A97-722 - MAUI ELECTRIC CO., LTD. (4 of)

THE MONTHLY ENERGY INSIDER REVIEW: MARCH 1998

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March 23, 1998

Insider trading--the purchase and sale of securities by corporate officers, directors and affiliates--has long been regarded as a reliable indicator of future stock price performance.

In this report, which is issued monthly, we have aggregated insider trading data from filings made at the Securities and Exchange Commission by officials from several hundred natural gas, electric utility and oil companies on our watch list.

Corporate officials are required to report transactions in their own companies' securities by the 10th of the month following the month during which the trades were completed.

Table I provides a summary of insider activity by industry group within the energy sector for January and February 1997.

Table II is a more detailed account of insider trading in individual natural gas, electric utility and oil stocks during January, the latest month for which complete data are available.

TABLE I
SUMMARY OF INSIDER TRANSACTIONS BY INDUSTRY GROUP
($ in Thousands)

	FEBRUARY			JANUARY		
	Value Buying	Value Selling	Net Value	Value Buying	Value Selling	Net Value
ELECTRIC UTILITIES						
Large	$ 74	(806)	(732)	$ 163	(1,719)	(1,556)
Mid-Size	171	(7,403)	(7,232)	79	(653)	(574)
Small	1,131	(7,458)	(6,327)	178	(186)	(8)
TOTAL	$1,376	(15,667)	(14,291)	$ 420	(2,558)	(2,138)

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Info only. Submitted
by Ian Chan-Hodges

TABLE II

SUMMARY OF INSIDER TRANSACTIONS IN ENERGY & UTILITY STOCKS

PURCHASES: FEBRUARY 1998

COMPANY (TICKER) INSIDER	TITLE	DATE	SHARES	PRICE	HOLDINGS
EMPIRE DISTRICT ELECTRIC CO (EDE)					
Mayes Roy E	D	2/10/98	800	20.24	800
GREEN MOUNTAIN POWER CORP (GMP)					
Bruett William H	D	2/20/98	700	18.94	2,100
K N ENERGY INC (KNE)					
Kinder Richard D	D	2/17/98	3,000	51.97	3,200
KERR-MCGEE CORP (KMG)					
Richie Leroy	D	2/19/98	1,000	65.00	1,000
Woodward W Pete	VP	2/17/98	400	64.25	5,071

SALES: FEBRUARY 1998

COMPANY (TICKER) INSIDER	TITLE	DATE	SHARES	PRICE	HOLDINGS
HAWAIIAN ELECTRIC INDS (HE)					
Clarke Robert F	P	2/6/98	19,642	39.88	20,536
Harada Curtis Y	O	2/9/98	1,420	39.94	1,696
Henderson Richard	D	2/3/98	10,000	39.75	2,146
Lau Constance H	T	2/27/98	18,135	40.50	2,407
May T Michael	O	2/26/98	609	40.50	1,149
Minami Wayne K	O	2/20/98	6,547	40.00	8,770
IDAHO POWER CO (IDA)					
Marshall Joseph W	CB	2/23/98	2,265	34.88	33,218

SUMMARY OF INSIDER TRANSACTIONS IN ENERGY & UTILITY STOCKS
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Clarke Robert F	P	2/6/98	19,642	39.88	20,536	49%	$783,322.96
Harada Curtis Y	O	2/9/98	1,420	39.94	1,696	46%	$56,714.80
Henderson Richai	D	2/3/98	10,000	39.75	2,146	82%	$397,500.00
Lau Constance H	T	2/27/98	18,135	40.5	2,407	88%	$734,467.50
May T Michael	O	2/26/98	609	40.5	1,149	35%	$24,664.50
Minami Wayne K	O	2/20/98	6,547	40	8,770	43%	$261,880.00
Totals			56,353	40.1		57%	$2,258,549.76

30.5% of the dollar volume of all insider selling during February for mid-sized utilities nationwide.

For Info Only
(requested by Commission)

MONTHLY FINANCIAL REPORT OF
MAUI ELECTRIC COMPANY, LTD.
DECEMBER 1997

RECEIVED
APR 2 4 1998
State of Hawaii
LAND USE COMMISSION

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII
COMPARATIVE ANALYSIS OF INCOME AND RETAINED EARNINGS

Acct. No.	ACCOUNT TITLE	Totals for This Month	ACCUMULATED TOTALS TO DATE This Year	Last Year	Increase/Decrease Accumulated Totals
	UTILITY OPERATING INCOME				
400.	Operating Revenues (See Page 3 for 3 Islands)	12,062,256	152,947,017	145,775,826	7,171,191
	Operating Expenses (See Page 3 for 3 Islands)				
401.402	Operation & Maint. Expenses	8,253,707	96,050,900	91,825,099	4,225,801
403	Depreciation Expense	1,268,172	15,218,507	12,700,935	2,517,573
	Amort. of Utility Plant	-	-	-	-
	Amort. of Utility Plant Acq. Adj.	-	-	-	-
	Amort. of Property Leases	-	-	-	-
408.1	Taxes Other Than Income Taxes	1,303,643	14,738,063	13,986,926	751,137
409.	Income Taxes	(324,311)	7,379,751	5,857,231	1,522,520
410.	Prov. for Def. Income Taxes	117,259	658,726	2,660,453	(2,001,727)
412.	Prov. for Def. Invest. Tax Cr	153,925	1,847,009	1,586,422	260,587
411.	Income Taxes Def. in Prior Yrs.-Cr.	438,155	(596,389)	212,841	(809,230)
412.	Amort. of Def. Invest. Tax Cr.-Cr.	(19,254)	(231,045)	(178,214)	(52,831)
	TOTAL OPERATING EXPENSES	11,191,296	135,065,524	128,651,693	6,413,831
	OPERATING INCOME	870,960	17,881,493	17,124,133	757,360
	Income from Utility Plant Leased to Others	-	-	-	-
	TOTAL OPERATING INCOME	870,960	17,881,493	17,124,133	757,360
	OTHER INCOME				
	Income from Mdse.,Jobbing & Contract Work (Net)	-	-	-	-
	Income from Non-utility Operations	(5,368)	(83,511)	(78,988)	(4,523)
418	Non-operating Rental Income	40,252	84,093	41,750	42,344
419	Interest & Dividend Income	21,568	43,144	2,487	40,657
420	Allowance for Funds Used During Construction	433,820	5,035,438	5,438,868	(403,430)
414-422	Miscellaneous Non-operating Income	4,733	4,203	(7,986)	12,189
420.1	AFUDC Tax Adjustment	177,943	2,068,364	2,324,438	(256,074)
	TOTAL OTHER INCOME	672,949	7,151,731	7,720,569	(568,837)
	OTHER INCOME DEDUCTIONS				
425	Miscellaneous Amortization	6,769	77,849	67,878	9,971
426	Miscellaneous Income Deductions	100,800	113,051	12,463	100,588
	TOTAL OTHER INCOME DEDUCTIONS	107,569	190,901	80,342	110,559
	INTEREST CHARGES				
427	Interest on Long-Term Debt	798,356	8,935,529	6,764,354	2,171,176
428	Amort. of Debt Discount & Expense	23,981	268,542	248,353	20,189
429	Amort. of Premium on Debt-Cr.	-	-	-	-
430	Other Interest Expense	76,792	1,255,180	1,846,398	(591,217)
	TOTAL INTEREST CHARGES	899,129	10,459,251	8,859,104	1,600,148
	INCOME BEFORE EXTRAORDINARY ITEMS	537,211	14,383,072	15,905,256	(1,522,184)
	Extraordinary Income (Net)	-	-	-	-
	NET INCOME	537,211	14,383,072	15,905,256	(1,522,184)
216.1	RETAINED EARNINGS (Beginning of Period)	64,273,109	58,798,325	54,698,095	4,100,230
433	Balance Transferred from Income	537,211	14,383,072	15,905,256	(1,522,184)
	Credits	-	-	-	-
	Debits	-	-	-	-
437	Dividends Declared-Preferred Stock	93,553	1,122,630	1,161,026	(38,396)
	Dividends Declared-Common Stock	2,985,000	10,327,000	10,644,000	(317,000)
	RETAINED EARNINGS (End of Period)	61,731,767	61,731,767	58,798,325	2,933,442

MAUI ELECTRIC COMPANY, LTD.
DECEMBER 1997

COMPARATIVE ANALYSIS OF INCOME AND RETAINED EARNINGS (CONTINUED)

Acct. No.	ACCOUNT TITLE	ACCUMULATED TOTALS 12 MONTHS This Year	Last Year	Incr.-Decr. Amount	Percent
	UTILITY OPERATING INCOME				
400.	Operating Revenues (See Page 3 for 3 Islands)	152,947,017	145,775,826	7,171,191	4.9
	Operating Expenses (See Page 3 for 3 Islands)				
401.402	Operation & Maint. Expenses	96,050,900	91,825,099	4,225,801	4.6
403	Depreciation Expense	15,218,507	12,700,935	2,517,573	19.8
	Amort. of Utility Plant	-	-	-	-
	Amort. of Utility Plant Acq. Adj.	-	-	-	-
	Amort. of Property Leases	-	-	-	-
408.1	Taxes Other Than Income Taxes	14,738,063	13,986,926	751,137	5.4
409.	Income Taxes	7,379,751	5,857,231	1,522,520	26.0
410.	Prov. for Def. Income Taxes	658,726	2,660,453	(2,001,727)	(75.2)
412.	Prov. for Def. Invest. Tax Cr	1,847,009	1,586,422	260,587	16.4
411.	Income Taxes Def. in Prior Yrs.-Cr.	(596,389)	212,841	(809,230)	(380.2)
412.	Amort. of Def. Invest. Tax Cr.-Cr.	(231,045)	(178,214)	(52,831)	(29.6)
	TOTAL OPERATING EXPENSES	135,065,524	128,651,693	6,413,831	5.0
	OPERATING INCOME	17,881,493	17,124,133	757,360	4.4
	Income from Utility Plant Leased to Others	-	-	-	-
	TOTAL OPERATING INCOME	17,881,493	17,124,133	757,360	4.4
	OTHER INCOME				
	Income from Mdse.,Jobbing & Contract Work (Net)	-	-	-	-
	Income from Non-utility Operations	(83,511)	(78,988)	(4,523)	(5.7)
418	Non-operating Rental Income	84,093	41,750	42,344	101.4
419	Interest & Dividend Income	43,144	2,487	40,657	1,634.7
420	Allowance for Funds Used During Construction	5,035,438	5,438,868	(403,430)	(7.4)
414-422	Miscellaneous Non-operating Income	4,203	(7,986)	12,189	152.6
420.1	AFUDC Tax Adjustment	2,068,364	2,324,438	(256,074)	(11.0)
	TOTAL OTHER INCOME	7,151,731	7,720,569	(568,837)	(7.4)
	OTHER INCOME DEDUCTIONS				
425	Miscellaneous Amortization	77,849	67,878	9,971	14.7
426	Miscellaneous Income Deductions	113,051	12,463	100,588	807.1
	TOTAL OTHER INCOME DEDUCTIONS	190,901	80,342	110,559	137.6
	INTEREST CHARGES				
427	Interest on Long-Term Debt	8,935,529	6,764,354	2,171,176	32.1
428	Amort. of Debt Discount & Expense	268,542	248,353	20,189	8.1
429	Amort. of Premium on Debt-Cr.	-	-	-	-
430	Other Interest Expense	1,255,180	1,846,398	(591,217)	(32.0)
	TOTAL INTEREST CHARGES	10,459,251	8,859,104	1,600,148	18.1
	INCOME BEFORE EXTRAORDINARY ITEMS	14,383,072	15,905,256	(1,522,184)	(9.6)
	Extraordinary Income (Net)	-	-	-	-
	NET INCOME	14,383,072	15,905,256	(1,522,184)	(9.6)
437	Dividends Declared-Preferred Stock	1,122,630	1,161,026	(38,396)	(3.3)
	BALANCE FOR COMMON	13,260,442	14,744,230	(1,483,788)	(10.1)
	Dividends Declared-Common Stock	10,327,000	10,644,000	(317,000)	(3.0)
	CHANGE IN RETAINED EARNINGS	2,933,442	4,100,230	(1,166,788)	(28.5)

COMPARATIVE ANALYSIS OF INCOME

MAUI ELECTRIC COMPANY, LTD. - Maui System

Acct. No.	ACCOUNT TITLE	Totals for This Month	ACCUMULATED TOTALS TO DATE This Year	Last Year	Increase-Decrease Accumulated Totals
	UTILITY OPERATING INCOME				
400.	Operating Revenues (Page 3 - Maui)	11,197,772	141,225,760	134,285,779	6,939,981
	Operating Expenses (Page 3 - Maui)				
401.402	Operation & Maint. Expenses	7,724,659	88,953,856	83,904,752	5,049,104
403	Depreciation Expense	1,094,087	13,129,485	11,916,110	1,213,376
	Amort. of Utility Plant	-	-	-	-
	Amort. of Utility Plant Acq. Adj.	-	-	-	-
	Amort. of Property Leases	-	-	-	-
408.1	Taxes Other Than Income Taxes	1,202,341	13,574,794	12,811,440	763,354
409.	Income Taxes	(378,840)	6,814,548	5,292,902	1,521,646
410.	Prov. for Def. Income Taxes	117,259	658,726	2,506,673	(1,847,947)
412.	Prov. for Def. Invest. Tax Cr	153,925	1,847,009	1,586,422	260,587
411.	Income Taxes Def. in Prior Yrs.-Cr.	438,155	(596,389)	212,841	(809,230)
412.	Amort. of Def. Invest. Tax Cr.-Cr.	(19,254)	(231,045)	(178,214)	(52,831)
	TOTAL OPERATING EXPENSES	10,332,332	124,150,986	118,052,926	6,098,060
	OPERATING INCOME	865,440	17,074,774	16,232,853	841,921

ANALYSIS OF GROSS OPERATING REVENUES - Maui System

Acct. No.	ACCOUNT TITLE	Totals for the Same Month This Year	Totals for the Same Month Last Year	ACCUMULATED TOTALS TO DATE This Year	ACCUMULATED TOTALS TO DATE Last Year	Increase-Decrease Accum. Totals
	OPERATING REVENUES					
	Residential Sales	4,496,284	4,376,048	50,755,467	48,047,697	2,707,770
	Commercial & Industrial	6,521,875	7,278,443	88,327,234	84,112,608	4,214,625
	Public St. & Highway Light'g.	48,451	48,740	615,379	602,544	12,835
	Industrial Contract Sales	-	-	-	-	-
	Electric Sales to Employees	28,654	29,610	336,795	311,472	25,323
	Sub-total	11,095,263	11,732,840	140,034,875	133,074,322	6,960,553
	OTHER OPERATING REVENUES					
	Miscellaneous Service Revenues	34,324	22,477	333,693	283,656	50,037
	Rent from Property	53,628	52,369	638,469	624,216	14,253
	Interdepartmental Rents	-	-	-	-	-
	Other Revenues	14,555	25,360	218,722	303,585	(84,863)
	Sub-total	102,507	100,205	1,190,884	1,211,457	(20,573)
	TOTAL OPERATING REVENUES	11,197,770	11,833,045	141,225,759	134,285,778	6,939,980

ANALYSIS OF OPERATING EXPENSES - Maui System

Acct. No.	ACCOUNT TITLE	Totals for the Same Month This Year	Totals for the Same Month Last Year	ACCUMULATED TOTALS TO DATE This Year	ACCUMULATED TOTALS TO DATE Last Year	Increase-Decrease Accum. Totals
	PRODUCTION EXPENSES					
	Steam Power Generation					
	Operation	1,029,646	972,619	12,027,500	11,215,857	811,643
	Maintenance	86,852	183,478	1,210,538	1,331,173	(120,635)
	Other Power/Fuel Generation					
	Operation	3,360,701	3,914,858	42,563,521	41,142,622	1,420,900
	Maintenance	1,212,277	793,846	6,543,719	6,439,211	104,508
	Other Power Supply Expenses					
	Operation	674,339	566,177	7,286,566	6,872,371	414,195
	TRANSMISSION EXPENSES					
	Operation	67,503	68,597	712,156	671,025	41,131
	Maintenance	15,483	21,311	202,660	411,694	(209,034)
	DISTRIBUTION EXPENSES					
	Operation	207,903	236,555	2,320,080	2,459,708	(139,628)
	Maintenance	85,620	135,774	1,279,005	1,206,186	72,819
	CUSTOMER ACCOUNTS EXPENSES					
	Operation	177,032	143,944	1,887,953	1,859,127	28,826
	CUSTOMER SERVICE EXPENSES					
	Operation	(88,973)	114,213	3,199,459	1,094,091	2,105,368
	SALES PROMOTION EXPENSES					
	Operation	-	-	-	-	-
	ADMINISTRATIVE & GENERAL					
	Operation	893,757	918,531	9,691,375	9,176,758	514,617
	Maintenance	2,517	1,647	29,322	24,929	4,393
	TOTAL OPERATING EXPENSES	7,724,657	8,071,551	88,953,855	83,904,752	5,049,102
	Total Operation Expenses	6,321,908	6,935,495	79,688,611	74,491,559	5,197,051
	Total Maintenance Expenses	1,402,749	1,136,056	9,265,244	9,413,193	(147,949)

CLASSIFICATION OF RATES	(1)	TOTAL CONSUMERS At Close of This Month (2)	TOTAL CONSUMERS At Close of Same Month Last Year(3)	TOTAL METERS At Close of This Month(4)	TOTAL METERS At Close of Same Month Last Year(5)	TOTAL K.W.H. SOLD This Month(6)	TOTAL K.W.H. SOLD Accumulated Total for This Year
Res'l Comb. Light'g, Heat'g & Sm. Pow.	" R "	42,810	42,227	-	-	27,908,600	325,490,796
General Lighting Service	" G "	6,701	6,495	-	-	21,790,500	275,845,101
Heating, Cooking, Refrigeration, etc.	" H "	286	285	-	-	1,800,455	26,219,257
Combined Power & Incidental Lighting	" "	-	-	-	-	-	-
General Power	" "	-	-	-	-	-	-
Large General Service	" P "	106	106	-	-	25,541,436	333,827,855
Optional Power	" "	-	-	-	-	-	-
Industrial Contract	" "	-	-	-	-	-	-
Governmental St., Hwy. & Park Lighting	" F "	133	126	-	-	374,922	4,695,065
Governmental Contract	" "	-	-	-	-	-	-
Interdepartmental	" "	-	-	-	-	-	-
Electric Service to Employees	" R "	349	351	-	-	261,522	3,091,460

NOTE:
Where the same customers are served under more than one rate schedule, the entries in columns (2) and (3), "Total Consumers" should denote the duplication in number of reported consumers.

TOTALS	50,385	49,590	-	-	77,677,435	969,169,534
			KW (Max)*	KW (Max)		
KW Hrs. Used-N/C	x x x x x	x x x x x	x x x x x	x x x x x	129,016	1,687,700
KW Hrs. Lost-Unaccounted	x x x x x	x x x x x	x x x x x	x x x x x	7,567,730	68,108,365
KW Hrs. Net to System	x x x x x	x x x x x	x x x x x	x x x x x	85,374,181	1,038,965,599
KW Hrs. Station Use	x x x x x	x x x x x	x x x x x	x x x x x	2,938,660	34,560,490
KW Hrs. and KW (Max.) Generated-Steam	x x x x x	x x x x x	33,500	28,200	18,787,300	227,568,300
" " " " -Diesel	x x x x x	x x x x x	124,800	130,100	60,843,000	762,169,800
" " " " -Other	x x x x x	x x x x x	-	-	-	-
Total KW Hrs. and KW (Max.) Generated	x x x x x	x x x x x	158,300	158,300	79,630,300	989,738,100
Total KW Hrs. and KW (Max.) Purchased	x x x x x	x x x x x	11,900	16,500	8,682,541	83,787,989
Percentage of KW Hrs. Used-N/C (%)	x x x x x	x x x x x	x x x x x	x x x x x	.2	.2
Percentage of KW Hrs. Loss-Unaccounted (%)	x x x x x	x x x x x	x x x x x	x x x x x	8.9	6.6
	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x
Average Cost per KWHr. Sold	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x
Average Net Income per KWHr. Sold	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x
Purchased Power-HC&S					9,030,600	85,680,000
Power Interchange-Pioneer Mill Co. Ltd.						
Deliveries to					-389,492	-4,457,086
Receipts from					41,433	2,407,635
Total Power Interchange					-348,059	-2,049,451
Purchased Power-Alternate Energy Sources					-	-
Standby Power-Pioneer Mill Co. Ltd.					-	157,440
Total Purchased Power					8,682,541	83,787,989

*(1) KW (Max.) is the recorded 15 minute period peak KW generated or purchased applicable to electric utilities only.

