 Certain Land Within the Agricul- )  
 tural Land Use District at )  
 Naiwa and Kahanui, Milokai, )  
 Hawaii. )  
 \_\_\_\_\_ )

DECISION AND ORDER

The LAND USE COMMISSION OF THE STATE OF HAWAII, having duly considered the entire record in this matter on December 9, 1980 at 9:00 a.m. at Board Room 132 of the Department of Land and Natural Resources, 1st Floor, 1151 Punchbowl Street, Honolulu, Hawaii, makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. Petitioner MOLOKAI ELECTRIC COMPANY, LIMITED (herein "MECL"), is a public utility engaged primarily in the production, transmission, distribution, and sale of electricity on the Island of Molokai.
2. MECL's petition for a special permit was filed with the Planning Commission of the County of Maui on August 29, 1980, and requests permission to establish and operate an electric power generating station on 50.099 acres of land within the State Agricultural Land Use District at Naiwa and Kahanui, Molokai, Hawaii, being a portion of Lot 26,

area 141.082 acres, as shown on Map 10 of Land Court Application No. 1861, described in Transfer Certificate of Title No. 187,837 issued to the fee simple owner thereof, Cooke Land Company, Inc. (herein "CLC"), being also a portion of Tax Map Key (2nd Division) 5-2-11:7 (herein "subject property").

3. The subject property is to be created as a parcel of record pursuant to an application filed with the County of Maui by CLC to subdivide Lot 26 into two lots, Lot 31 and Lot 32 (the subject property being Lot 32), and to designate Easement 26 over Lot 31 for roadway access to Lot 32.

4. Subject to, and pending approval of, the subdivision, MECL has entered into a purchase agreement dated June 26, 1980, to acquire the subject property from CLC, and has been authorized by CLC to file this petition pursuant to CLC's letter of June 26, 1980.

5. MECL presently operates a diesel power plant in the town of Kaunakakai, Molokai. The Kaunakakai site and power plant facility are inadequate to efficiently and economically handle present and future electrical needs for the Island of Molokai, due to limited land space and old and obsolete generating equipment, which are dependent solely on diesel fuel.

6. MECL proposes the development on the subject property of an electricity generating station, which will include the use of new equipment capable of being fired by agricultural materials (biomass) and solar-thermal radiation, and the use of some old equipment for stand-by diesel generation.

7. The subject property is located in the south central plain of Molokai, approximately four miles south of Molokai Airport and three miles west of Kaunakakai. Existing access from Maunaloa Highway, a public highway, to the property is over Palaau Road. Additional access from Maunaloa Highway to the property will be over roadway Easement 26.

8. The Molokai General Plan Land Use Map designates the subject property for agricultural use. The new General Plan of the County of Maui endorses the pursuit of alternate energy sources. The County's proposed Regional Development Plan for Molokai specifically recommends an industrial use of the subject property to accommodate the relocation of MECL's generating facility from Kauanakakai.

9. The subject property is vacant and unused, except for approximately 15 acres under corn cultivation by Hawaiian Research, which will be relocating its corn operations elsewhere by March 1, 1981. The surrounding land consists of unused open space areas, except for a rock quarry operation to the north; a cultivated field of corn, the headquarters of Hawaiian Research, and Maunaloa Highway to the east; and Palaau Road, Kaluaapuhi Fishpond, and wetland area to the south. The unused open space of the subject property and surrounding land areas are covered with stones, boulders, haole koa, kiawe trees, spiny amaranth, and other scrub vegetation.

10. According to the Land Study Bureau's Detailed Land Classification - Island of Molokai (1968), the subject property has been assigned an overall productivity rating of

"E", indicating very low agricultural productive capacity. The Soil Conservation Service describes the area of the property as very stony land with large areas of severely eroded soils. This area has not been included in the Agricultural Lands of Importance to the State of Hawaii (ALISH) classification system.

11. The subject property is not delineated in the Federal Flood Insurance Rate Maps (Revised Preliminary Panel 50, April 28, 1980) as an area subject to flood and tsunami.

12. The Special Management Area boundary, which extends for a distance of about six miles along the seacoast, intersects a portion of the subject property along its makai perimeter adjacent to Palaau Road.