NET REVENUE RECEIVED		AVERAGE K.W.H. SOLD PER CONSUMER		AVERAGE NET REVENUE PER K.W.H SOLD*		AVG. NET REVENUE PER CONSUMER		% OF TOTAL REVENUE RECVD.	
This Month (8)	Same Month Last Year (9)	This Month (10)	Same Month Last Year(11)	This Month (12)	Same Month Last Year(13)	This Month(14)	Same Month Last Year(15)	This Month(16)	Same Month Last Year(17)
4,496,284	4,376,049	652	660	16.111	15.704	105	104	40.5	37.3
3,367,043	3,309,900	3,252	3,143	15.452	16.213	502	510	30.3	28.2
266,034	291,675	6,295	6,704	14.776	15.266	930	1,023	2.4	2.5
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
2,888,798	3,676,869	240,957	241,926	11.310	14.338	27,253	34,687	26.0	31.3
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
48,450	48,740	2,819	2,846	12.923	13.592	364	387	.4	.4
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
28,654	29,610	749	750	10.957	11.249	82	84	.3	.3
11,095,263	11,732,842	1,542	1,542	14.284	15.346	220	237	100.0	100.0
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
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x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
		x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	13.302	14.062	x x x x x	x x x x x x		
x x x x x x	x x x x x x	x x x x x x	x x x x x x	.982	1.284	x x x x x	x x x x x x		

GENERATING STATION STATISTICS	Totals for This Month		Accumulated Totals - This Year	
	Fuel Oil	Diesel Oil	Fuel Oil	Diesel Oil
Maui System				
Barrels of Oil Consumed	39,673.58	90,429.14	477,535.58	1,165,184.08
Average Cost per Barrel of Oil Consumed	21.0778	33.0778	20.5167	33.0942
Total Cost of Oil Consumed	836,232.65	2,991,197.01	9,797,446.12	38,560,785.37
Cost of Oil per KWH Generated	.044511	.049163	.043053	.050593
Posted Month End Price per Barrel of Oil *	21.0311	33.9050	21.0311	33.9050
Lanai System				
Barrels of Oil Consumed	-	3,766.95	-	47,468.37
Average Cost per Barrel of Oil Consumed	-	45.4780	-	47.5700
Total Cost of Oil Consumed	-	171,313.21	-	2,258,071.23
Cost of Oil per KWH Generated	-	.073485	-	.078614
Posted Month End Price per Barrel of Oil *		45.3136		45.3136
Molokai System				
Barrels of Oil Consumed	-	4,896.07	-	60,237.59
Average Cost per Barrel of Oil Consumed	-	35.1000	-	35.3093
Total Cost of Oil Consumed	-	171,851.85	-	2,126,945.82
Cost of Oil per KWH Generated	-	.054581	-	.055350
Posted Month End Price per Barrel of Oil *		35.4328		35.4328

* Including all expenses for taxes, transportation and handling charges delivered in utility's tanks.

EMPLOYEES AND PAYROLL DATA	For This Month			
	Non Bargaining	Bargaining	Total	Year To Date
Total Number of Employees	83	222	305	x x x x x x x
Total Payroll			1,628,078.76	18,497,274.95
Amount Charged To Plant			342,737.80	4,164,146.80
Amount Charged to Plant Removal			4,842.48	152,113.46
Amount Charged to Operating Expenses			1,280,498.48	14,181,014.69

MAUI SYSTEM TRANSMISSION AND DISTRIBUTION LINE STATISTICS		For This Month Higher than 6.6 K.V.	For This Month 6.6 K.V. and Lower	Same Period Last Year Higher than 6.6 K.V.	Same Period Last Year 6.6 K.V. and Lower
Transmission System					
Line Length-Number of Miles	22,900 V	114.72		114.72	
	69,000 v	128.48		113.28	
Distribution System					
Line length-Number of Miles	12,470 / 7,200 V	622.13		610.51	
	6,900 V	15.92		15.49	
	4,164 V	141.03		140.99	
	2,400 V	100.60		99.91	
	Secondaries	482.15		472.03	

LANAI SYSTEM TRANSMISSION AND DISTRIBUTION LINE STATISTICS		For This Month Higher than 6.6 K.V.	For This Month 6.6 K.V. and Lower	Same Period Last Year Higher than 6.6 K.V.	Same Period Last Year 6.6 K.V. and Lower
Transmission System					
Line Length-Number of Miles	22,900 V				
	69,000 v				
Distribution System					
Line length-Number of Miles	12,470 / 7,200 V	34.92		34.70	
	6,900 V				
	4,164 V				
	2,400 V	.04		.04	
	Secondaries	.71		.58	

MOLOKAI SYSTEM TRANSMISSION AND DISTRIBUTION LINE STATISTICS		For This Month Higher than 6.6 K.V.	For This Month 6.6 K.V. and Lower	Same Period Last Year Higher than 6.6 K.V.	Same Period Last Year 6.6 K.V. and Lower
Transmission System					
Line Length-Number of Miles	34,500 V	10.00		10.00	
Distribution System					
Line length-Number of Miles	12,470 / 7,200 V	81.99		81.36	
	6,900 V				
	2,400 / 4,164 V		12.00		12.00
	Secondaries	2.68		2.42	

COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS

Acct. No.	ACCOUNT TITLE	Balance at Close of Last Year	ACCRUED BALANCES at Close of This Month	ACCRUED BALANCES at Close of Last Year	Increase-Decrease During the Year
	UTILITY PLANT				
101	Utility Plant in Service	410,868,873	429,501,175	410,868,873	18,632,302
108	Accum. Provision for Deprec. and Amort.	122,998,299	138,270,566	122,998,299	15,272,267
	Utility Plant Less Reserves	287,870,574	291,230,609	287,870,574	3,360,034
107	Construction Work in Progress	56,734,060	57,752,122	56,734,060	1,018,061
114	Utility Plant Acquisition Adjustments	1,785,138	1,785,138	1,785,138	-
115	Accum. Prov. for Amort. of Util. Pt. Acq. Adj.	(1,170,573)	(1,222,714)	(1,170,573)	(52,141)
	Retirement Work in Progress	54,874	114,644	54,874	59,770
105	Property Held for Future Use	1,942,188	1,940,580	1,942,188	(1,608)
	TOTAL UTILITY PLANT LESS RESERVES	347,216,263	351,600,379	347,216,263	4,384,116
	Other Property and Investments				
121.122	Non-Utility Property Less Reserves	1,234,038	1,158,252	1,234,038	(75,786)
	Investment in Associated Companies	-	-	-	-
	Other Investments	-	-	-	-
	Special Funds	-	-	-	-
	TOTAL OTHER PROPERTY & INVESTMENTS	1,234,038	1,158,252	1,234,038	(75,786)
	Current and Accrued Assets				
131	Cash	54,281	365,147	54,281	310,866
	Special Deposits	-	-	-	-
135	Working Funds	3,025	3,075	3,025	50
136	Temporary Cash Investments	-	-	-	-
145	Notes Receivable	-	2,500,000	-	2,500,000
142.1	Customer Accounts Receivable	16,861,068	16,048,099	16,861,068	(812,969)
142.2	Other Accounts Receivable	142,207	216,031	142,207	73,824
144	Accum. Prov. for Uncollectible Accts-Cr.	(103,864)	(107,154)	(103,864)	(3,290)
146	Receivables from Associated Companies	22,075	33,670	22,075	11,596
151	Fuel Oil Stock	5,919,677	4,440,083	5,919,677	(1,479,594)
	Residuals	-	-	-	-
154	Materials and Supplies-Utility	6,955,342	7,642,685	6,955,342	687,343
	Materials and Supplies-Merchandise	-	-	-	-
163	Stores Expense	92,215	344,287	92,215	252,072
166	Prepayments	304,563	286,589	304,563	(17,973)
171	Interest and Dividends Receivable	451,462	220,980	451,462	(230,482)
	Accrued Utility Reserves	-	-	-	-
	Miscellaneous Current and Accrued Assets	-	-	-	-
	TOTAL CURRENT AND ACCRUED ASSETS	30,702,051	31,993,493	30,702,051	1,291,442
	Deferred Debits				
181.1	Unamortized Debt Discount and Expense	5,279,965	5,199,219	5,279,965	(80,746)
183	Preliminary Survey and Invest'n Charges	147,755	136,666	147,755	(11,089)
184	Clearing Accounts	1,265,121	3,317,866	1,265,121	2,052,745
185	Temporary Facilities	(33,913)	(38,000)	(33,913)	(4,087)
186	Miscellaneous Deferred Debits	5,409,010	5,344,598	5,409,010	(64,412)
186.52	Regulatory Commission Expenses	382,851	78,830	382,851	(304,020)
186.70 *	Regulatory Assets, Net	6,742,655	9,083,392	6,742,655	2,340,736
	Less: Provision for Uncertain Recovery of Regulatory Assets				-
	TOTAL DEFERRED DEBITS	19,193,443	23,122,571	19,193,443	3,929,127
	TOTAL ASSETS AND OTHER DEBITS	398,345,795	407,874,695	398,345,795	9,528,899

*See footnote on Page 7a.

The "Regulatory Assets, Net" amount of $9,083,392 includes $3,359,940 for OPED Costs $975,202 for Vacation Earned but not yet taken, and $155,877 for SFAS No. 112 - Employrs' Accounting for Postemployment Benefits. The remaining amount of $4,592,373 related to Regulatory Assets and Liabilities established under SFAS No. 109 - Accounting for Income Taxes.

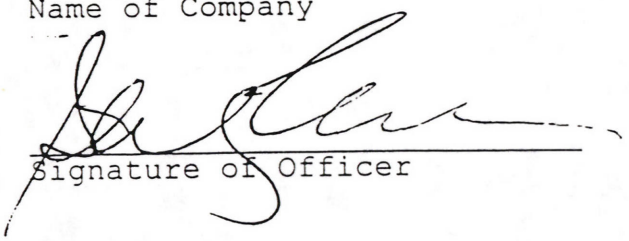
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS

Acct. No.	ACCOUNT TITLE	Balance at Close of Last Year	ACCRUED BALANCES at Close of This Month	ACCRUED BALANCES at Close of Last Year	Increase-Decrease During the Year
	Proprietary Capital				
201	Common Stock Issued	15,229,660	15,229,660	15,229,660	-
204	Preferred Stock Issued	13,960,000	13,575,000	13,960,000	(385,000)
207	Premium on Capital Stock	73,841,470	73,841,470	73,841,470	-
	Other Paid-in Capital	-	-	-	-
	Discount on Capital Stock	-	-	-	-
214	Capital Stock Expense	(296,450)	(674,606)	(296,450)	(378,156)
	Appropriated Retained Earnings	-	-	-	-
216.1	Unappropriated Retained Earnings	58,798,325	61,731,767	58,798,325	2,933,442
	Reacquired Capital Stock	-	-	-	-
	TOTAL PROPRIETARY CAPITAL	161,533,005	163,703,291	161,533,005	2,170,286
	Long-Term Debt				
221	Bonds	7,000,000	-	7,000,000	(7,000,000)
223	Advances from Associated Companies	-	10,000,000	-	10,000,000
224	Other Long-Term Debt	132,335,100	152,335,100	132,335,100	20,000,000
	TOTAL LONG-TERM DEBT	139,335,100	162,335,100	139,335,100	23,000,000
	Current and Accrued Liabilities				
231	S/T Notes Payable				
233	S/T Notes Payable to Assoc. Co.	13,623,900	-	13,623,900	(13,623,900)
232	Accounts Payable	13,126,809	7,131,099	13,126,809	(5,995,710)
234	Payables to Associated Companies	(1,221,074)	(124,213)	(1,221,074)	1,096,861
235	Customer Deposits	966,458	1,082,531	966,458	116,073
236	Taxes Accrued	10,177,007	12,012,569	10,177,007	1,835,562
237	Interest Accrued	2,069,237	1,946,619	2,069,237	(122,618)
238	Dividends Declared	140,469	232,005	140,469	91,536
239	Matured Long-Term Debt	-	-	-	-
241	Tax Collections Payable	102,579	98,064	102,579	(4,515)
242	Preferred Stock Sinking Fund	195,000	95,000	195,000	(100,000)
242	Misc. Current and Accrued Liabilities	2,519,825	1,979,066	2,519,825	(540,758)
	TOTAL CURRENT AND ACCRUED LIABILITIES	41,700,210	24,452,741	41,700,210	(17,247,469)
	Deferred Credits				
251	Unamortized Premiums on Debt	-	-	-	-
252	Customer Advances for Construction	7,114,402	6,828,341	7,114,402	(286,060)
253	Other Deferred Credits	4,265,698	4,802,371	4,265,698	536,673
255	Accumulated Deferred Investment Tax Cr.	9,916,868	11,269,139	9,916,868	1,352,271
	TOTAL DEFERRED CREDITS	21,296,967	22,899,851	21,296,967	1,602,884
	Operating Reserves				
	Property Insurance Reserve	-	-	-	-
	Injuries and Damages Reserve	-	-	-	-
	Pensions and Benefits Reserve	-	-	-	-
265	Miscellaneous Operating Reserves	-	-	-	-
	TOTAL OPERATING RESERVES	-	-	-	-
271	CONTRIBUTIONS IN AID OF CONSTRUCTION	23,099,961	23,079,164	23,099,961	(20,797)
	Accumulated Deferred Income Taxes-				
282	Liberalized Depreciation	15,981,159	16,030,573	15,981,159	49,414
283	Accumulated Deferred Income Taxes-Other	(4,600,606)	(4,626,025)	(4,600,606)	(25,419)
	TOTAL ACCUM. DEF. INCOME TAXES	11,380,552	11,404,548	11,380,552	23,995
	TOTAL LIABILITIES AND OTHER CREDITS	398,345,795	407,874,695	398,345,795	9,528,899

Acct. No.	ACCOUNT TITLE	Balance at Close of Last Year	ACCRUED BALANCES at Close of This Month	Last Year	Increase-Decrease During the Year
	UTILITY PLANT IN SERVICE				
	Intangible Plant Franchise - Maui	750	750	750	-
	- Molokai	1,000	1,000	1,000	-
	Land Production - Steam	123,655	123,655	123,655	-
	- Other	400,533	400,533	400,533	-
	- Lanai	220,385	220,385	220,385	-
	- Molokai	235,006	235,006	235,006	-
	Land Transmission - Maui	237,783	299,355	237,783	61,572
	Land Distribution - Maui	221,342	221,342	221,342	-
	Land General Plant - Maui	58,557	58,557	58,557	-
	- Lanai	23,125	23,125	23,125	-
	Steam Production - Maui	47,259,461	47,529,636	47,259,461	270,174
	Other Production - Maui	108,489,556	108,934,151	108,489,556	444,595
	- Lanai	15,657,554	16,151,804	15,657,554	494,249
	- Molokai	19,100,773	19,704,579	19,100,773	603,806
	Transmission Plant - Maui	56,543,022	60,542,655	56,543,022	3,999,633
	- Molokai	707,444	724,446	707,444	17,002
	Distribution Plant - Maui	131,693,161	138,649,932	131,693,161	6,956,771
	- Lanai	5,680,494	7,461,673	5,680,494	1,781,179
	- Molokai	6,693,459	8,348,664	6,693,459	1,655,205
	General Plant - Maui	16,074,103	18,299,864	16,074,103	2,225,761
	- Lanai	387,884	508,407	387,884	120,523
	- Molokai	1,059,824	1,061,656	1,059,824	1,832
	Total Utility Plant in Service	410,868,873	429,501,175	410,868,873	18,632,302
	Accum Prov Amort Util Plt Adj	(1,170,573)	(1,222,714)	(1,170,573)	(52,141)
	Utility Plant Acquisition Adjustment	1,785,138	1,785,138	1,785,138	-
	Other Utility Plant Adjustment				
	Construction Work in Progress	56,734,060	57,752,122	56,734,060	1,018,062
	Property Held for Future Use	1,942,188	1,940,580	1,942,188	(1,608)
	TOTAL UTILITY PLANT	470,159,686	489,756,301	470,159,686	19,596,615

Acct. No.	ACCOUNT TITLE	Balance at Close of Last Year	ACCRUED BALANCES at Close of This Month	Last Year	Increase-Decrease During the Year
	RESERVES				
	Intangible Plant				
	Production Plant				
	Steam	15,126,337	16,402,209	15,126,337	1,275,872
	Other	40,218,943	44,918,375	40,218,943	4,699,432
	Lanai	1,501,222	1,803,635	1,501,222	302,413
	Molokai	(876,112)	101,175	(876,112)	977,287
	Transmission Plant				
	Maui	11,744,141	13,687,103	11,744,141	1,942,962
	Molokai	(25,094)	(2,114)	(25,094)	22,980
	Distribution Plant				
	Maui	44,458,451	49,130,820	44,458,451	4,672,369
	Lanai	1,436,206	1,655,385	1,436,206	219,179
	Molokai	2,413,192	2,577,846	2,413,192	164,654
	General Plant				
	Maui	6,207,820	7,054,337	6,207,820	846,517
	Lanai	100,071	252,883	100,071	152,812
	Molokai	693,122	688,912	693,122	(4,210)
	Total Reserve for Depreciation & Amortization	122,998,299	138,270,566	122,998,299	15,272,267
	Accumulated Provision for Amortization of Utility Plant Acquisition Adjustment				
	Retirement Work in Progress	(54,874)	(114,644)	(54,874)	(59,770)
	TOTAL RESERVES	122,943,425	138,155,922	122,943,425	15,212,497

Maui Electric Company, Limited
Name of Company



Signature of Officer

Stanley Nakamoto, Assistant Treasurer
Name, Title of Officer

1/23/98
Date

MEMORANDUM

TO: FILE

FROM: FT / October 28, 1997

DOCKET NO. / PETITIONER: A97-722 / MAUI ELECTRIC COMPANY, LIMITED

DATE FILED: OCTOBER 24, 1997

PROPERTY INTEREST OWNERSHIP:
MAUI ELECTRIC COMPANY, LIMITED (MECO)

PERSONS WITH OTHER PROPERTY INTEREST:

HAWAIIAN COMMERCIAL, AND SUGAR COMPANY (Per Easements 1, 2, 3, & 4, See metes and bounds map, Exhibit 1)

PROPOSED CLASSIFICATION: AGRICULTURAL TO URBAN

NOTIFICATION OF CONSERVATION LANDS: NOT APPLICABLE

Executive Officer	X
Planner	X

ACREAGE OF PETITION AREA:

PETITION AREA 1 - 3-8-03: 23 (APPROXIMATELY 15.127 ACRES)
PETITION AREA 2 - 3-8-03: 24 (APPROXIMATELY 50.573 ACRES)

TOTAL PETITION AREA: APPROXIMATELY 65.70 ACRES

LOCATION: WAILUKU, MAUI, HAWAI`I

LAND USE DISTRICT: AGRICULTURAL

AREA PLPLACED IN ABOVE DESIGNATION BY:

(X) 1964 ORIGINAL BOUNDARY REVIEW
( ) 1969 BOUNDARY REVIEW
( ) 1974 BOUNDARY REVIEW
( ) LAND USE COMMISSION DOCKET NO.