13. The topography of the subject property indicates a gentle slope of four to five percent, and elevations ranging from 12 feet to 100 feet about sea level. Surface runoff from annual rainfall of 10 to 25 inches presently flows in a makai direction.

14. The flora at the subject property are exotic species common to arid, lowland coastal areas. No endangered species of flora were observed or are believed to be present at this location.

15. Avifauna at the subject property and surrounding area include the house sparrow, barred dove, spotted dove, Japanese white-eye and Brazilian cardinal. Other avian species which may frequent the area include the grey francolin and the endemic Hawaiian owl (pueo). The endangered Hawaiian coot and Hawaiian stilt are believed to frequent the coastal wetland area, including the Kaluaapuhi Fishpond, which is 600

feet south of the proposed power plant. The absence of open water and critical wildlife habitat at the subject property indicate that development and operation of the proposed plant will not have any adverse impact upon faunal activity.

16. Two archaeological features are located on the subject property. One consists of a petroglyph on a boulder near Palaau Road, and the other is a large rock enclosure measuring approximately 32 meters long and 28 meters wide. Neither will be affected by the proposed plant development, and both will be fenced off to provide a measure of security.

17. Of seven different sites evaluated by MECL, the subject property was deemed most suitable for the proposed power plant, because:

(a) The subject property is at the load center for the Island of Molokai.

(b) A high voltage (34.5 kv), high capacity distribution line originating from the Kaunakakai generating station already exists on, and traverses, the subject property.

(c) The proximity of the subject property to the existing Kaunakakai generating station will facilitate dual site operation during the construction and phasing in of the new generating station, and phasing out of the existing station.

(d) The solid rock base of the subject property provides an ideal foundation for the new generating station.

(e) The subject property is located outside the flood and tsunami zones.

(f) The subject property will have convenient access to Maunaloa Highway.

- (g) On-site well water is available.
- (h) Biomass fuel sources are in near proximity.
- (i) Solar-thermal power generation will be enhanced by the low rainfall and high solar radiation of the area.
- (j) The surrounding area is generally uninhabited, and no residential development in the area is expected to occur.

18. In addition to the installation of power generating equipment, the proposed development of the subject property will include the following structures and improvements: Water and fuel storage facilities; a pole line shop; administrative office buildings; switchyard; an on-site roadway system; boundary fencing; overhead power lines; well-water system; and a settling pond for collection and retention of runoff from washing procedures. The administration building will be of wood construction, and the others will be steel structures. The steam boiler and stack will be approximately centered on the property. The height of the stack will be approximately 50 feet, and will be located on a lower grade of the site. The solar-thermal generating facility will include a solar field of tracking parabolic dishes standing at a height of 50 feet on approximately 10 acres at the easterly end of the subject property. The onsite well-water source is expected to produce water sufficient for the operational and domestic water needs of the proposed plant facility. Cesspools will be developed for sewage disposal.

19. The proposed power plant is not expected to produce significant adverse visual, noise, or air pollution impacts. The visual impact of the stack and solar field

will be minimized by the distance (6/10th of a mile) from the main highway (Maunaloa Highway). Noise levels are not expected to differ substantially from those produced by agricultural and quarrying operations in the surrounding area. There are no residential areas in the vicinity and none are planned to be developed. Stock emissions will be within EPA guidelines, and any resulting plumes will be barely noticeable.

20. No impact on historic or archaeological features is expected from development and operation of the proposed power plant.

21. The proposed power plant is designed to meet current and future electricity demands for Molokai, based on growth forecasts for the Island. The facility is part of an overall plan involving MECL, the County of Maui, the State of Hawaii, the Hawaii Natural Energy Institute, and the U.S. Department of Energy to reduce Molokai's dependency on diesel fuel and to enable some measure of energy self-sufficiency for the Island.

22. County and State Agencies which participated in the review of MECL's petition include the County Department of Public Works, County Department of Water Supply, State Department of Land and Natural Resources, and State Department of Transportation. None of these agencies objected to the petition, although the following comments were offered by each of them:

A. Department of Public Works:

"1. That the access road be improved to County standards.