TAX MAP KEY: 3-8-03: 23 & 24

NOTICE OF RECEIPT

Notification of Petition Filing

~~*Notice of Receipt's map*~~ *is satisfactory.*

CERTIFICATION OF SERVICE:

CERTIFICATION SATISFACTORY

MAPS:

Full size Tax Map with the "Petition Area" location is not submitted at this time.

METES AND BOUNDS LOCATION CHECK:

Metes and bounds survey map of Exhibit 1 is satisfactory.

MAP RECORDATION DATE:

12/02/96

INSTR-DESC: FINAL ORDER OF CONDEMNATION TMB:T960037977
INST-NO:96-00170196 INST-DATE: 11/25/96
REC-DATE: 12/02/96

AREA: 50.57300 ACRE
OTHER-TMKS: 2 2 5 005 019 0000 ETC.

FROM: 3803-1 50.573 AC LOT A-2
FROM: A&B-HAWAII INC & ALEXANDER & BALDWIN INC "DEFEDANTS"
TO: MAUI ELECTRIC COMPANY LIMITED "PLAINTIFF"
2ND CIR CT, CIVIL CASE NO. 96-0929(3); ORDERED & ADJUDGED:
LOT A-1, A-2, BEING A POR OF GR 3343, DESC IN EXH "A", & ESMTS 5, 6, 7, 8, 9, 10 & 11 FOR ELECTRICAL PURPOSES, OVER, UNDER, ACROSS & THROUGH GR 3343, DESC IN EXH "B"; AREA CONDEMNED FOR A POWER GENERATION FACILITY & RELATED POWER TRANSMISSION LINES & TITLE IS VESTED IN MAUI ELECTRIC COMPANY LIMITED.
LOT A-2 NEW CENTRAL MAUI GEN SITE SUBD POR GR 3343 50.573 AC DES
SUBJ/ESMT ACCESS/WATERLINE
F/D: NEW: LOT A-2

OWNERSHIP: NAME	F	TC	%-OWNER	TITLE-DESC
0011 *MAUI ELECTRIC CO LTD	F			

FOR ASSESSMENT YEAR 1997
-PITT: 500 AREA: 50.57300 A VALUE: 834500 EXEMPT: 834500

MAILING ADDRESS: MAUI ELECTRIC CO LTD
210 KAMEHAMEHA AVE
KAHULUI, HI 96732

SEE PARCEL SHEETS FOR MORE INFORMATION

LAND USE COMMISSION
STATE OF HAWAII
1997 OCT 28 P 2:03

12/02/96

INSTR-DESC: FINAL ORDER OF CONDEMNATION TMB:T960037977
INST-NO:96-00170196 INST-DATE: 11/25/96
REC-DATE: 12/02/96

AREA: 15.12700 ACRE
OTHER-TMKS: 2 2 5 005 019 0000 ETC.

FROM: 3803-1 15.127 AC LOT A-1
FROM: A&B-HAWAII INC & ALEXANDER & BALDWIN INC "DEFEDANTS"
TO: MAUI ELECTRIC COMPANY LIMITED "PLAINTIFF"
2ND CIR CT, CIVIL CASE NO. 96-0929(3); ORDERED & ADJUDGED:
LOT A-1, A-2, BEING A POR OF GR 3343, DESC IN EXH "A", & ESMTS 5, 6, 7, 8, 9, 10 & 11 FOR ELECTRICAL PURPOSES, OVER, UNDER, ACROSS & THROUGH GR 3343, DESC IN EXH "B"; AREA CONDEMNED FOR A POWER GENERATION FACILITY & RELATED POWER TRANSMISSION LINES & TITLE IS VESTED IN MAUI ELECTRIC COMPANY LIMITED.
LOT A-1 NEW CENTRAL MAUI GEN SITE SUBD POR GR 3343 15.127 AC DES
SUBJ/ESMTS WATERLINE/ACCESS DES
F/D: NEW; LOT A-1

OWNERSHIP: NAME	F	TC	%-OWNER	TITLE-DESC
0011 *MAUI ELECTRIC CO LTD	F			

FOR ASSESSMENT YEAR 1997
-PITT: 500 AREA: 15.12700 A VALUE: 499200 EXEMPT: 499200

MAILING ADDRESS: MAUI ELECTRIC CO LTD
P O BOX 398
KAHULUI, HI 96732

-SEE PARCEL SHEETS FOR MORE INFORMATION-

LAND USE COMMISSION
STATE OF HAWAII
1991 OCT 28 P 2:03

SOURCE:	LOC. & TITLE: Wailuku, Maui		DIV
BY: DATE:	DEED, ETC.:	TMB NO.	3 8 03 1
BY: DATE:			

NO	GRANTOR ETC	AREA OF PARCEL	GRANTEE ETC
1.	As shown on Tax Maps	1070.93 Ac	Haw'n Commercial & Sugar Co Ltd
2.	TMB 1190'61(2308-9 etc) JLS/ay 2/26/62 CERT/MERGER: Haw'n Commercial & Sugar Co With & Into Alexander & Baldwin, Ltd Bk 4199 p 103 1/4/62 1/16/62	do	Alexander & Baldwin, Ltd
3.	TMB 1191'61(2308-9 etc) JLS ay 2/26/62 CERT OF CHANGE OF NAME: Alexander & Baldwin Ltd To: Alexander & Baldwin, Inc Bk 4191 p 481 1/2/62 1/3/62	do	Alexander & Baldwin, Inc.

NOTE: LAST AREA & GRANTEE FINAL DATA AS SHOWN ON TAX MAPS.

TMB NO. 3 TITLE HISTORY & RECAP SHEET

LAND USE COMMISSION
STATE OF HAWAII
1997 OCT 28 P 2:03

SOURCE	LOCATION
BY RDW DATE 2/13/47	

ZONE	SEC.	PLAT	PARCEL
3	8	03	1 to 6

1043 ✓

1946

ROUTE SLIP

Parcels 1 to 6, which were formerly carried as one total area has now been assigned new individual areas for each parcel, conforming with the areas submitted by Robert P Bruce.

Parcel 1	area-	1070.93 ac.
2		1538.74 ac.
3		23.52 ac.
4		2685.53 ac.
5		1111.97 ac.
6		5.51 ac.

TAX MAPS	
	✓
TAX OFFICE	
TRACING	
	✓
ROUTE SLIP	
	✓
SKETCH	
	✓
ADJOINING PARCELS	
F.B.	LEDGER
RETURN	PLATE

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF 2/13/47						
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC.	PLAT	PARCEL	AREA	OWNER	INT.
				new area	3	8	03	1	1070.93 ac	Hawn Comml & Sugar Co Ltd	
				" "				2	1538.74 ac	-same as above-	
				" "				3	23.52 ac	-same as above-	
				" "				4	2685.53 ac	-same as above-	
				" "				5	1111.97 ac	-same as above-	
				" "				6	5.51 ac	-same as above-	

LAND USE COMMISSION
STATE OF HAWAII
1991 OCT 28 P 2:03

SOURCE	LOCATION	ZONE	SEC	PLAT	PARCEL
BY LLG DATE 6/28/45		3	8	03	1 to 6

406

6,444.55 ac.
less 8.354 ac. to 10
6,436.196 ac.

TAX MAPS
New Print
TAX OFFICE
New Print
TRACING
H.N. ✓
ROUTE SLIP
✓
SKETCH
✓
ADJOINING PARCELS
✓
Plan
F.B. / LEDGER
RETURN / PLATE

3 8 01 19 etc.
Inst. 93543
5/28/45 5/28/45
Doc. 419

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF 6/28/45						
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC	PLAT	PARCEL	AREA	OWNER	INT.
				area, etc.	3	8	03	1 to 6	6,436.196 ac.	Hawaiian Commercial & Sugar Co., Ltd.	

SOURCE A+B	LOCATION	SECOND DIVISION			
BY	DATE 12/19/39	ZONE	SEC	PLAT	PARCEL
Rec from M Clarke 9587 ✓ 12/21/39 DKC	1939	3	8	03	

Total area parcels 1 to 6

6444.55

add parcel 6

Include Parcel 6 - 5.51 Ac

6489.04

6444.55

TAX MAPS	
DKC	✓ 1 KH
TAX OFFICE	
	✓
TRACING	
JB	✓ JB
ROUTE SLIP	
	✓
SKETCH	
	✓
ADJOINING PARCELS	
	✓
DKC	
F.B.	LEDGER
RETURN	PLATE

1/13/40 R

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF						
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC	PLAT	PARCEL	AREA	OWNER	INT.
				Area	3	8	03	1 to			
								6	6444.55 Ac	HC & S Co.	

SOURCE Record | LOCATION Puunene, Maui.

BY Bayless DATE Sept.22,1939

SECOND DIVISION			
ZONE	SEC.	PLAT	PARCEL
3	4	03	1

5208

Inst. 16415
Bk. 1516 PP. 275
Con.$1.00
Date: Aug.1,1939
Rec. Aug.7,1939

- D E E D - 1939

Roman Catholic Church to Hawaiian Commercial & Sugar Co.Ltd.

Portion of Grant 3343, area 0.38 acres., des:-
Bg. at a pin which is N. 2076.8 ft. and E. 1471.0 ft. from the pin used in the Catholic Cemetery Triangulation (this latter pin bearing to "Haiku" 241 48 46846.1 ft.)and running

210 23 100.16 ft. along road;
320 06 197.41 ft. along road by railroad;
51 27 92.82 ft. along cane-field F;
139 34 161.34 ft. along same to bg.

TAX MAPS	
	✓
TAX OFFICE	
	✓
TRACING	
	✓
ROUTE SLIP	
	✓
SKETCH	
	✓
ADJOINING PARCELS	
	✓
	✓
F.B.	LEDGER
RETURN	PLATE

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF 9/26/39						INT.
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC.	PLAT	PARCEL	AREA	OWNER	
				Area	3	4	03	1	0.219	H.C.&S. Co.	

SOURCE	LOCATION	SECOND DIVISION
BY J H DATE 1/23/39		ZONE / SEC / PLAT / PARCEL

4374-1

32246.047 ac
- 50.00 3-8-03-16
32[illegible].047
- 1.248 3-8-02-36
32[illegible]
+ [illegible] 3-8-02-[illegible]
32[illegible]

TAX MAPS	
	✓
TAX OFFICE	
	✓
TRACING	
	✓
ROUTE SLIP	
	✓
SKETCH	
	✓
ADJOINING PARCELS	
	✓
F.B.	LEDGER
RETURN	PLATE

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF						
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC	PLAT	PARCEL	AREA	OWNER	INT.
				area	3	8	03	1	32195.809 ac	[illegible]	

SOURCE	LOCATION	SECOND DIVISION			
BY	DATE	ZONE	SEC.	PLAT	PARCEL
	Sheet [illegible]				

FOR FURTHER REFERENCE, SEE

Z 3 S [illegible] P [illegible] P [illegible]

[illegible] NO. [illegible]

DATED [illegible] REC. 5/[illegible]

LIBER. [illegible] PAGE [illegible]

FOR FURTHER REFERENCE, SEE

Z 3 S 8 P 04 P 15

Inst. NO. 16234

DATED 7/25/39 REC. 8/2/39

LIBER. 1516 PAGE 129

TAX MAPS	
[illegible]	✓
TAX OFFICE	
	✓
TRACING	
[illegible]	✓
ROUTE SLIP	
	✓
SKETCH	
	✓
ADJOINING PARCELS	
	✓
F.B.	LEDGER
RETURN	PLATE

[illegible]

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF						
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC.	PLAT	PARCEL	AREA	OWNER	INT.
	6/21/39			[illegible]	3	[illegible]	[illegible]	1	[illegible]	[illegible]	
	9/23/39			[illegible]	3	8	03	1	32190.854 [illegible]	[illegible]	

SOURCE	LOCATION	SECOND DIVISION			
BY	DATE	ZONE	SEC.	PLAT	PARCEL

Sheet No.

FOR FURTHER REFERENCE, SEE
Z 3 S 8 P [illegible] P [illegible]
[illegible] NO. [illegible]
DATED 12/[illegible] REC. [illegible]
LIBER. [illegible] PAGE [illegible]

FOR FURTHER REFERENCE, SEE
Z [illegible] S [illegible] P [illegible] P [illegible]
[illegible] NO. [illegible]
DATED [illegible] REC. [illegible]
LIBER. [illegible] PAGE [illegible]

TAX MAPS	
	√
TAX OFFICE	
	√
TRACING	
	√
ROUTE SLIP	
	√
SKETCH	
	√
ADJOINING PARCELS	
	√
F.B.	LEDGER
RETURN	PLATE

FOR FURTHER REFERENCE, SEE
Z 3 S 8 P [illegible] P [illegible]
Route slip NO. [illegible]
DATED [illegible] REC. [illegible]
LIBER. [illegible] PAGE [illegible]

FOR FURTHER REFERENCE, SEE
Z [illegible] S [illegible] P [illegible] P [illegible]
[illegible] NO. [illegible]
DATED [illegible] REC. [illegible]
LIBER. [illegible] PAGE [illegible]

FOR FURTHER REFERENCE, SEE
Z 3 S 8 P [illegible] P [illegible]
[illegible] NO. [illegible]
DATED 1/23/39 REC. [illegible]
LIBER. 1486 PAGE 167

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF						
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC.	PLAT	PARCEL	AREA	OWNER	INT.
	1/2/39			area	3	8	03	1	32194.79[illegible]	[illegible]	
	1/9/39			area				1	32195.[illegible]	[illegible]	
	3/20/39			area				1	32194.[illegible]	[illegible]	
	4/28/39			area				1	32193.209	[illegible]	
	5/15/39			area				1	32192.[illegible]	[illegible]	

SOURCE	LOCATION	SECOND DIVISION			
BY	DATE	ZONE	SEC.	PLAT	PARCEL

Sheet No. 1.

FOR FURTHER REFERENCE, SEE
Z 3 S 8 P 03 P 17
Route Slip NO. 18
DATED ..... REC. .....
LIBER. ..... PAGE .....

FOR FURTHER REFERENCE, SEE
Z 3 S 8 P ..... P .....
TMB NO. 15
DATED 9/10/14 REC. [illegible]
LIBER. 502 PAGE 241

FURTHER REFERENCE, SEE
Z 3 S 8 P ..... P .....
Route Slip NO. [illegible]
DATED ..... REC. .....
LIBER. ..... PAGE .....

FOR FURTHER REFERENCE, SEE
Z 3 S ..... P ..... P 16
..... NO. 16
DATED [illegible] REC. [illegible]
LIBER. [illegible] PAGE [illegible]

FOR FURTHER REFERENCE, SEE
Z 3 S 8 P ..... P .....
Route Slip NO. [illegible]
DATED ..... REC. .....
LIBER. ..... PAGE .....

TAX MAPS	
	√
TAX OFFICE	
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TRACING	
	√
ROUTE SLIP	
	√
SKETCH	
	√
ADJOINING PARCELS	
	√
F.B.	LEDGER
RETURN	PLATE

[illegible]

FORMER KEY				CHANGE	FINAL DATA AS SHOWN ON TAX MAPS AS OF						
ZONE	SEC.	PLAT	PARCEL		ZONE	SEC.	PLAT	PARCEL	AREA	OWNER	INT.
	9/	9/	38	area	3	8	03	1	32250.697	[illegible]	
	9/	9/	38	area				1	32249.417	[illegible]	
	10/	4/	38	area				1	[illegible]	[illegible]	
	11/	15/	38	area				1	32246.047	[illegible] H.C. [illegible]	
	12/	1/	38	area				1	32186.04[illegible]	[illegible]	

LINDA LINGLE
Mayor

DAVID W. BLANE
Director

LISA M. NUYEN
Deputy Director

COUNTY OF MAUI
DEPARTMENT OF PLANNING

CLAYTON I. YOSHIDA
Planning Division

AARON H. SHINMOTO
Zoning Administration and
Enforcement Division

February 27, 1998

I.D. NO. CPA 970004, CIZ 970013
TMK: 3-8-003:023 and 024
RE: Maui Waena Generating Station

TO: *B. Martin Luna, Esq.*
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793

Mr. William Bonnet
Maui Electric Company, Ltd.
P.O. Box 398
Kahului, Hawaii 96733-6898

Mr. Mark Willey
CHM2 Hill
1585 Kapiolani Blvd.
Suite 1420
Honolulu, Hawaii 96814

Mr. Rick Egged
Department of Business, Economic Development and Tourism
P.O. Box 2359
Honolulu, Hawaii 96804-2359

LAND USE COMMISSION
STATE OF HAWAII
'98 FEB 12 A 9:47

Mr. Abe Mitsuda
Office of Planning
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Mr. Mark Sheehan
Maui Tomorrow
P.O. Box 429
Makawao, Hawaii 96768

✓*Ms. Esther Ueda*
Land Use Commission
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Mr. G. Stephen Holaday
Hawaiian Commercial & Sugar Co.
P.O. Box 266
Puunene, Hawaii 96784

TRANSMITTED TO YOU FOR YOUR INFORMATION IS THE FOLLOWING:

Copy of the Planning Department's Report and Recommendation Memorandum prepared for the March 10, 1998 Maui Planning Commission Meeting.

REMARKS:
Should you have any questions, please contact me.

SIGNED Colleen Suyama
COLLEEN SUYAMA, STAFF PLANNER

enclosures
cc: Project File
General File (S:\\CMS\97cpa4h)

BEFORE THE MAUI PLANNING COMMISSION

COUNTY OF MAUI

STATE OF HAWAII

In the Matter of the Applications of **MAUI ELECTRIC COMPANY, LTD.** To Amend the Wailuku-Kahului Community Plan from Agriculture to Heavy Industrial Use and to Change the Zoning from the Interim District to M-2 Heavy Industrial District in order to develop the new Waena Generating Station on Approximately 65.7 acres of Land Situated at Tax Map Key: 3-8-003:23 and 24, Pulehu, Island of Maui, Hawaii	**Docket No.CPA 970004** **CIZ 970013** **Maui Electric Company, Ltd.** **(CMS)**

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB -2 A 9:47

MAUI PLANNING DEPARTMENT'S RECOMMENDATION TO THE MAUI PLANNING COMMISSION MARCH 10, 1998 MEETING

DEPARTMENT OF PLANNING
COUNTY OF MAUI
250 S. HIGH STREET
WAILUKU, MAUI, HI. 96793

(Community Plan Amendment And Change In Zoning)
(S:\cms\97cpa4G)

BEFORE THE MAUI PLANNING COMMISSION

COUNTY OF MAUI

STATE OF HAWAII

In the Matter of the Applications of	)	**Docket No.CPA 970004**
	)	**CIZ 970013**
MAUI ELECTRIC COMPANY, LTD.	)	**Maui Electric Company, Ltd.**
	)	**(CMS)**
To Amend the Wailuku-Kahului Community Plan from Agriculture to Heavy Industrial Use and to Change the Zoning from the Interim District to M-2 Heavy Industrial District in order to develop the new Waena Generating Station on Approximately 65.7 acres of Land Situated at Tax Map Key: 3-8-003:23 and 24, Pulehu, Island of Maui, Hawaii	)	

CONCLUSIONS OF LAW

The applications comply with the applicable standards for a Community Plan Amendment and Change in Zoning. Further, the application met the following criteria for a zoning change:

1. The proposed request meets the intent of the general plan and the objectives and policies of the community plans of the county, provided the Community Plan Amendment from Agriculture to Heavy Industrial Use is adopted by the County Council and Mayor;

2. The proposed request is consistent with the applicable community plan land use map of the county, provided the Community Plan Amendment from Agriculture to Heavy Industrial Use is adopted by the County Council and Mayor;

3. The proposed request meets the intent and purpose of the district being requested;

4. The application, if granted, would not adversely affect or interfere

with public or private schools, parks, playgrounds, water systems, sewage and solid waste disposal, drainage, roadway and transportation systems, or other public requirements, conveniences and improvements;

5. The application, if granted, would not adversely impact the social, cultural, economic, environmental, and ecological character and quality of the surrounding area; and

RECOMMENDATION

The Maui Planning Department recommends that the Maui Planning Commission recommend to the County Council approval of the Community Plan Amendment from Agriculture to Heavy Industrial Use and a Change in Zoning from Interim District to M-2 Heavy Industrial District. Further, pursuant to Title 19, Chapter 19.510, Section 19.510.050 Conditional zoning of the Maui County Code, the following conditions are recommended:

1. That the use of the property shall be limited to power generation, transmission, distribution and ancillary facilities, and alternative energy facilities.

2. That a 15-foot wide strip along the north boundary of Lot A-1 (Tax Map Key 3-8-003:023) shall be retained as a landscape buffer area to visually screen the power generating station and that no structures shall be constructed within this area except for the proposed leach fields, access driveways, transmission corridors and signage. The final landscape planting and irrigation plans shall be submitted to the Planning Department for review and approval.

3. That the final color scheme of the power generating station shall be similar to the existing Maalaea facility color scheme and shall be reviewed and approved by the Planning Department in order to reduce the visual impact of the facility.

4. That as the first component of each of the ensuing three dual train phases of the power generating station are submitted for building permit approval, Maui Electric Company, Limited shall update its Traffic Impact Analysis of project-related impacts. Maui Electric Company, Limited shall participate in the funding and construction of project-related traffic mitigation measures that are deemed necessary by the Department of Public Works and Waste Management and the State Department of

Transportation.

5. That as the first component of each of the ensuing three dual train phases of the power generating station are developed, Maui Electric Company, Limited, shall consult with the State Department of Health (DOH), and if necessary, Maui Electric Company, Limited shall participate in a groundwater quality monitoring program, in consultation with the County Department of Water and approved by DOH, to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station.

6. That Maui Electric Company, Limited (MECO) shall annually update the Maui Planning Department, Maui Planning Commission, Maui County Council and Mayor of its status in developing the power generating needs of the Island of Maui, including but not limited to the Waena Generating Station, Maalaea Power Plant and Kahului Power Plant. Further, MECO shall provide an update of the feasibility of alternative energy sources besides the use of fossil fuels and its ongoing conservation measures by submitting copies of the Integrated Resource Plan, following its acceptance by the Public Utilities Commission.

In consideration of the foregoing, the Planning Department further recommends that the Maui Planning Commission authorize the Planning Director to transmit the Commission's recommendation and record to the Maui County Council for appropriate action.

APPROVED:

DAVID W. BLANE
Director of Planning

BEFORE THE MAUI PLANNING COMMISSION

COUNTY OF MAUI

STATE OF HAWAII

In the Matter of the Applications of)	**Docket No. CPA 970004**
)	**CIZ 970013**
MAUI ELECTRIC COMPANY, LTD.)	**Maui Electric Company, Ltd.**
)	**(CMS)**
To Amend the Wailuku-Kahului)	
Community Plan from Agriculture to)	
Heavy Industrial Use and to Change)	
the Zoning from the Interim District to)	
M-2 Heavy Industrial District in order)	
to develop the new Waena Generating)	
Station on Approximately 65.7 acres)	
Of Land Situated at Tax Map Key:)	
3-8-003:23 and 24, Pulehu, Island of)	
Maui, Hawaii)	

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB -2 A 9:47

MAUI PLANNING DEPARTMENT'S REPORT
TO THE MAUI PLANNING COMMISSION
MARCH 10, 1998 MEETING

DEPARTMENT OF PLANNING
COUNTY OF MAUI
250 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793

(Community Plan Amendment and Change in Zoning)
(S:\CMS\97cpa4e)

BEFORE THE MAUI PLANNING COMMISSION

COUNTY OF MAUI

STATE OF HAWAII

In the Matter of the Applications of)	**Docket No. CPA 970004**
)	**CIZ 970013**
MAUI ELECTRIC COMPANY, LTD.)	**Maui Electric Company, Ltd.**
)	**(CMS)**
To Amend the Wailuku-Kahului)	
Community Plan from Agriculture to)	
Heavy Industrial Use and to Change)	
the Zoning from the Interim District to)	
M-2 Heavy Industrial District in order)	
to develop the new Waena Generating)	
Station on Approximately 65.7 acres)	
Of Land Situated at Tax Map Key:)	
3-8-003:23 and 24, Pulehu, Island of)	
Maui, Hawaii)	

THE APPLICATION

This matter arises from applications for a Community Plan Amendment and Change in Zoning filed on November 20, 1997 and certified as complete and ready for processing by the Department of Public Works and Waste Management on November 24, 1997. The applications were filed pursuant to Title 19, Chapters 2.80A and 19.510 of the Maui County Code by Maui Electric Company, Ltd., ("Applicant"); on 65.7 acres of land in the State Agricultural District, situate at Puunene, Island of Maui and County of Maui, identified as Maui Tax Map Key No. 3-8-003: 023 and 024 ("Property")

PURPOSE OF THE APPLICATION

The Applicant is requesting a Community Plan Amendment from Agriculture to Heavy Industrial use and a Change in Zoning from Interim District to M-2 Heavy Industrial District in order to construct and operate the new Waena Generating Station for Maui Electric Company, Ltd.

APPLICABLE REGULATIONS:

COMMUNITY PLAN AMENDMENTS

A community plan amendment is reviewed pursuant to Title 2, Administration and Personnel, Chapter 2.80A General Plan and Community Plans; Section 2.80A.060 Revisions and amendments of community plans, Maui County Code, 1980, as amended.

CHANGE IN ZONING

Pursuant to Title 19, Chapter 19.510, Section 19.510.040 Change in Zoning of the Maui County Code, the appropriate planning commission shall hold a public hearing on all applications for zoning changes and make a recommendation to the County Council. The County Council may grant a change in zoning if all the following criteria are met:

1. The proposed request meets the intent of the general plan and the objectives and policies of the community plans of the county;

2. The proposed request is consistent with the applicable community plan land use map of the county;

3. The proposed request meets the intent and purpose of the district being requested;

4. The application, if granted, would not adversely affect or interfere with public or private schools, parks, playgrounds, water systems, sewage and solid waste disposal, drainage, roadway and transportation systems, or other public requirements, conveniences and improvements;

5. The application, if granted, would not adversely impact the social, cultural, economic, environmental, and ecological character and quality of the surrounding area; and

6. If the application change in zoning involves the establishment of an agricultural district with a minimum lot size of two acres, an agricultural feasibility study shall be required and reviewed by the Department of Agriculture and the United States Soil and Conservation Service.

Pursuant to Title 19, Chapter 19.510, Section 19.510.050 Conditional

zoning of the Maui County Code, the County Council may impose conditions upon the applicant's use of the property. The conditions shall be imposed if the Council finds them necessary to prevent circumstances which may be adverse to the public health, safety and welfare. The conditions shall be reasonably conceived to mitigate the impacts emanating from the proposed land and shall meet the following criteria:

1. That the public shall be protected from the potentially deleterious effects of the proposed use; and

2. That the need for public services created by the proposed use shall be fulfilled.

PROCEDURAL MATTERS

1. On November 19, 1997, the applicant mailed a "Notice of Application" to all owners and recorded lessees within 500 ft. of the subject property notifying them of the applicant's intent to file the application with the County of Maui. A copy of the "Notice of Application" is on file in the Maui Planning Department.

2. On January 23, 1998, 46 days prior to the hearing, the Maui Planning Department mailed a notice to the applicant and appropriate state and county agencies notifying them of the scheduled public hearing.

3. On February 6, 1998, the Planning Department published a Notice of Public Hearing in the Maui News.

4. On January 29, 1998, the applicant mailed a letter of notification and location map to all owners and recorded lessees within 500 ft. of the subject property describing the applications and notifying them of the scheduled hearing date, time and place by either certified or registered mail receipt (Return receipt requested for land use amendments). Copies of the letter, location map, list of owners and recorded lessees, certified and registered mail receipts and return receipts (if required) are on file in the Planning Department.

5. On February 18, and 25 and March 4, 1998, the applicant published a Notice and location map in the Maui News once a week for three consecutive weeks prior to the date of the hearing.

DESCRIPTION OF THE PROPERTY

1. The Property which is approximately 65.7 acres is bounded by Pulehu Road and Waiko Road in the general vicinity of the Central Maui Landfill Site at

Puunene, Maui, Hawaii. (See attached Map, **Exhibit 1**)

2. Land Use Designations --
   a. State Land Use District -- Agriculture
   b. Wailuku-Kahului Community Plan -- Agriculture
   c. County Zoning -- Interim

3. Surrounding Uses -- The property is surrounded by lands in sugar cane cultivation. The nearest urban use is the Central Maui Landfill site located north of the property and the Ameron Quarry operation adjacent to the landfill. The nearest urban center is Puunene Town located approximately 3 miles west of the site.

4. A portion of the property is currently vacant (along Pulehu Road) while the remainder of the property is in cane cultivation. The soil conditions at the site consist of the Waiakoa series, a generally stony soil grading to hard bedrock within a depth of approximately 5 feet.

Existing Services

1. **Water** -- There is no County water system in the area.

2. **Sewers** -- The subject property is unsewered.

3. **Drainage** --The subject property is located in Zone C as indicated on the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map, which defines the area as experiencing minimal flooding. It is not located in any tsunami prone area.

4. **Roadways, Curbs, Gutters and Sidewalks** -- Existing access to the project site is through Pulehu Road onto Waiko Road. Pulehu Road is a two-lane County right of way with varying widths. Waiko Road is a private agricultural roadway used by HC&S sugar plantation. There are no curbs, gutters or sidewalks in the area.

5. **Electrical and Telephone** -- Overhead electrical and telephone service is available on Pulehu Road.

6. **Solid Waste** -- The nearest landfill site is the Central Maui Sanitary Landfill in Puunene located off Pulehu Road approximately 1/4 mile below the project site.

7. **Public Services** - The nearest fire protection is from the Kahului Fire Station located in Kahului Town.

The Maui Police Department is located at the Wailuku Police Station on Mahalani Road.

The nearest hospital is located at Maui Memorial Hospital located in Wailuku providing acute, general and emergency care services from its 185 beds facility.

DESCRIPTION OF THE PROJECT

The applicant proposes to develop the 65.7 acre site as a new power generating plant for Maui Electric Company, Ltd. The power plant site will contain four dual-trained combined-cycle (DTCC) generating units, site improvements and appurtenant facilities. The applicant will construct the site improvements during the first phase of the construction. As the need for additional generating capacity occurs, the subsequent DTCC units will be placed upon the already improved site. **(Exhibit 2)**

The four DTCC units will be arranged with the stacks generally running perpendicular to the prevailing trade winds. The stacks will be 150 feet tall. Each DTCC unit will consist of two combustion turbine generators, two heat-recovery steam generators, and one steam turbine generator. A steam turbine building will be provided for the first two DTCC units with another building provided for the last two DTCC units. The air cooled condensers for the steam turbines will be located adjacent to the steam turbine buildings. The maintenance building and control room will be located between the two steam turbine buildings. The initial phase of the generating station will require two transmission corridors that connect the new switchyard and generating units with the adjacent MECO electrical transmission grid. As the station is further developed, two new 69kV transmission lines will be constructed to connect with the Puunene and Paia Sugar Mill substations. Distribution lines may also be added to these corridors in the future as demand requires.

The combustion turbines will be fueled by No. 2 diesel fuel transported to the site by tanker trucks from Kahului Harbor. It is estimated that upon full build out approximately 44 fuel tanker truck trips per day may be required. Fuel trucks will unload at a site location designed to contain any spilled fuel. This fuel will be stored in nine cylindrical steel tanks. Two of the fuel tanks, initially installed with the first DTCC unit will be 50 feet in diameter and approximately 36 feet high and will hold approximately 529,000 gallons of fuel each. The other seven tanks will be 80 feet in diameter and approximately 36 feet high and will hold approximately 1.35 million gallons of fuel each.

Project Cost and Schedule (1997 dollars)			
Project Component	**Acreage**	**Cost**	**Operation Date**
DTCC 1	65.7	$105,370,000	2006
DTCC 2	0	$96,857,000	2010
Transmission Lines	n/a	$10,419,000	2006-2020
Transmission and Distribution Facility	0	$5,900,000	2016
DTCC 3	0	$100,318,000	2016
DTCC 4	0	$96,848,000	2020
Total Project Cost		$415,712,000	

REVIEWING AGENCIES:

County Agencies:

1. Police Department -- See comments dated December 16, 1997 **(Exhibit 3)**

2. Department of Fire Control -- Previous Comments on State District Boundary Amendment dated November 13, 1997 expressing no objections. **(Exhibit 4)**

3. Department of Public Works and Waste Management -- Comments by Memorandum dated January 20, 1998 **(Exhibit 5)**

4. Department of Water Supply --Comments by Letter dated February 5, 1998 **(Exhibit 6)**

State Agencies:

5. Department of Transportation -- Comments by Letter dated December 9, 1997 **(Exhibit 7)**

6. Department of Health -- No comments by Letter dated December 19, 1997 **(Exhibit 8)**

7. Department of Land and Natural Resources -- Comments by Letter dated December 19, 1997 (**Exhibit 9**)

8. Department of Land and Natural Resources, State Historic Preservation Division - Previous Comments on State District Boundary Amendment by Letter dated December 12, 1997 applicable. (**Exhibit 10**)

9. Department of Agriculture -- Comments by Memorandum dated 1/23/98 stating previous comments of November 28, 1997 is applicable (**Exhibit 11**)

10. Department of Defense -- Previous Comments on EIS by Letter Dated December 3, 1997 (**Exhibit 12**)

Federal Agencies:

11. U.S. Department of Agriculture, Natural Resources Conservation Service -- No comments by Letter dated December 8, 1997 (**Exhibit 13**)

12. U.S. Department of Army -- Previous Comments on State District Boundary Amendment by Letter dated November 10, 1997 (**Exhibit 14**)

13. U. S. Department of the Interior, Fish and Wildlife Service -- Previous Comments on State District Boundary Amendment by Letter dated November 26, 1997 (**Exhibit 15**)

Others:

14. University of Hawaii Environmental Center -- No comments received.

ANALYSIS

NEED FOR A NEW POWER GENERATING PLANT SITE

According to the applications, the peak power demand by MECO's customers increased an average of 5 percent per year between 1983 and 1996, rising from 95.4 MW to 174.8 MW. MECO considers this growth rate to be above average and anticipates a slower growth rate in the future of approximately 2.6 percent per year. Approximately 299.3 MW will be needed without demand-side management (DSM) measures or 266.5 MW with DSM programs implemented by the year 2016. In order to meet this need, MECO has determined that there will be a shortfall in their system reserve margin by the year 2004. In order to meet the forecasted demand for electricity, additional generation will be required through the year 2016.

The Waena Generating Station is planned to meet this demand.

SITE SELECTION

The applicant conducted the "MECO Central Maui Siting Study" in June of 1994 to address the need for a new generating plant site. Central Maui was specified as the most appropriate location for a new generating plant. The siting study was conducted to determine potential sites within the Central Maui area. Factors considered in the evaluation of the sites included air quality, land ownership, existing land use, land use controls and adjacent uses, topography, soils, groundwater availability, wastewater disposal, flooding and drainage characteristics, noise, flora and fauna, aesthetics, subsurface conditions, transmission system requirements, fuel delivery distance, and road improvement costs.

The study analyzed six sites for consideration. Of these six sites, the three top rated sites (Sites A-1, A-2 and D-1) were located near Pulehu Road in the vicinity of the Central Maui Landfill (Exhibit B). Site A-1 was the most favorable site for development with Sites A-2 and D-1 scoring 94.7% and 93.0% of A-1's score, respectively. The applicant determined that Sites A-1, A-2 and D-1 would be the focus of meteorological data collection to be used in detailed analysis of air quality modeling. In addition, Site C-1 was included in the meteorological data collection due to the property owner's, A&B Hawaii, interest in including the site and because the site was uncultivated.

The final site selected for the new power generation plant was Site A-2, the second ranked site, which is the subject of this applications. The selection of this site was based upon the following factors:

- The site had the least impact on air quality of those considered.
- The site had the least impact on biological resources of those considered.
- The site had the least impact on area traffic and transportation of those considered.
- The site had the least infrastructural costs of those considered.
- The site had the best location of those considered in relationship to the existing MECO generation and transmission systems.

LAND USE

State District Boundary:

The subject property is located within the State Agriculture District. The applicant has filed with the Land Use Commission a District Boundary Amendment to the Urban District which was heard by the Land Use Commission on February 26 and 27. Both the Maui Planning Department and State Department of Business, Economic Development and Tourism, Office of Planning were in support of the State District Boundary Amendment. If approved by the Land Use Commission, the use will be consistent with the State District Boundary and Chapter 205, Hawaii Revised Statutes.

State Plan:

The applications have been reviewed relative to the objectives and policies of the State Plan, in particular, Facility Systems and Energy/Telecommunications. The proposal meets these objectives and policies in that the Waena Generating Station is designed to meet the increasing demand for electricity on the Island of Maui and to improve system reliability in order to ensure that public utilities are developed concurrently with growth demands. Further, the incremental development of the facility over twenty years allow for reevaluation of growth demands, alternative technologies and trends which allows flexibility in future designs and development.

In addition, the applications have been reviewed in the context of the State Energy Functional Plan. The objectives of the State Energy Functional Plan (1991) are to achieve dependable, efficient, and economical statewide energy systems capable of supporting the needs of the people and to increase energy efficiency. The new generating station will accomplish these objectives. The applicant is also a participant in the Integrated Resource Plan (IRP) process to develop, implement, monitor, and evaluate a utility resource plan that identifies an optimum mix of energy resources for meeting forecasted levels of consumer energy needs. Demand Side Management (DSM) programs were designed to influence customer consumption of electricity in a manner that will produce changes in the utility's demand. Potential programs include conservation, energy efficiency, load management, and fuel substitution.

The applicant as a participant in the IRP process has developed a long-range energy plan for the Island of Maui which considers not only the traditional supply-side resources but also the customer (demand-side) resources that are available. As a result MECO formed the following four DSM resources programs:

- Commercial and Industrial Energy Efficiency Program
- Commercial and Industrial Customized Rebate Program

- Commercial and Industrial New Construction Program
- Residential Efficient Water Heating Program

In addition to the above programs, MECO includes the following two service programs:

- Educational Program
- Low Income Program (additional incentives and specialized marketing within the residential water heating program)

Altogether, these programs are projected to provide peak-demand saving of 1.5 MW in their first year of implementation and 14.6 MW of energy savings by the year 2004. It is anticipated that these programs will need to be adjusted as the implementation process moves forward. MECO expects to update its DSM program plans annually to optimize program implementation and energy savings. The new generating plant and Demand Side Management Programs together will meet the energy needs of the Island of Maui.