"2. Provide verification that the grading and runoff water generated by the project will not have an adverse effect on the adjacent and downstream properties.



"3. That a detailed drainage and erosion control plan including, but not limited to, hydrologic and hydraulic calculations, scheme for controlling erosion and disposal of runoff water and an analysis of the soil loss using the HESL erosion formula, be submitted for review and approval.

"4. That the applicant should provide adequate sewage disposal details.

"5. That the project conform to the County's Off'street Parking and Loading Ordinance."

B. Department of Water Supply:

"The proposed site is not served by the County's water system. Should service be desired from the County's system, major offsite improvements would be required which may be economically unfeasible for the project."

C. Department of Land and Natural Resources:

"The proposed undertaking should have no direct impact on historic/archaeological sites. There is a stone-walled enclosure in the project area, located during the recent archaeological reconnaissance of the area, which seems to be a significant archaeological site. It is our understanding that the proposed undertaking will not disturb this structure.

"Our office would like the opportunity to inspect the proposed undertaking while ground-disturbing activities are in progress.

"In the event that any unanticipated sites or remains such as artifacts, shell, bone or charcoal deposits; human burials' rock or coral alignments, pavings, or walls are encountered during construction, please inform the applicant to contact this office (548-7460) immediately."

D. Department of Transportation:

"1. Access to Maunaloa Highway from Lot 32 and Lot 31 be via Palaau Road and Hoawa Road if possible.

"2. If this route is not possible, one of the requirements for approval be that the access connection from easement 26 to Maunaloa Highway be improved in accordance with HRS Section 264-14 (this was also Condition 6 of Land Use's preliminary approval letter dated August, 1980)."

Other agencies cooperating in the review had no objections to MECL's petition.

23. On October 30, 1980, a public hearing on the petition was conducted at Kaunakakai, Molokai by the Molokai Advisory Committee to and Maui Planning Commission (herein "MAC"). Three witnesses testified in support of the petition; no opposing testimony was offered or received. MAC submitted its recommendation to the Maui Planning Commission that the petition be approved, based on the following findings of fact:

"1. Since the proposed power generating station will be located in a relatively remote and undeveloped area, the proposed use is not expected to adversely affect surrounding properties.

"2. Based on comments from the various reviewing agencies, the proposed project is not expected to adversely burden public agencies relative to roads and streets, sewers, water, drainage, and other public services.

"3. There is a need for this new power generating complex. The existing power plant is inadequate to handle the present and future electrical service needs of the Molokai community, due to this small size and obsolete and old equipment. The proposed plant is designed to operate primarily on solar and biomass power and would therefore reduce dependency on oil and diesel, which are subject to escalating prices.

"4. The subject property is relatively unsuitable for agricultural uses.

"5. Based on a study of seven (7) potential project sites, the subject site has been determined to be the most suitable for the proposed project."

MAC's recommendation for approval was made subject to the following nine conditions:

"1. That construction of the project shall be initiated within two (2) years from the date of the granting of this permit by the State Land Use Commission.

"2. That this permit shall be non-transferable and valid for a period of 25 years, subject to extension upon favorable review by the Planning Commission.

"3. That the Department of Public Works recommendation Nos. 1, 2, 3, 4, and 5, as specified in a letter dated October 23, 1980, (Exhibit A) shall be implemented.

"4. That the requirements of the State Department of Transportation, as specified in a letter dated October 22, 1980, shall be met (Exhibit C).

"5. That the recommendation of the State Historic Sites Section, Department of Land and Natural Resources, as specified in a letter dated October 16, 1980 (Exhibit D), shall be implemented.

"6. That the applicant, its successors and assigns shall defend, indemnify and hold the County of Maui harmless from and against any loss, liability, claim or demand arising out of this permit.

"7. That the exterior color scheme of the proposed buildings shall be of an earth-tone intensity, and that plans identifying the architectural and landscape architectural treatment of the facility shall be submitted to the Planning Department for review and approval.

"8. That the applicant shall comply with the requirements of the SMA Rules and Regulations, County of Maui (1979).

"9. That all Federal, State and County requirements shall be met."