General Plan:

1. The Maui County General Plan (1990) sets forth broad objectives and policies to help guide the long-range development of the County. As stated in the Maui County Charter:

> *"The purpose of the General Plan is to recognize and state major problems and opportunities concerning the needs and the development of the County and the social, economic and environmental effects of such development and set forth the desired sequence, patterns and characteristics of future development."*

The General Plan identifies five major themes, as follows:

1. *Protect Maui County's agricultural land and rural identity*
2. *Prepare a directed and managed growth plan*
3. *Protect Maui county's shoreline and limit visitor industry growth*
4. *Maintain a viable economy that offers diverse employment opportunities for residents*
5. *Provide for needed residential housing*

In addition, the following General Plan objectives and policies pertain specifically to the proposed Waena Generating Station:

D. ***ENERGY***

Objective: *To make Maui county more self sufficient in its need for non-renewable energy and more efficient in its uses of energy.*

Policies:

a. *Encourage programs to test the feasibility of alternative sources of energy production.*

b. *Maintain an ongoing assessment of the County's energy resources, as well as an assessment of alternative sources in the context of a comprehensive integrated resource plan.*

c. *Publicize the need to conserve energy.*

d. *Create incentive programs to encourage the use of solar heaters and other energy saving building design concepts and devices.*

E. ***PUBLIC UTILITIES AND FACILITIES***

Objective: *To anticipate and provide public utilities which will meet community needs in a timely manner.*

Policies:

a. *Maintain all power and utility systems so as to meet public health and safety standards.*

b. *Encourage new and expanded power generation facilities to be community planned based on sound land use and environmental planning principles.*

c. *Assure availability of power systems and sources that meet public health and safety standards.*

d. *Locate energy producing plants in areas where they will not create health hazards.*

The removal of 65.7 acres of prime agricultural lands from over 36,000 acres of land from HC&S Sugar Plantation will have minimal impact on the viability of the plantation and its impact on agricultural resources will be minimal. The site was selected through a site selection process which included both cultivated and uncultivated lands. However, after all factors were considered the subject property was deemed to be the best site for a new power generating plant. The applicant has projected the power needs of the Island of Maui and the development of the new generating plant will ensure that the energy needs of the Island are met in keeping with the Energy and Public Utilities objectives and policies

of the General Plan. The new generating plant will support economic growth on the Island of Maui.

Further, relative to the Energy objectives and policies it should be noted that the applicant is a participant in the statewide Integrated Resource Plan (IRP) process. During the IRP process the applicant considered alternatives to fossil fuels such as biomass, wind and solar power. However, these alternatives are currently not economically feasible to provide baseload energy to the Island of Maui.

The applicant is continually investigating other technologies for the production of energy and promoting energy conservation, education, and use of other resources such as solar energy. Through its Demand Side Management (DSM) Programs, the applicant is a participant in incentive programs to encourage customers to reduce their energy consumption through solar heaters, energy efficient lights, etc.

2. According to the Wailuku-Kahului Community Plan Map the property is identified for Agricultural use. However, if the applicant's Community Plan Amendment is adopted then the proposed power plant would be consistent with the Wailuku-Kahului Community Plan.

In addition, to the land use map the existing Wailuku-Kahului Community Plan identifies several objectives and policies. Those that are applicable to the applications include the following:

Environment

a. *Preserve agricultural lands as a major element of the open space setting which borders the various communities within the planning region.*

Energy

b. *Promote the use of alternative energy sources, such as biomass, wind and solar.*

As stated previously the removal of the 65.7 acres of lands from the 36,000 acres currently under HC&S plantation will have minimal impacts on agricultural resources. Further, the expanse of open space created by these large areas of cultivated agricultural lands on the slopes of Haleakala will be minimally impacted by the project due to its isolated location from other urban areas. Although a county roadway is located adjacent to the project site, extensive landscaping and building setbacks are proposed between the roadway and plant facilities which

visually will screen the facility from the roadway.

The applicant has considered alternative energy sources during its IRP process, however, at this time these energy sources are not economically feasible to provide baseload energy to the Island of Maui. The flexibility of the plant design and phasing of development of the site does enable the applicant to consider alternative energy sources as new technology is developed making such alternatives more cost effective.

3. It should be noted that the County of Maui has embarked on its ten-year review of the Community Plans. The Update of the Wailuku-Kahului Community Plan which is still under review include the following objectives and policies applicable to the application:

Environment

1. *Preserve agricultural lands as a major element of the open space setting which borders the various communities within the planning region.*

7. *Minimize noise, water, and air pollution from industrial uses, electric power generating facilities, and wastewater treatment plants.*

Housing

6. *Coordinate the planning, design, and construction of public infrastructure improvements with major residential projects that have an affordable housing component.*

7. *Plan, design, and construct off-site public infrastructure improvements in anticipation of residential, commercial, and industrial developments defined in the Community Plan.*

Government

5. *Insure that adequate infrastructure is or will be available to accommodate planned development.*

Infrastructure

Goal

Timely and environmentally sound planning, development, and maintenance of infrastructure systems which serve to protect and preserve the safety and health of the region's residents, commuter, and visitors...

Energy

1. *Promote the use of alternative energy sources, such as biomass, wind and solar.*

The Waena Generating Station meets these goals and objectives by providing for the future energy needs of Maui which helps to stimulate economic growth. Without a reliable energy source, existing services and future development will be adversely impacted. As part of long-range planning for the energy needs of Maui Island and to accommodate existing and future growth, it is projected that a new generating source is will be needed by the year 2004. Although a build-out scenario is identified in the applications using conventional fossil fuels, it does not preclude the use of alternative energy sources as they are developed and become more cost effective and efficient. The phased development of the site will allow for its consideration in future phases.

It should be noted that during the 10-year review, the land use map was not amended to identify the subject property for heavy industrial use. A specific location could not be identified on the land use map since the petitioner was still in the process of selecting the final site for the new power generating station in the Central Maui area. However, throughout the process the petitioner has given status reports to the Maui Planning Commission, Maui County Council, and Mayor on the site selection process. After the meteorological tests were completed the subject property was selected as the final location for the power generating station.

Zoning:

The property is currently in the County's Interim District which allows "public utility uses" which would include the construction of a power plant. However, the applicant has filed for a Change in Zoning to the M-2 Heavy Industrial District to be consistent with the proposed Community plan Amendment. The M-2 Heavy Industrial District would allow for the construction of a power generating plant. Further, the property meets the minimum lot standards for the M-2 Heavy Industrial District.

M-2 Heavy Industrial District		
Zoning Standard	Development	
	TMK 3-8-003:23	TMK 3-8-003:024
Minimum Lot Area: 10,000 sq.ft.	15.127 acres	50.573 acres
Minimum Lot Width: seventy-five feet	420 ft.	1470 ft.

The subject property is surrounded by agricultural zoned lands. If the zoning is granted for this property, it will be the only urban industrial lands designated in the area. Due to technical requirements for the siting of the power plant and the potential noxious effects that the use may have on other urban uses, the noncontiguous location of the site from other urban areas is desirable. However, the property should be conditioned to limit the use of the property to a power generating station in recognition of its unique situation.

AGRICULTURE

1. The site is listed as "Prime Agricultural Land" according to the Agricultural lands of Importance to the State of Hawai`I (ALISH) map. The University of Hawaii Land Study Bureau's Detailed Classification designates the land as "A". this classification system rates lands on a scale of "A" to "E", reflecting land productivity characteristics. Lands designated "A" are considered to be of highest productivity, with "E" rated lands ranked lowest.

2. The 65.7 acre reduction of sugar cane lands from the total agricultural lands under cultivation by HC&S plantation is minimal and will not have any impact on their crop production. However, Waiko Road which will provide alternate access to the power plant is an agricultural roadway utilized by the plantation operations and there may be conflicts between the users of the power plant and the agricultural operations especially between the large cane trucks and the vehicles of employees of the power plant. However, direct access from Pulehu Road is proposed for the main and fire entrances in order to minimize conflicts between the agricultural activities and the power plant operations.

In addition, the applications indicate that HC&S plantation will be developing an additional 1,400 acres for sugarcane cultivation on two sites near Kuihelani Highway on vacant Wailuku Agribusiness lands which will replace the acreage removed due to the power plant construction. As such no net loss of cultivated cane lands will result.

3. The Department of Agriculture reviewed the application and does not

object to the applicant's's request. However, the Department of Agriculture has expressed concerns regarding surface runoff into the irrigation ditches of HC&S and impact on groundwater quality due to power plant wastewater injection. Groundwater downslope of the generating plant site is used by HC&S for irrigation and cooling water for their power plant at Puunene, and as such every reasonable effort should be taken to monitor and , if necessary, mitigate any unanticipated adverse impact to this water source attributable to power plant wastewater injection.

ARCHAEOLOGICAL, HISTORIC AND CULTURAL RESOURCES

1. According to the archaeological inventory survey report for the project area (Burgett and Spear 1997), no significant sites are located on the subject property or transmission line routes. Historic to modern sugarcane cultivation and the construction of appurtenant agricultural improvements including a roadway and underground aqueduct has extensively altered the previous landscape.

2. The Department of Land and Natural Resources, State Historic Preservation Division (DLNR-SHPD) reviewed the application and concur with the inventory survey and have determined that the proposed construction would have "no effect" on significant historic sites.

INFRASTRUCTURE AND PUBLIC FACILITIES AND SERVICES

1. **Water** -- The Department of Water Supply has indicated that there is no fire protection system in the area. The applicant will be required to provide water for fire and domestic use according to the Board of Water Supply standards as certified by a professional engineer and sign a Private Water System Agreement.

The water needs for the site are generally for nonpotable water. Potable water for the Generating Station is small and there will be bottled water transported to the generating station. No extension of the County water delivery system is anticipated.

The nonpotable water supply will come from four brackish water wells that will be developed onsite. Approximately 800,000 to 880,000 gpd of brackish water will be used from the wells. The brackish water will be demineralized for use within the 232 MW project. Approximately one half of the water pumped from the wells will be demineralized and used within the turbines. The purification process will generate an average of 440,000-480,000 gallons of wastewater per day which will be reinjected into the groundwater system. The wastewater containing the mineral residue may be treated to change its pH factor to levels acceptable by EPA and Department of Health standards.

The State Department of Agriculture, Department of Land and Natural Resources, Commission on Water Resource Management; and the Board of Water Supply have expressed concerns regarding water quality of underground resources due to wastewater disposal by injection. The Department of Agriculture has requested monitoring of the groundwater resources and if necessary, mitigation of any unanticipated impacts due to the power generating plant. The Board of Water Supply has also indicated that given that some mixing with groundwater will naturally occur and that the gradient may be greater than assumed and the flow path may be more directed toward the coast than assumed, then a broader, longer and different flow path may occur. These considerations may need to be reflected in modeling results in future project planning.

2. **Sewers** -- Sanitary wastewater generated by the project is expected to average less than 1,000 gpd. The applicant's plans to construct a septic tank and leach field to treat effluent from sanitary facilities. No extension of the county's wastewater system is anticipated.

In addition, use of a high pressure washing procedure could result in an estimated 5,000 to 10,000 gallons of wastewater produced during a single wash. The wastewater will be stored in a storage tank on site, and treated prior to disposal. Metals present in the wastewater would be removed by precipitation. The precipitating solids would coagulate, forming a sludge. The metal sludge would then be removed from the water by clarification and filtration. The sludge would be dewatered for disposal.

The resulting wastewater would then be processed through an air stripper to remove ammonia. After final treatment, the wastewater would be stored in a treated wastewater storage tank prior to disposal in an injection well. Analysis of the treated wastewater would be performed to verify pH and metal concentrations are within permitted limits. If the treated wastewater is not within permitted limits, the water would be returned to the wastewater treatment system for additional treatment.

3. **Drainage** -- Drainage in the area is generally through a series of gulches. The area of the proposed project is drained by Kalialinui Gulch, located a quarter mile to the north, and by Pulehu Gulch, located a mile to the south of the project site. Both gulches are normally dry and the stream beds are heavily vegetated. The streams are designated as intermittent and flow only during storm runoff conditions.

The site of the proposed Waena Generating Station is located approximately 1,000 feet from Kalialinui Gulch and 5,000 ft. from Pulehu Gulch. The flow from the site is directed to the northwest, away from both gulches. The nearest HC&S

reservoir is located approximately 2,000 feet from the northeast boundary of the site. An irrigation ditch runs through the project site.

It is estimated that the impervious surfaces from the constructed facility will increase storm water runoff from approximately 45.5 cubic feet per second (cfs) to approximately 215.4 cfs. Of this runoff, the 50 acres of developed area will increase runoff from approximately 34 cfs to 204 cfs.

To avoid project specific runoff from reaching adjoining sugarcane lands, the proposed project will include storm water runoff and infiltration ponds to collect and contain storm water on site. A 15-foot landscape buffer around the facility will also aid storm water percolation. Runoff ponds will have special sumps with oil/water separators to remove any oil before disposal of the storm runoff into an infiltration pond. An alternative disposal method of water from the runoff ponds could be through a shallow injection well (dry well). HC&S has requested that storm water runoff be diverted away from their irrigation ditch.

The applicant has indicated that the proposed drainage improvements will be designed to produce no adverse impacts, due to storm water runoff, on adjacent properties. All drainage improvements will conform to County of Maui standards and will be reviewed and approved by the Department of Public Works and Waste Management prior to construction. Alternative disposal options will also be discussed with the Department of Health and HC& S.

The applicant has indicated that storm water impacts and erosion to the on-site irrigation ditch are possible during the construction phase. However, the use of best engineering practices to prevent runoff into the ditch can minimize these temporary impacts.

The United States Department of Agriculture, Natural Resources Conservation Service has indicated that drainage from Pulehu and Waiko Road may affect the proposed site and that the drainage report needs to determine runoff concerns.

4. **Roadways, Curbs, Gutters and Sidewalks** -- Access to the site is proposed from a main entrance located on Pulehu Road and alternate accesses on Waiko Road. A fire exit is also proposed to be located on Pulehu Road. According to the applicant, adequate turning areas and sight distances at the driveway entrances will allow for smooth transition in and out of the project site, including fuel truck traffic. Also adequate lighting at the entrance will be provided to accommodate night traffic during shift changes from the station.

According to the Traffic Study prepared by Austin, Tsutsumi & Associates,

Inc. it is estimated that the Generating Station will generate 210 morning peak hour trips, 32 mid-day peak hour trips, and 192 afternoon peak hour trips. The estimated peak hour trips are as follows:

PROPOSED WAENA GENERATING STATION TRIP GENERATION

			AM Peak Hour		*Mid-Day Peak Hour*		*PM Peak Hour*	
Trip Type	*Quantity*	*Daily Trips*	*Enter*	*Exit*	*Enter*	*Exit*	*Enter*	*Exit*
Generation Production Operations ①	20 Employees	40	0	0	0	0	0	0
Generation Non-Operations Production ②	26 Employees	52	26	0	2	2	0	26
Transmission & Distribution ③	110 Employees	220	104	0	10	10	0	104
Transmission & Distribution ③	85 Field Crews/Trucks	170	0	50	0	0	50	0
Service & Deliveries	40 visitors/supplies	80	9	9	0	0	0	0
Fuel Haul	11 Trucks	88	6	6	4	4	6	6
Total		650	145	65	16	16	56	136

Notes:

① These employees work in three shifts (6am-2pm, 2pm-10pm, 10pm-6am) and do not commute during the peak hours.

② The administrative and technical staff work one daytime shift (7am-3:30pm)

③ Potential employee relocation from the Kahului baseyard these employees normally work one shift (7am-3:30pm), except for six dispatchers who work in three shifts. Individual employee commute trips to/from the project site are shown separately from the field crews traveling in MECO vehicles between the project site and repair/maintenance locations, which vary daily.

When added to the estimated future traffic volumes, no significant adverse impacts in the level-of-service for the area roadways were affected and no intersection movements were anticipated to experience less than LOS E. It should be noted that the three intersections currently experience LOS D, E and F are located in Kahului Town at Dairy Road/Hana Highway, Hana Highway/Kamehameha Avenue/Hobron Avenue and Hana Highway/Pulehu Road. The primary traffic that may be affected by these intersections are the fuel trucks from Kahului Harbor. It does not appear that residential traffic from the urban areas will be as greatly affected since there are alternative routes to the site. According to the applicant's Traffic Analysis the traffic conditions experienced would be the same with or

without the traffic generated from the project site. Further, the Department of Transportation who has jurisdiction over these intersections has indicated that the state transportation facilities can adequately accommodate the subject project and that they did not anticipate any adverse impact to their system.

Based on the Traffic Analysis both the main access and fuel delivery access driveways from Pulehu Road are not anticipated to cause interference with regional traffic using Pulehu Road. The LOS of both access intersections is estimated to be LOS A. However, due to the change in topography between the project site and Pulehu Road, sight distance analyses will need to be conducted prior to project design to determine the best placement of these access driveways in relationship to the overall facility design.

The Maui Police Department voiced concerns regarding the adequacy of Pulehu Road in terms of roadway widths and shoulders, however, the Department of Public Works and Waste Management did not indicate any similar concerns. The Department of Public Works and Waste Management, however, has indicated that a future road widening lot along Pulehu Road should be included for future widening of the roadway. In addition, although Pulehu Road contains no shoulders, the roadway until the Central Maui Landfill access driveway has been paved and widened.

In particular, the concern raised by the Police Department is the increase in vehicular traffic in the area from both employees and fuel transport to the site. This project is a phased development with the first phase to be operational in the year 2004 and the last phase by approximately 2016. Traffic in the area will incrementally increase with each phase and can be reevaluated during subsequent traffic impact analysis which will determine the necessary roadway improvements during each phase resulting from the project impacts. Prior to construction the applicant will be required to implement any traffic/roadway improvements that are necessary to mitigate impacts created.

5. **Electrical and Telephone** -- No impacts are anticipated as a result of this project. The project is anticipated to broaden the ability of MECO, Ltd to provide for the future power generation needs of the County. Also, communication service to the power generating plant facility will be linked to MECO's existing microwave communication and radio system. Telephone service will need to be provided through GTE Hawaiian Telephone.

6. **Solid Waste** -- The existing landfill site is located in close proximity to the project site and can accommodate the solid waste needs of the project. Construction materials and debris will be disposed at the Maui Demolition and Construction Landfill on North Kihei Road near Honoapiilani Highway. Also,

recycling programs will be part of the operations to reduce the amount of solid waste.

7. **Public Services** -- No adverse impacts on police and fire protection services, and medical services are anticipated.

According to the applicant, on site security procedures will be developed by MECO and site access will be restricted by a perimeter fence and driveway access checkpoints. Security lighting will also be provided.

Emergency plans detail the procedures to be followed when there is a fire or fuel spill. On-site water storage fro fire suppression will be provided as well as carbon dioxide fire protection system will be used on the combustion turbines in the event of a fire. MECO currently has fire control plans for its generating stations and a similar plan will be designed for the Waena Generating Station.

SOCIO-ECONOMIC IMPACTS

On a short term basis, the project will support construction and construction related employment. In the long term, the proposed project will provide for the estimated power generating needs of the Island of Maui until the year 2016. Further, the phased development of the site will allow flexibility in the planning, design and construction of the power generating plant site to take into consideration advancing technology and changing trends.

ENVIRONMENTAL IMPACTS

Flora and Fauna:

According to the United States Department of the Interior, Fish and Wildlife Service, there are no Federal trust resources, such as migratory birds, endangered or threatened species or wetlands that would be affected by the proposed project. The project is located on a previously disturbed site, the Service does not anticipate any direct adverse impacts to native wildlife or plant resources.

However, some sea birds such as petrels are known to nest on the slopes of Haleakala and may be confused by bright night lights. As a precaution, the applicant proposes to hood all exterior night lights.

Water Quality:

The State Department of Agriculture, Department of Land and Natural Resources, Commission on Water Resource Management; and the Board of Water

Supply have expressed concerns regarding water quality of underground resources due to wastewater disposal by injection. The Department of Agriculture has requested monitoring of the groundwater resources and if necessary, mitigation of any unanticipated impacts due to the power generating plant. The Department of Water Supply has also indicated that given that some mixing with groundwater will naturally occur and that the gradient may be greater than assumed and the flow path may be more directed toward the coast, then a broader, longer and different flow path may occur. These considerations may need to be reflected in modeling results in future project planning.

The Department of Land and Natural Resources, Commission on Water Resource Management (CWRM), recommends that approvals of this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality. A well construction permit and a pump installation permit from the CWRM would be required before groundwater is developed as a source of supply for the project.

The U.S. Geological Survey, Water Resources Division, Hawaii District, reviewed the application and had no comments to offer.

Air Quality:

The applicant conducted air quality modeling using data received from an air quality monitoring station at Maalaea for the Maalaea Generating Plant to determine the potential impacts the new generating plant will have. Based on these modeling results it was determined that nitrogen oxide, sulfur dioxide, carbon monoxide, particulate matter less than 10 microns, and sulfuric acid mist were the emissions that may have an impact on air quality. These emissions were further analyzed pursuant to EPA and Department of Health Standards and were found to be within these standards and regulations. The Department of Health reviewed the application and had no comments to offer.

Noise :

Due to the remote location of the property from other urban areas, primarily residential areas, it is not anticipated that the project will have any adverse impacts on noise quality.

Visual Impacts:

Due to the topography of the site and lack of other structures in the vicinity, the facility will be visible from areas located on the slopes of Haleakala. However, the long distance of the facility from the urban area of Pukalani, the Kula area and

Haleakala Highway will reduce the apparent size of the generating station and will not dominate the visual planes in the area. Haleakala Highway which is the closest viewing point is over 2 miles from the site and the nearest upcountry residential area which could overlook the site is over 4 miles away. Along Pulehu Road, a substantial landscape buffer/leach fields are proposed to screen the facility from traffic on this roadway. Since traffic in the area is vehicular very little of the site will be visible, mainly the four stacks which have a height of 150 feet and those structures which may be visible above the tree line. It would be a similar situation as the Maalaea Power Plant site.

Best Management Practices:

The applications included extensive discussion of best management practices for fuel storage and transport. According to the applications all fuel storage tanks will be placed on impervious surfaces and within berms designed to contain any leakage or spills. Bermed areas will be equipped with oil-water separators to remove any oil before disposal. Waste oil will be shipped offsite for processing and disposal. The applications propose a variety of best management practice precautions to ensure that fuel spills do not occur, and that if any fuel were to spill, it will be promptly contained by trained personnel. In addition, various precautionary measures such as high-level alarms, check valves, gauges, etc. are incorporated into the fueling equipment to prevent fuel spills during transfer. Also, the storage tanks which are cathodically protected to prevent internal corrosion will be regularly monitored to ensure that contaminants are not in the tank which might indicate a corrosion problem.

In addition to fuel storage, 12,000 gallons of anhydrous ammonia (concentrated ammonia vapor) stored in pressurized vessels is required to be stored on site for the use in the Selective Catalytic Reduction (SCR) for Nitrogen Oxide (Nox) from the emissions from the combustion turbines to form nitrogen and water vapor. The release of anhydrous ammonia into the atmosphere would be more concentrated and hazardous than the release of aqueous ammonia (a solution of ammonia in water). In the event of an ammonia release, the potential dangers are primarily related to exposure effects on the skin, eyes, nose, throat and respiratory tract. Due to the potential hazard, the pressurized systems need to be monitored closely. Further, the isolated location of the generating plant from populated areas helps to reduce the risks to the general public from a vapor release which should dissipate to insignificant levels prior to reaching populated areas.

Both the Department of Health and Department of Fire Control reviewed the application and did not have any comments to offer or objections to the request.

OTHER GOVERNMENTAL APPROVALS:

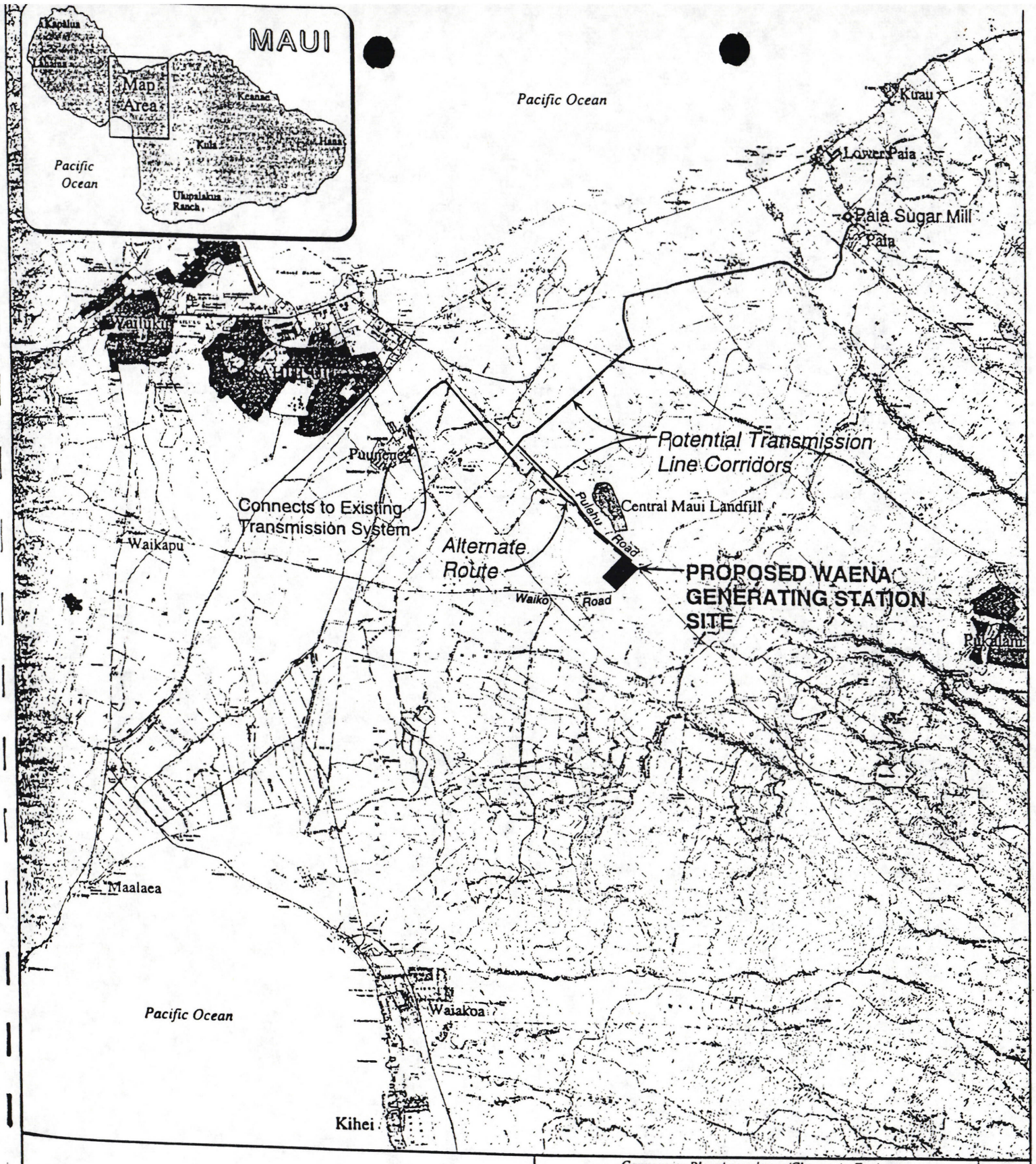
On November 24, 1997 the Maui Planning Department accepted the Final Environmental Impact Study prepared for the Maui Electric Company, Ltd.'s Waena Generating Station. The Final EIS notice was published in the December 8, 1997 Office of Environmental Quality Commission Bulletin.

TESTIMONY

As of February 20, 1998 the Planning Department has received no letters of testimony.

Approved:

DAVID W. BLANE
Director of Planning



Community Plan Amendment/Change-in-Zoning
Proposed Waena Generating Station
Maui Electric Company, Limited

FIGURE

PROPOSED WAENA GENERATING STATION SITE AND POTENTIAL TRANSMISSION LINE CORRIDORS

Source: Maui Electric Company, Limited

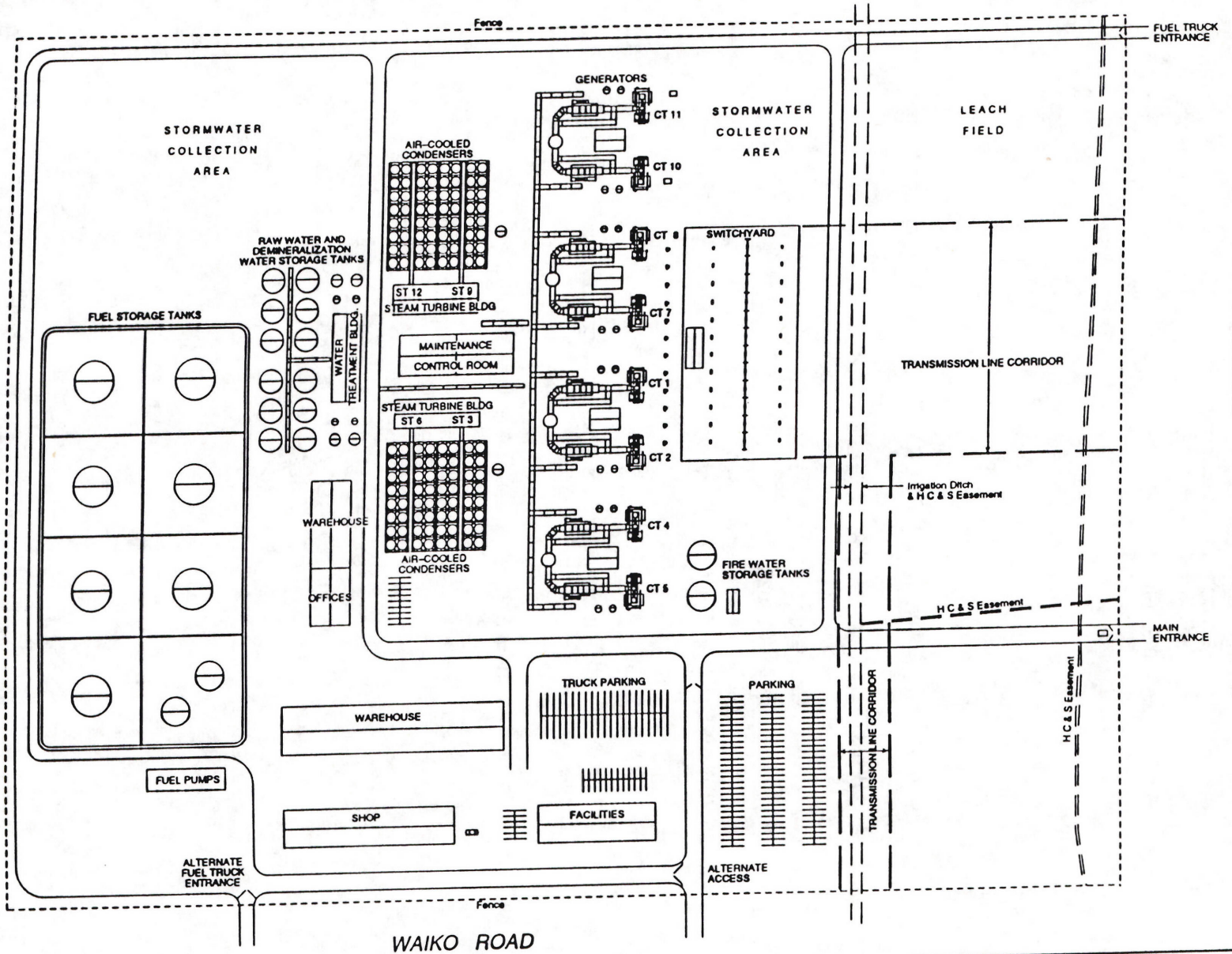
NORTH

0 1 2 3 4 MILES

CH2M HILL

EXHIBIT 1

EXHIBIT 2



Community Plan Amendment/Change-in-Zoning
Proposed Waena Generating Station
Maui Electric Company, Limited

FIGURE

CONCEPTUAL SITE LAYOUT

NORTH

NOT TO SCALE

Note: DTCC = Dual-Train Combined-Cycle Combustion Turbine
Source: Maui Electric Company, Limited, 1997

CH2M HILL

POLICE DEPARTMENT

COUNTY OF MAUI

LINDA CROCKETT LINGLE
MAYOR

OUR REFERENCE

YOUR REFERENCE

55 MAHALANI STREET
WAILUKU, HAWAII 96793
AREA CODE (808) 244-6400
FAX NO. (808) 244-6411

HOWARD H. TAGOMORI
CHIEF OF POLICE

THOMAS PHILLIPS
DEPUTY CHIEF OF POLICE

December 16, 1997

'97 DEC 18 A10:09
DEPT OF
CO
RECEIVE

MEMORANDUM

TO : DIRECTOR, PLANNING DEPARTMENT

FROM : HOWARD H. TAGOMORI, CHIEF OF POLICE

SUBJECT : I.D. No.: CPA 970004, CIZ 970013
TMK: 3-8-003:023
Project Name: Waena Generating Station
Applicant: Maui Electric Company, Ltd.

___ No recommendation or special condition is necessary or desired.

_/_ Refer to attachment(s).

Assistant Chief Charles Hall
for: **HOWARD H. TAGOMORI**
Chief of Police

EXHIBIT 3

CHIEF + STAFF

TO : GERALD MATSUNAGA, CAPTAIN WAILUKU PATROL

VIA : CHANNELS

FROM : RYAN RODRIGUES, P.O. III, COMMUNITY POLICE OFFICER KAHULUI

SUBJECT : MAUI ELECTRIC WAENA GENERATING STATION

Sir, this communication is being submitted in regards to the above mentioned subject.

I have reviewed Maui Electrics Plan for the new Waena Generating station, to be located at the Pulehu Road and Waiko Road junction.

My only concern at this point, is the issue of traffic safety. If you refer to chapter 7, titled Project's Relationship to Government Plans, Policies, and Controls, letter D section d, you will see that this report indicates that there will not be a need for roadway improvements in this area and that traffic on this roadway will not be adversely impacted.

However, by looking over the conceptual site layout drawing, you can see that there will be about 152 parking stalls located on site. 152 more vehicles large and small travelling to and from work on this narrow strip of roadway. I believe this will adversely affect traffic.

The problem stems from the lack of development planned for Pulehu Road. If you refer to the attached photos you will understand the problem at hand. Photo 1 shows Pulehu Road travelling Mauka, photo 2 shows Waiko Road and Pulehu Road Junction facing West. Photo 3 shows Pulehu Road facing Makai. These photos show how narrow this roadway is. In photos 4,5 and 6. You can see that there are little to no shoulders for vehicles to pull off to the side should there be an emergency in that area. And with the increase in traffic flow on this roadway, shoulders should be created to increase the margin of safety for motorist.

Checks of the area found that improvements will have to be made from the entrance of the County's Landfill up to and just beyond the project site.

It is my recommendation that improvements be made to widen this roadway and create shoulders where there are none.

Submitted for your information.

I concur with Ofc. Rodrigues assessment and recommendation. This roadway should have a shoulder near the entrance to the proposed site.
To JA Singsank 8467
12/15/97 1100 HRS.

RYAN ROODRIGUES E0312
12/12/97- 1109 HOURS

CONCUR. FORWARD.
Capt. [illegible]
12/15/97

b. **The proposed request is consistent with the applicable community plan land use map of the County.**

The proposed project site is designated "Agriculture" by the Wailuku-Kahului Community Plan Land Use Map. Utility generating stations are not a permitted use within the "Agriculture" designated areas. A request to amend the Wailuku-Kahului Community Plan designation for the parcel from "Agriculture" to "Heavy Industrial" has been made and must be acted upon prior to final action on the Change-in-Zoning application.

c. **The proposed request meets the intent and purpose of the district being requested.**

A generating station is a permitted use within the "M-2 Heavy Industrial" District.

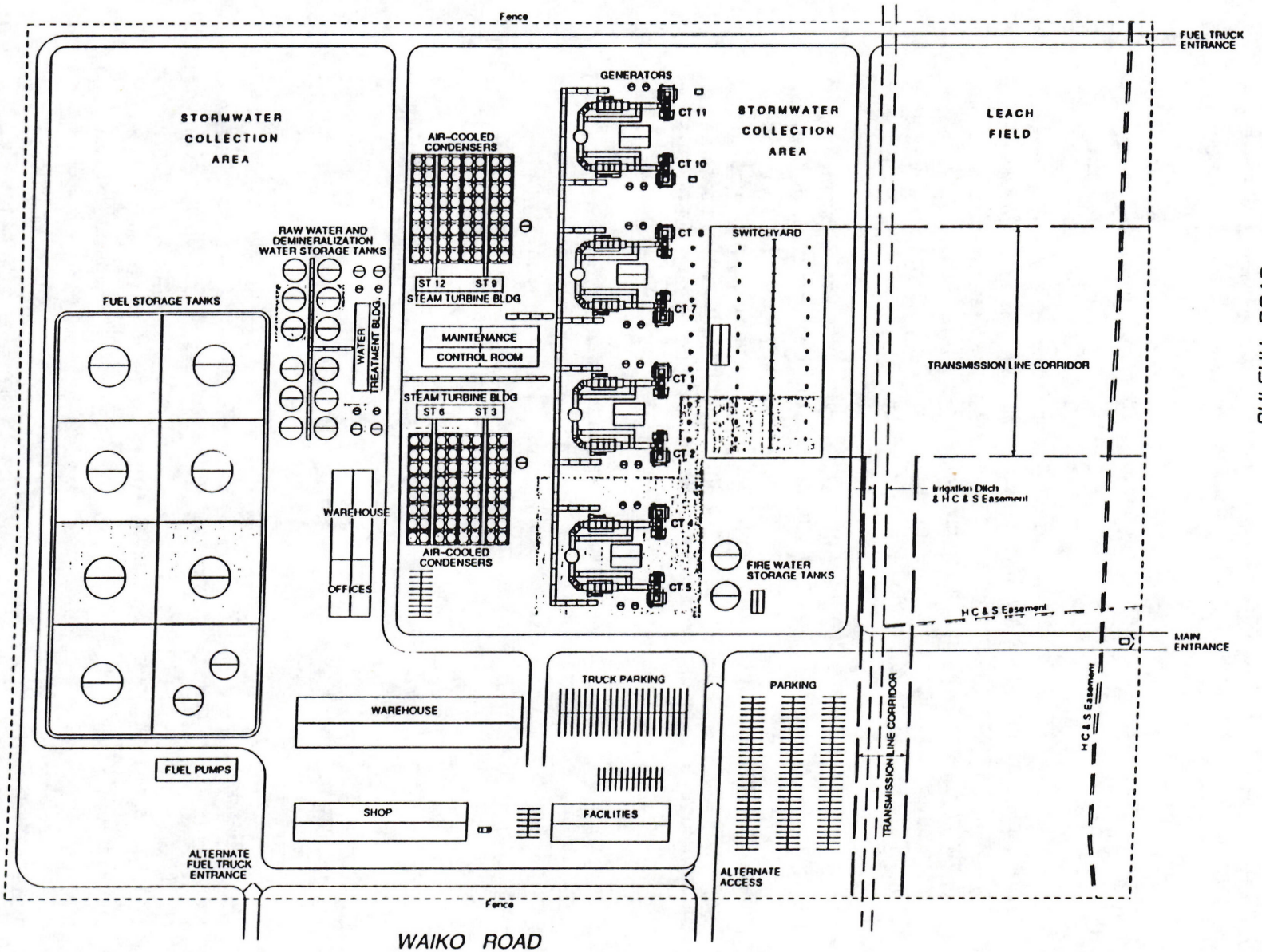
d. **The application, if granted, would not adversely affect or interfere with public or private schools, parks, playgrounds, water systems, sewage and solid waste disposal, drainage, roadway and transportation systems, or other public requirements, conveniences and improvements.**

The proposed project will not require extension of existing County or State infrastructure to the site, and the project is not expected to have any direct impact that will require the expenditure of public funds for infrastructure. Potable water will be delivered by truck and sanitary wastewater facilities will be constructed on-site. Development of the site is expected to have a minimal impact on any requirement for police and fire protection. The project will have no significant adverse impact on regional traffic which will require mitigation.

The project will not directly cause additional population growth on the Island of Maui and; therefore, the project will not adversely impact existing housing supplies. The project will not directly result in any increase in school population and; therefore, will have no adverse impact on area school capacities. The project will; however, indirectly support additional population and economic growth through the provision of adequate and reliable electricity.

e. **The application, if granted, would not adversely impact the social, cultural, economic, environmental, and ecological character and quality of the surrounding area.**

As noted in the *Final Environmental Impact Statement for Maui Electric Company, Limited's Waena Generating Station*, approval of the proposed request would not adversely impact the social, cultural, economic, environmental, and ecological character and quality of the surrounding area.