24. On November 18, 1980, upon concurring with the findings made by the MAC, the Maui Planning Commission voted to recommend approval of the petition, subject to the same nine conditions recommended by the MAC.

#### CONCLUSIONS OF LAW

1. "Unusual and reasonable" uses other than those which are permitted in an Agricultural land use district may be permitted by special permit pursuant to HRS Section 205-6 and State Land Use District Regulations, Part V.

2. The proposed use of the subject property will not be contrary to the objectives sought to be accomplished

by the State Land Use Law and Regulations, and will promote the effectiveness thereof.

3. The proposed use will not adversely affect properties surrounding the subject property.

4. The proposed use will not unreasonably burden public agencies in providing for public services and facilities.

5. Unusual conditions, trends and needs have arisen since the district boundaries and regulations were established, such that the proposed use is necessary and essential to efficiently and economically meet the energy needs of Molokai's citizens.

6. The proposed use is an unusual and reasonable use within the meaning of and as prescribed by HRS, Section 205-6 and State Land Use Regulations, Part V.

#### DECISION AND ORDER

IT IS HEREBY ORDERED that Special Permit No. 80-350 allowing the construction and operation of a power plant facility for the production, transmission, distribution, and sale of electricity on approximately 50.099 acres of land situated within the Agricultural Land Use District of the State of Hawaii at Naiwa and Kahanui, Molokai, Hawaii, being a portion of Lot 26, as shown on Map 10 of Land Court Application No. 1861, the same being also a portion of Tax Map Key (2nd Division) 5-2-11:7, shall be and is hereby approved; SUBJECT TO Conditions 1 through 9, inclusive, imposed by the Maui Planning Commission, as set forth in Paragraph 23 of the Findings of Fact herein, provided, that with respect

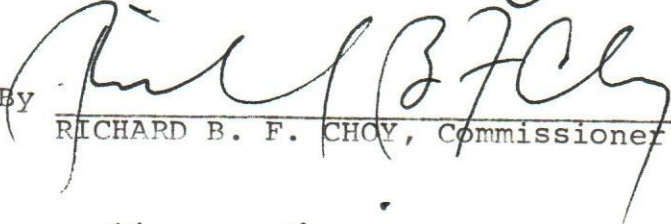
to Condition No. 2, any extension of Special Permit No. 80-350 shall also require the concurrence of the Land Use Commission.

DATED at Honolulu, Hawaii, on February 10,  
1981.

LAND USE COMMISSION  
STATE OF HAWAII


By   
C. W. DUKE, Chairman and Commissioner

By   
SHINIHI NAKAGAWA, Vice Chairman  
and Commissioner

By   
RICHARD B. F. CHOY, Commissioner

By   
SHINSEI MIYASATO, Commissioner

By   
MITSUO OURA, Commissioner

By   
GEORGE VASCUA

BY   
CAROL WHITESELL, Commissioner

BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of )  
MOLOKAI ELECTRIC COMPANY, LIMITED, ) SP80-350  
for a Special Permit affecting )  
certain land within the Agricultural )  
District at Naiwa and Kahanui, Milokai, )  
Hawaii )  
\_\_\_\_\_ )

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Land Use Commission's  
Decision and Order was served upon the following by certified mail:

TOSHIO ISHIKAWA, Planning Director  
Planning Department  
County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