PROJECT SCHEDULE (YEAR)

- DTCC 1/Site Development (2006)
- DTCC 2 (2010)
- DTCC 3/Transmission and Distribution Facilities (2016)
- DTCC 4 (2020)

Note: DTCC = Dual-Train Combined-Cycle Combustion Turbine
Source: Maui Electric Company, Limited, 1997

Community Plan Amendment/Change-in-Zoning
Proposed Waena Generating Station
Maui Electric Company, Limited

FIGURE

CONCEPTUAL SITE LAYOUT

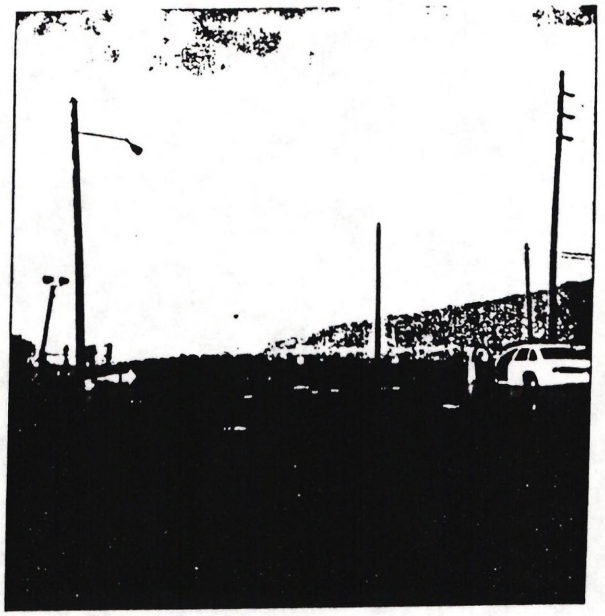
NORTH

NOT TO SCALE

CH2M HILL



1



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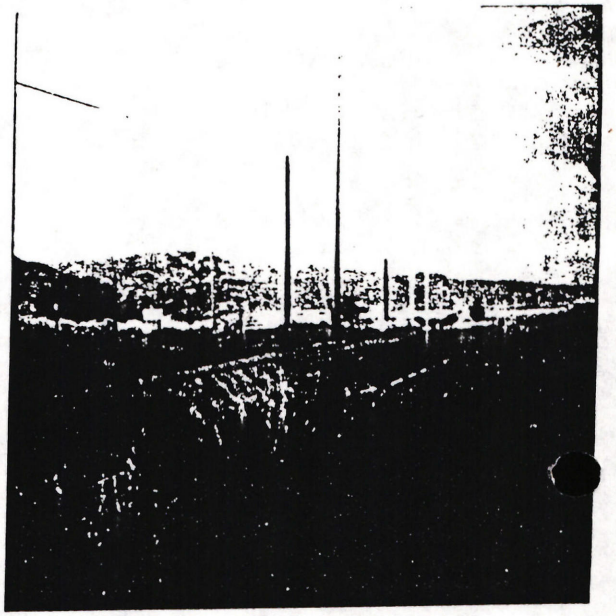
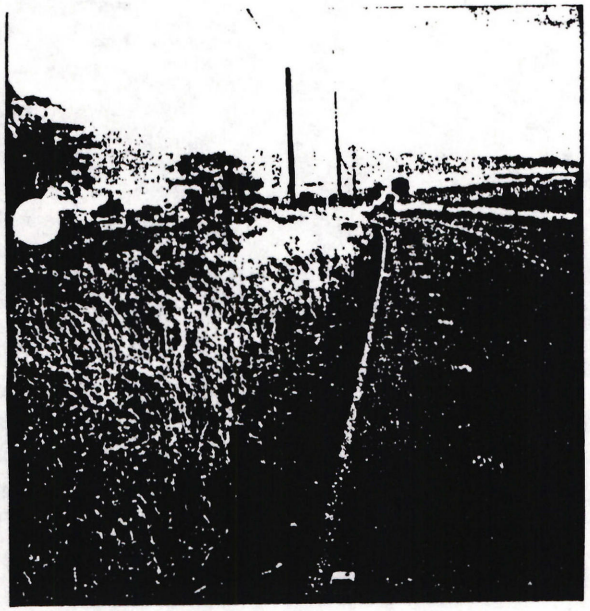


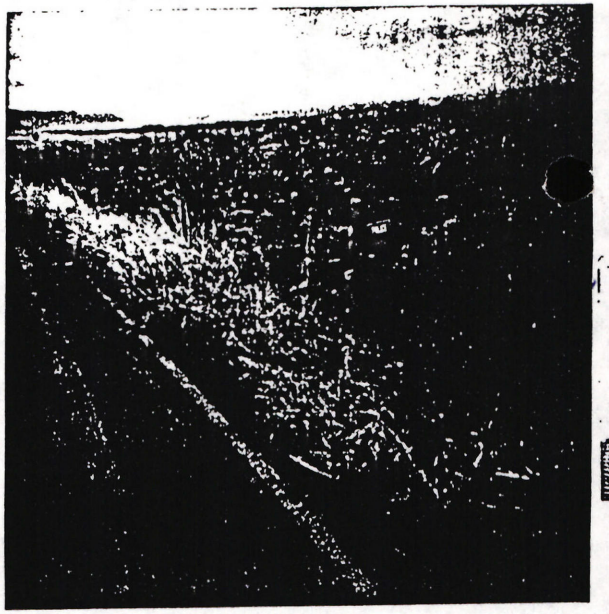
3



4



5



6

LINDA CROCKETT LINGLE
MAYOR

RONALD P. DAVIS
CHIEF

HENRY A. LINDO, SR.
DEPUTY CHIEF

'97 14

COUNTY OF MAUI
DEPARTMENT OF FIRE CONTROL

200 DAIRY ROAD
KAHULUI, MAUI, HAWAII 96732
(808) 243-7561

November 13, 1997

Colleen Suyama, Staff Planner
County of Maui, Department of Planning
250 South High Street
Wailuku, HI 96793

RE: Maui Electric Co., Ltd. Waena Power Generating Station;
TMK: 3-8-03:por of 001; District Boundary Amendment

Dear Ms Higa,

The Department of Fire Control has no objections in granting the applicants request for a district boundary amendment.

If you have any questions, contact me at extension 7566.

Sincerely,

Leonard F Niemczyk

LEONARD F NIEMCZYK
Captain, FPB

EXHIBIT 4

411

LINDA CROCKETT LINGLE
Mayor

CHARLES JENCKS
Director

DAVID C. GOODE
Deputy Director

98 JAN 21 P2:53

DEPT OF PLANN
COUNTY OF MAUI

RALPH NAGAMINE, L.S., P.E.
Land Use and Codes Administration

EASSIE MILLER, P.E.
Wastewater Reclamation Division

LLOYD P.C.W. LEE, P.E.
Engineering Division

BRIAN HASHIRO, P.E.
Highways Division

Solid Waste Division

COUNTY OF MAUI
DEPARTMENT OF PUBLIC WORKS AND WASTE MANAGEMENT
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793

January 20, 1998

MEMO TO: DAVID W. BLANE, DIRECTOR OF PLANNING

F R O M: CHARLES JENCKS, DIRECTOR OF PUBLIC WORKS AND WASTE MANAGEMENT

SUBJECT: MAUI ELECTRIC COMPANY - WAENA GENERATING STATION
TMK (2) 3-8-003:023
SPA 97/004 AND CIZ 97/013

We reviewed the subject submittal and have the following comments.

1. A road widening lot may be required for the adjoining half of Pulehu Road to provide for future 50-foot right-of-way and improved to County standards. All structures, such as walls, trees, etc., shall be removed or relocated from the road widening strip. The rear boundaries of the road widening strip shall be clearly marked to determine if said structures have been properly removed and relocated.

2. A 30-foot radius shall be provided at the intersection of the proposed driveway and adjoining Pulehu Road.

3. A left turn warrant analysis for the main entry off Pulehu Road will be required prior to construction plan development. If required, the left storage lane will be included as part of the Pulehu Road improvements.

4. Off-street parking, loading spaces, and landscaping shall be provided per Maui County Code Chapter 19.36.

5. Public Law 101-336, Americans with Disabilities Act -- Title III, requires all places of public accommodation and commercial facilities be accessible to people with disabilities.

If you have any questions, please contact David Goode at 243-7845.

DG:co/mt
S:\LUCA\CZM\WAENA.

EXHIBIT 5

FEB 10 A10:05

DEPT OF PLANNING
COUNTY OF MAUI

DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
P.O. BOX 1109
WAILUKU, MAUI, HAWAII 96793-7109
Telephone (808) 243-7816 • Fax (808) 243-7833

February 5, 1998

Mr. David Blane, Director
County of Maui
Planning Department
250 South High Street
Wailuku, Maui, Hawaii 96793

Re: I.D.: CPA 970004; CIZ 970013
TMK: 3-8-003:023
Project Name: Maui Electric Company's Waena Generating Station

Dear Mr. Blane,

Thank you for the opportunity to review this application. The Board of Water Supply has the following comments.

Consumption, Source and System

There is no BWS fire protection system in the area. The applicants will be required to provide water for fire and domestic use according to BWS standards as certified by a professional engineer and sign a Private Water System Agreement. The applicants should contact our engineering division at 243-7835 should there be any questions.

Water Quality

The Final Environmental Impact Statement for the project shows a map on page 4-26 indicating results of flow modeling using the WHPA model and shows a "zone of mixing" of the injected effluent for 10, 20 , and 30 yrs. of operation. The flow path shown on the map on page 4-26 shows a flow path leading into the central Maui plain. The parameters used in the modeling are listed on page 4-31 and include:

- no mixing with groundwater, and
- a hydraulic gradient of 0.45 ft/mile.

The resulting modeled zone of mixing is a relatively narrow path leading into the central Maui plain and not intersecting any other wells.

EXHIBIT 6

These parameters and results seem to differ from other information. Although a hydraulic gradient of 0.45 ft/mile was used in modeling, page 4-25 indicates that the hydraulic gradient is "about one foot per mile." The attached map is from a 1972 USGS and State DLNR report showing groundwater resources for central Maui. Using the groundwater contours shown on the map, a flow path from the proposed site area has been drawn in. Given that some mixing with groundwater will naturally occur, the gradient may be greater than assumed in the modeling and the flow path may be more directed toward the coast, then a broader, longer and different flow path may occur. We wonder if a different modeling result such as this may have led to a different conclusion that may need to be reflected in project planning.

We are pleased to note the extensive discussion of best management practices (BMPs) for fuel storage and transport.

If you need more information, please contact our Water Resources and Planning Division anytime at (808) 243-7199.

Sincerely,

David Craddick
Director

wef

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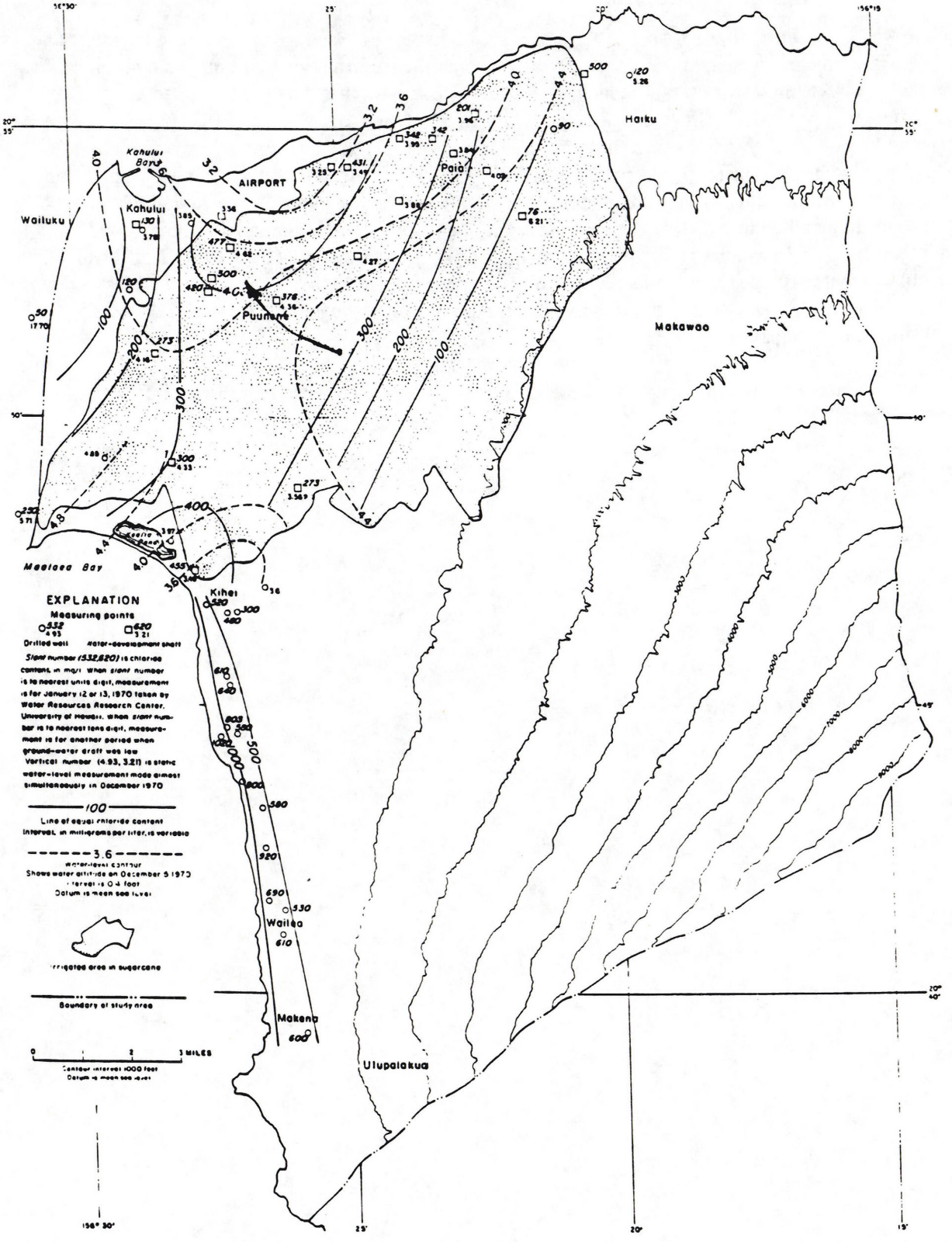

Figure 12. CENTRAL MAUI SHOWING LINES OF EQUAL CHLORIDE CONTENT AND WATER-LEVEL CONTOURS BASED ON NEAR-SIMULTANEOUS MEASUREMENTS MADE ON DECEMBER 5, 1970.

BENJAMIN J. CAYETANO
GOVERNOR

KAZU HAYASHIDA
DIRECTOR

DEPUTY DIRECTORS
GLENN M. OKIMOTO
BRIAN K. MINAAI

'97 DEC 11 P12:50

DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:
STP 8.8288

December 9, 1997

Mr. David W. Blane
Director
Planning Department
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Blane:

Subject: Waena Power Generating Station
Community Plan Amendment (CPA 970004)
Change in Zoning (CIZ 970013)
TMK: 3-8-003: 023

Thank you for your transmittal of December 3, 1997, requesting our comments on the subject applications.

Our attached comments of November 7, 1997, STP 8.8227, responding to the Land Use Boundary Amendment, are still applicable. We appreciate the opportunity to provide comments.

Very truly yours,

KAZU HAYASHIDA
Director of Transportation

Attach.

EXHIBIT 7

BENJAMIN J. CAYETANO
GOVERNOR

KAZU HAYASHIDA
DIRECTOR

DEPUTY DIRECTORS
GLENN M. OKIMOTO
BRIAN K. MINAAI

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

'97 NOV 12 P1:35

IN REPLY REFER TO:

STP 8.8227

November 7, 1997

Mr. David W. Blane
Director
Planning Department
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Blane:

Subject: Waena Power Generating Station
Land Use District Boundary Amendment (A97-722)
TMK: 3-8-03: por. 01

Thank you for your transmittal of October 28, 1997.

Our State transportation facilities can adequately accommodate the subject project. We do not anticipate an adverse impact to our systems.

We appreciate the opportunity to provide comments.

Very truly yours,

Kazu Hayashida

KAZU HAYASHIDA
Director of Transportation

9775

BENJAMIN J. CAYETANO
GOVERNOR OF HAWAII

LAWRENCE MIIKE
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. BOX 3378
HONOLULU, HAWAII 96801

In reply, please refer to:

December 19, 1997 97-053E/epo

Mr. David W. Blane, Planning Director
County of Maui
Planning Department
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Blane:

Subject: APPLICATION FOR COMMUNITY PLAN AMENDMENT and CHANGE IN ZONING
Project: Maui Electric Company, Ltd.
Waena Power Generating Station
Location: Wailuku and Makawao Districts, Maui, Hawaii
TMK: (2) 3-8-03: 23, 24

Thank you for allowing us to review and comment on the subject applications. At this time, we do not have any comments to offer.

Sincerely,

BRUCE S. ANDERSON, Ph.D.
Deputy Director for Environmental Health

'97 DEC 29 P12:10
DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

EXHIBIT 8

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION
P.O. BOX 621
HONOLULU, HAWAII 96809

AQUACULTURE DEVELOPMENT PROGRAM
AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
CONSERVATION AND RESOURCES ENFORCEMENT
CONVEYANCES
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
LAND DIVISION
STATE PARKS
WATER RESOURCE MANAGEMENT

December 19, 1997

'97 DEC 29 A9:00
DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

LD-NAV
Ref.: CIZ97013.RCM

Honorable David W. Blane
Planning Director
County of Maui
Planning Department
250 S. High Street
Wailuku, Hawaii 96793

Dear Mr. Blane:

SUBJECT: Review : Application for Community Plan Amendment and Change in Zoning
Applicant: Maui Electric Company, Limited
Project : Waena Generating Station
Location : Wailuku, Makawao, Island of Maui, Hawaii

Thank you for the opportunity to review and comment on the subject Application for Community Plan Amendment and Change in Zoning.

The Department of Land and Natural Resources has previously reviewed the proposed project. Attached is our letter of response dated November 21, 1997, (Ref. 97722.RCM). We have no additional comments to offer on the subject matter at this time.

Should you have any questions, please feel free to contact Nicholas Vaccaro of the Land Division's Support Services Branch at 1-808-587-0438.

Very truly yours,

DEAN Y. UCHIDA
Administrator

c: Maui Land Board Member
At Large Land Board Member
Maui District Land Office

EXHIBIT 9

'97 NOV 26 P3:25

DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION
P O BOX 621
HONOLULU, HAWAII 96809

AQUACULTURE DEVELOPMENT PROGRAM
AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
CONSERVATION AND RESOURCES ENFORCEMENT
CONVEYANCES
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
LAND DIVISION
STATE PARKS
WATER RESOURCE MANAGEMENT

November 21, 1997

LD-NAV
Ref.: 97722.RCM

Honorable David W. Blane
Planning Director
County of Maui
Planning Department
250 S. High Street
Wailuku, Hawaii 96793

Dear Mr. Blane:

SUBJECT: Review : Petition for District Boundary Amendment
Applicant: Maui Electric Company, Limited
Petition : Change Zone from Agricultural to Urban
Proposal : Construct and operate a 232-megawatt electrical generating station
Location : Wailuku, Makawao, Island of Maui, Hawaii

Thank you for the opportunity to review and comment on the subject Petition for District Boundary Amendment.

Attached herewith is a copy of our Commission on Water Resource Management's comments (dated 8/27/97), related to water resources for the proposed project.

The Department of Land and Natural Resources has no other comments to offer on the subject matter at this time.