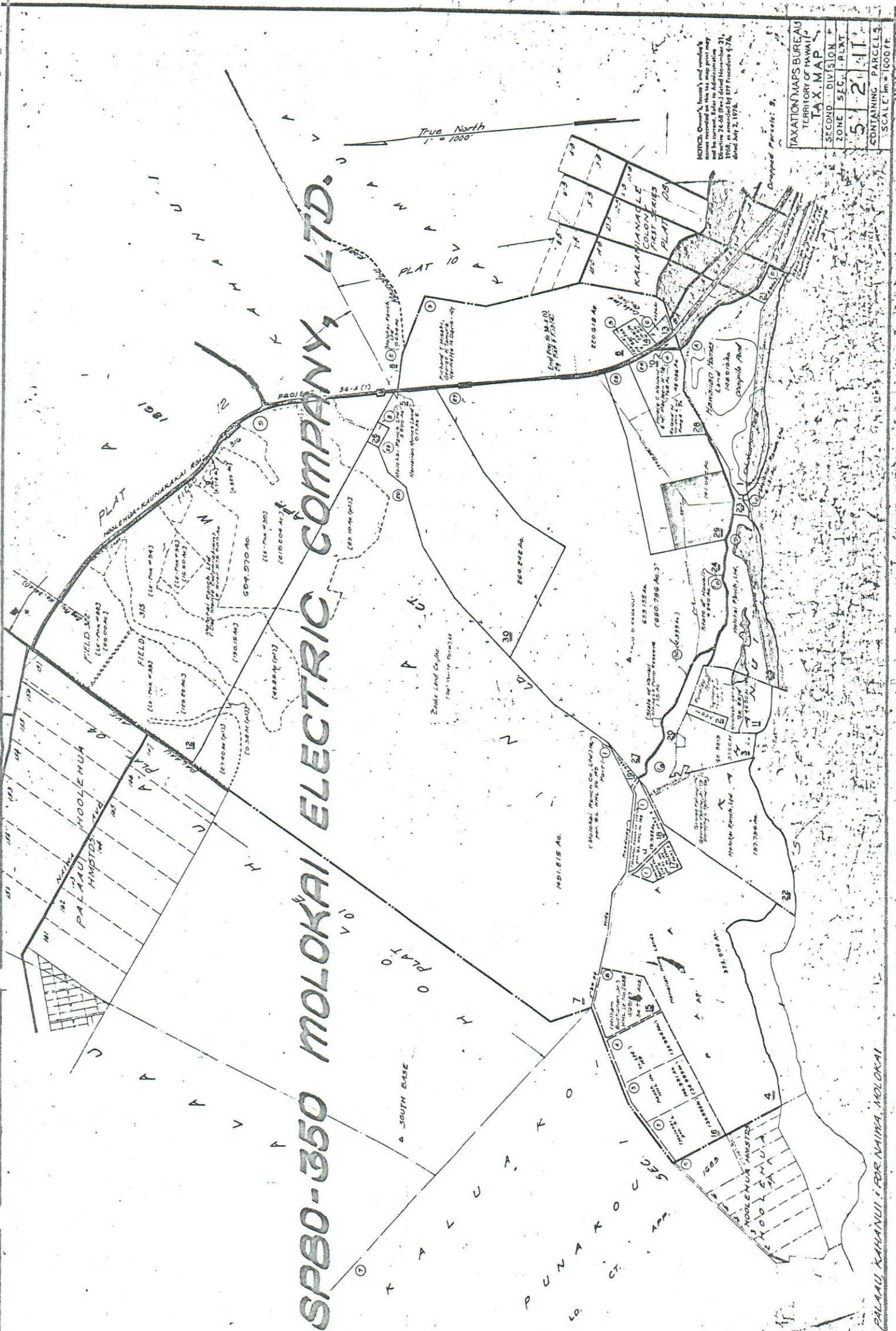
FRANCIS M. IZUMI  
888 Mililani Street  
Suite 701  
Honolulu, Hawaii 96813

COOKE LAND COMPANY, INC.  
A Subsidiary of Molokai Ranch, Ltd.  
P. O. Box 4039  
Honolulu, Hawaii 96813

DATED: Honolulu, Hawaii, this 19th day of February, 1981.

  
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GORDAN Y. FURUTANI  
Executive Officer

# SP80-350 MOLOKAI ELECTRIC COMPANY, LTD.



NOTE: Owners' names and acreages recorded on this map print may not be current. Refer to Administrative Directive 24-88 (Rev.) dated November 21, 1974 for information on current owners. Effective Date: July 2, 1974.

Dropped Parcels: 9.

TAXATION MAPS BUREAU TERRITORY OF HAWAII		
TAX MAP		
SECOND DIVISION	ZONE	SEC. RENT
		5, 2, 11
CONTAINING PARCELS		SCALE 1" = 1000 FT.

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BY: P. K. L. N. Aug. 1958  
Survey Dept. (S. P. M.)

PALAAU KAHANUI FOR MOLOKAI