Should you have any questions, please feel free to contact Nicholas Vaccaro of the Land Division's Support Services Branch at 1-808-587-0438 or Mr. Charley Ice of the Commission on Water Resource Management at 1-808-587-0251.

Very truly yours,

DEAN Y. UCHIDA
Administrator

c: Maui Land Board Member
At Large Land Board Member
Maui District Land Office

BENJAMIN J. CAYETANO
GOVERNOR OF HAWAII

MICHAEL D. WILSON
CHAIRPERSON

ROBERT G. GIRALD
DAVID A. NOBRIGA
LAWRENCE H. MIIKE
RICHARD H. COX
HERBERT M. RICHARDS, JR.

RAE M. LOUI, P.E.
DEPUTY

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT
P. O. BOX 621
HONOLULU, HAWAII 96809

August 27, 1997

TO: Mr. Dean Uchida, Administrator
Land Division

FROM: Rae M. Loui, Deputy Director
Commission on Water Resource Management (CWRM)

SUBJECT: MECO Waena Generating Station

FILE NO.: PM-97-059 (97722.COM)

Thank you for the opportunity to review the subject document. Our comments related to water resources are marked below.

In general, the CWRM strongly promotes the efficient use of our water resources through conservation measures and use of alternative non-potable water resources whenever available, feasible, and there are no harmful effects to the ecosystem. Also, the CWRM encourages the protection of water recharge areas which are important for the maintenance of streams and the replenishment of aquifers.

[X] We recommend coordination with the county government to incorporate this project into the county's Water Use and Development Plan.

[X] We are concerned about the potential for ground or surface water degradation/contamination and recommend that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality.

[X] A Well Construction Permit and a Pump Installation Permit from the CWRM would be required before ground water is developed as a source of supply for the project.

[ ] The proposed water supply source for the project is located in a designated water management area, and a Water Use Permit from the CWRM would be required prior to use of this source.

[ ] Groundwater withdrawals from this project may affect streamflows. This may require an instream flow standard amendment.

[ ] We recommend that no development take place affecting highly erodible slopes which drain into streams within or adjacent to the project.

[ ] If the proposed project diverts additional water from streams or if new or modified stream diversions are planned, the project may need to obtain a stream diversion works permit and petition to amend the interim instream flow standard for the affected stream(s).

[ ] Based on the information provided, it appears that a Stream Channel Alteration Permit pursuant to Section 13-169-50, HAR will be required before the project can be implemented.

[X] Based on the information provided, it does not appear that a Stream Channel Alteration Permit pursuant to Section 13-169-50, HAR will be required before the project can be implemented.

[ ] An amendment to the instream flow standard from the CWRM would be required before any streamwater is diverted.

[ ] Any new development that is permitted along a stream that is not yet channelized should be based on the express condition that no streams will be channelized to prevent flooding of the development. Development in the open floodplain should not be allowed; other economic uses of the floodplain should be encouraged.

[ ] OTHER:

If there are any questions, please contact Charley Ice at 587-0251.

BENJAMIN J. CAYETANO
GOVERNOR OF HAWAII

MICHAEL D. WILSON, CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES

DEPUTIES

GILBERT COLOMA-AGARAN

AQUACULTURE DEVELOPMENT PROGRAM
AQUATIC RESOURCES
CONSERVATION AND RESOURCES ENFORCEMENT
CONVEYANCES
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION DIVISION
LAND DIVISION
STATE PARKS
WATER AND LAND DEVELOPMENT

STATE OF HAWAII

DEPARTMENT OF LAND AND NATURAL RESOURCES

STATE HISTORIC PRESERVATION DIVISION
33 SOUTH KING STREET, 6TH FLOOR
HONOLULU, HAWAII 96813

December 12, 1997

David Blane, Director
Planning Department
250 South High Street
Wailuku, Hawaii 96793

LOG NO: 20649 ✓
DOC NO: 9712BD08

Dear Mr. Blane:

SUBJECT: **Chapter 6E-42 Historic Preservation Review of a District Boundary Amendment Petition for the Proposed Waena Generating Station**
Kalialinui Ahupua'a, Wailuku District, Island of Maui TMK 3-8-03: Portion of 01

This letter is a Historic Preservation review of a District Boundary Amendment Petition for the proposed Waena Generating Station in Kalialinui Ahupua'a. Our Division reviewed an archaeological inventory survey report for the property in August, 1997 (SHPD DOC. NO: 9708BD08). We concurred with the findings that no significant historic sites are located on the subject property. Historic to modern sugarcane production and access road construction has destroyed all previous vestiges of the pre-Contact landscape. We therefore believe the proposed project will have "no effect" on significant historic sites.

If you have any questions please contact Boyd Dixon at 243-5169.

Aloha,

DON HIBBARD, Administrator
State Historic Preservation Division

BD:jen

'98 JAN -2 A9:26
DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

EXHIBIT 10

BENJAMIN J. CAYETANO
Governor

JAMES J. NAKATANI
Chairperson. Board of Agriculture

LETITIA N. UYEHARA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512

Mailing Address:
P.O. Box 22159
Honolulu, Hawaii 96823-2159

Fax: (808) 973-9613

'98 JAN 27 PM 12:42

DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

January 23, 1998

To: David W. Blane, Director
Maui County Planning Department

From: James J. Nakatani, Chairperson
Board of Agriculture

Subject: Community Plan Amendment (CPA 97-4) and
Change in Zoning (CIZ 97-13)
Maui Electric Company, Ltd.
Waena Generating Plant
TMK: 3-8-03:23 Wailuku, Maui
Area: approximately 65.7 acres

The Department of Agriculture has reviewed the above documentation and finds that our comments to the Land Use Commission Boundary Amendment petition (see attached copy of memorandum dated November 28, 1997) fully apply to the subject applications.

Should you have any questions, please call Earl Yamamoto at 973-9466.

Attachment

mecowaen.e51

EXHIBIT 11

Island Grown

BENJAMIN J. CAYETANO
Governor

JAMES J. NAKATANI
Chairperson, Board of Agriculture

LETITIA N. UYEHARA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 So. King Street
Honolulu, Hawaii 96814-2512

Mailing Address:
P. O. Box 22159
Honolulu, Hawaii 96823-2159

FAX: (808) 973-9613

November 28, 1997

To: Rick Egged, Director
Office of Planning
Department of Business, Economic Development, and Tourism

From: James J. Nakatani, Chairperson
Board of Agriculture

Subject: Petition for Amendment to the State Land Use District Boundaries
Maui Electric Company, Inc. (A97-722)
Agricultural to Urban
Waena Generating Station
TMK: 3-8-03: 23 and 24
Area: approximately 65.7 acre

The Department of Agriculture has reviewed the subject petition and offers the following comments.

Background:

According to the petition, the subject property is fee-owned by the petitioner and is surrounded by Hawaiian Commercial and Sugar Company (HC&S) sugarcane fields. The site was selected after completion of seven reports, studies, and assessments over a six-year period. The subject site is cultivated in sugarcane and consideration was given to avoiding the use of agricultural lands in sugarcane cultivation. However, environmental factors (primarily air quality) favored a site within existing sugarcane fields (Final EIS, pages 3-38 to -39).

Impact on HC&S:

The petitioner and HC&S have a "long-standing relationship" and the former states that the project will not negatively impact cultivation activities of surrounding properties (Ibid., page 4-68). Offsetting the loss of about 66 acres of sugarcane lands is the intention of HC&S to expand their sugarcane production acreage by about 1,400 acres on two sites near Kuihelani Highway and on vacant Wailuku Agribusiness lands.

HC&S has expressed concern about mitigating potential impacts such as surface runoff into their irrigation ditch and impact on groundwater quality due to power plant wastewater injection (letter dated September 22, 1997; Final EIS, Section 7.4). Since groundwater downslope of the generating station is used by HC&S for irrigation and cooling water for their power plant, we believe that the petitioner should take every reasonable effort to monitor and, if necessary, mitigate any unanticipated adverse impact to this water source attributable to power plant wastewater injection.

Conclusion:

Based upon the information provided in the petition and the Final Environmental Impact Statement, the Department of Agriculture does not object to the petitioner's request, provided that the concern about the potential for adverse groundwater contamination is addressed in the manner described above.

Should you have any concerns, please call me at 973-9550, or Earl Yamamoto at 973-9466.

e97-722.e61

BENJAMIN J. CAYETANO
GOVERNOR

MAJOR GENERAL EDWARD V. RICHARDSON
DIRECTOR OF CIVIL DEFENSE

ROY C. PRICE, SR.
VICE DIRECTOR OF CIVIL DEFENSE





PHONE (808) 733-4300
FAX (808) 733-4287

STATE OF HAWAII
DEPARTMENT OF DEFENSE
OFFICE OF THE DIRECTOR OF CIVIL DEFENSE
3949 DIAMOND HEAD ROAD
HONOLULU, HAWAII 96816-4495

December 3, 1997

Mr. David Blane
Planning Department
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Blane:

Final Environmental Impact Statement (EIS); Waena Power Generating Station

We appreciate the opportunity to comment on the Final Environmental Impact Statement by CH2M Hill for Maui Electric Company, Inc., on the island of Maui, Wailuku District, Tax Map Key Number: 3-8-03:01 portion.

State Civil Defense's (SCD) comments from the EIS preparation notice are in this document and we have no comments.

Our SCD planners and technicians are available to discuss this further if there is a requirement. Please have your staff call Mr. Norman Ogasawara of my staff at 733-4300.

Sincerely,

ROY C. PRICE, SR.
Vice Director of Civil Defense

Enc.

c: Mr. Rick Egged, Director
Office of State Planning

EXHIBIT 12

United States
Department of
Agriculture

Natural
Resources
Conservation
Service

210 Imi Kala St.
Suite 209
Wailuku, HI
96793-2100

Our People, Our Islands, In Harmony

97 DEC 11 AM 8:16

DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

December 8, 1997

Mr. David Blane, Planning Director
County of Maui
Planning Department
250 S. High Street
Wailuku, Hawaii 96793

Dear Mr. Blane,

Subject: Waena Generating Station; TMK: 3-8-003: 23
I.D. CPA 970004, CIZ 970013

I have no comment on the subject application.

Thank you for the opportunity to comment.

Sincerely,

Neal S. Fujiwara
District Conservationist

EXHIBIT 13

CH II

DEPARTMENT OF THE ARMY
U. S. ARMY ENGINEER DISTRICT, HONOLULU
FT. SHAFTER, HAWAII 96858-5440

REPLY TO
ATTENTION OF

November 10, 1997

'97 12 11:34

Planning and Operations Division

Ms. Colleen Suyama, Staff Planner
County of Maui
Department of Planning
250 South High Street
Wailuku, Maui 96793

Dear Ms. Suyama:

Thank you for the opportunity to review and comment on the Draft Environmental Impact Statement for the Waena Power Generating Station, Wailuku, Maui (TMK 3-8-3: por. 1). We do not have any further comments to offer beyond those previously provided in our letter dated August 18, 1997 (file number 970000133). A copy of this letter is enclosed for your information.

Sincerely,

Paul Mizue, P.E.
Acting Chief, Planning
and Operations Division

Enclosure

EXHIBIT 14

August 19, 1997

'97 AUG 12 P1:34

Planning and Operations Division

Mr. David Blane, Director
County of Maui
Planning Department
250 South High Street
Wailuku, Maui 96793

Dear Mr. Blane:

Thank you for the opportunity to review and comment on the Draft Environmental Impact Statement (DEIS) for the Waena Generating Station, Wailuku, Maui (TMK 3-8-3-: por. 1). The following comments are provided in accordance with Corps of Engineers authorities to provide flood hazard information and to issue Department of the Army (DA) permits.

a. Based on the information provided, a DA permit will not be required for the project. Please contact our Regulatory Section at 438-9258 for further information and refer to file number 970000133.

b. The flood hazard information provided on page 4-24 of the DEIS is correct.

Sincerely,

Paul Mizue, P.E.
Acting Chief, Planning
and Operations Division

Copy Furnished:

Mr. Mark Willey
CH2M Hill, Inc.
1585 Kapiolani Boulevard, Suite 1420
Honolulu, Hawaii 96814

8961

United States Department of the Interior

FISH AND WILDLIFE SERVICE
PACIFIC ISLANDS ECOREGION
300 ALA MOANA BOULEVARD, ROOM 3108
BOX 50088
HONOLULU, HAWAII 96850
PHONE: (808) 541-3441 FAX: (808) 541-3470

'97 NOV 28 P3:26

DEPT OF PLANNIN
COUNTY OF MAUI
RECEIVED

In Reply Refer To: APM

NOV 26 1997

David W. Blane, Director of Planning
County of Maui Planning Department
250 S. High Street
Wailuku, Maui, HI 96793

Re: Review of the Petition for District Boundary Amendment from Agricultural to Urban, Maui Electric Company, Limited, Waena Generating Station, Maui

Dear Mr. Blane:

The U.S. Fish and Wildlife Service (Service) has received your October 28, 1997 letter requesting our review of District Boundary change petition A97-722/Waena Generating Station, Maui. The petition requests approximately 65.7 acres of land in Wailuku and Makawao Districts along Pulehu and Waiku Roads be rezoned from agricultural to urban for the proposed use of constructing and operating a 322-megawatt (MW) electrical generating station. Related 69-kilovolt (kV) transmission lines from the site to substations at the Paia Sugar Mill and Puunene Sugar Mill are also proposed as part of the project. Distribution lines (12 kV) may also lead from the proposed generating station to Puunene. In addition, the Petitioner may relocate its existing transmission and distribution base yard and related support facilities from its location in Kahului to the new facility.

There are no Federal trust resources, such as migratory birds, endangered or threatened species or wetlands, that would be affected by the proposed project. Because the project will be located on a previously disturbed site, the Service does not anticipate any direct adverse impacts to native wildlife or plant resources.

EXHIBIT 15

The Service appreciates the opportunity to comment on this District Boundary change petition. If you have questions regarding these comments, please contact Fish and Wildlife Biologist Dr. Annie Marshall at 808\541-3441.

Sincerely,

Brooks Harper

Brooks Harper
Field Supervisor
Ecological Services

Maui Electric Company, Ltd. • 210 West Kamehameha Avenue • PO Box 398 • Kahului, Maui, HI 96733-6898 • (808) 871-8461

LAND USE COMMISSION
STATE OF HAWAII
2009 AUG 28 A 9:39

August 24, 2009

ORIGINAL

Edward L. Reinhardt
President

Mr. Orlando Davidson
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Dear Mr. Davidson:

Enclosed is the Eleventh Annual Report of Maui Electric Company, Limited (original and one copy).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

Enclosures

cc: Ms. Caroline Lorenzo (DBEDT), via e-mail.
Mr. Michael Ribao (MECO)

ELEVENTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	Docket No. A97-722

ELEVENTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its eleventh annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project from June 2008 to May 2009:

On December 18, 2007, MECO submitted to DOH a revision to the PSD/CS permit application. In an e-mail dated April 25, 2008, DOH requested additional information regarding MECO's December 18, 2007 revised PSD/CS permit application. MECO submitted responses in June and August 2008 to DOH's April 25, 2008 questions.

In April 2009 MECO began work on a storage area at Waena. The installation will be equipped with lighting and be surrounded by a barbed-wire topped chain link fence. County of Maui building and grading permits B20090452 & T20090407 (respectively) were obtained for this project. The area will be used to store miscellaneous equipment and hardware and may be used as a staging area for the Waena generating unit when construction begins.

General Progress of Renewable or Research & Development Projects:

Maui County has engaged a consultant for the study of options at the county landfill on Pulehu Road. The study will be utilized as the basis for decisions on the potential development of a landfill gas program.

MECO continues efforts to evaluate the use of biofuels in their existing generating units. In August 2007, MECO completed initial short-term testing of biodiesel in several internal combustion engines and a combustion turbine at Maalaea Power Plant. Reports on the initial testing were submitted to the DOH in August and October 2007. MECO is currently making plans for a longer term biodiesel test and is preparing an application to the PUC for approval of the project. MECO continues to use

biodiesel during start-up and shut-down operations in two of its generating units at the Maalaea Generation Station.

Due to the impacts that high penetration levels of intermittent renewable energy generation have on the stability and power quality of small island-based electric grid systems, MECO and HECO have completed a study with the U.S. Department of Energy and Hawaii Natural Energy Institute (HNEI) related to this issue. The Phase 1 study modeled Maui's electrical grid with the current level of wind energy penetration. Phase 2 of this study under PUC Settlement will assess the impact of additional wind and other renewable energy systems. Various scenarios and simulations are being analyzed by project partners General Electric and HNEI in this ongoing project.

Based on a proposal submitted to the USDOE in August 2007, the USDOE awarded $7 million to a team led by HNEI to develop and deploy distributed energy technologies that can help ameliorate the issues (power fluctuation issues, frequency, etc. arising from wind generation) related to wind energy integration on an electric utility grid. Additional funding will be contributed by the various team partners, which include HECO, MECO, General Electric, Columbus Electric Cooperative, the New Mexico Institute of Mining and Technology, Sentech and UPC Wind. The project is forecasted to start construction at the Maui Lani Substation in 2011.

In February 2008, Oceanlinx Limited, an Australian-based high-tech company, announced plans to provide up to 2.7 MW of electricity to MECO from Hawaii's first wave energy project that could be operational by the end of 2010. The project would involve two or three floating wave platforms offshore of Pauwela Point on the north coast of central Maui. Oceanlinx is currently preparing an environmental

impact statement for the project and pursuing appropriate permits and approvals. MECO is pursuing a power purchase agreement with Oceanlinx.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by DOH to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with DOH and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with DOH and, if necessary, prepare a wastewater disposal plan subject to review and approval by DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with DOH and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with DOH

regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of DOH and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal

deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition.

Petitioner has filed Annual Reports with the Commission since June 23, 1999 and submits this Eleventh Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of

Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, August 24, 2009.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Its President

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document will be made by depositing the same with the U.S. mail, postage prepaid, within (5) days of the date on this report, addressed to:

ABBEY S. MAYER — BY MAIL
Director
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA — BY MAIL
Planning Program Administrator
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

JEFF HUNT, Director — BY MAIL
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Kahului, Hawaii, August 24, 2009.

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

LINDA LINGLE
Governor

JAMES R. AIONA, JR.
Lieutenant Governor

THEODORE E. LIU
Director

MARK K. ANDERSON
Deputy Director

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

ORLANDO "DAN" DAVIDSON
Executive Officer

SANDRA M. MATSUSHIMA
Chief Clerk

BERT K. SARUWATARI
Senior Planner

FRED A. TALON
Drafting Technician

September 8, 2008

Mr. Edward L. Reinhardt, President
Maui Electric Company, Ltd.
210 West Kamehameha Avenue
P. O. Box 398
Kahului, Hawaii 96733-6898

Dear Mr. Reinhardt:

Subject: Filing of the Tenth Annual Report
Docket No. A97-722 Maui Electric Company, Limited

This is to acknowledge receipt of the annual report for the subject docket dated August 25, 2008. Upon completion of our review of the annual report, we will submit our comments to you, if necessary.

Please note that we have requested the County of Maui, Planning Department, to review and comment on the annual report, with the understanding that you have submitted a copy of the annual report to the County. Any comments they may have will be provided to you.

Thank you for your cooperation in this annual reporting requirement. Please do not hesitate to contact me at 587-3826, should you require clarification or any further assistance.

Sincerely,

ORLANDO DAVIDSON
Executive Officer

235 SOUTH BERETANIA STREET ❁ SUITE 406 ❁ HONOLULU, HAWAI`I 96813 ❁ TEL (808) 587-3822 ❁ Fax (808) 587-3827 ❁ EMAIL: luc@dbedt.hawaii.gov
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

LINDA LINGLE
Governor

JAMES R. AIONA, JR.
Lieutenant Governor

THEODORE E. LIU
Director

MARK K. ANDERSON
Deputy Director

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

ORLANDO "DAN" DAVIDSON
Executive Officer

SANDRA M. MATSUSHIMA
Chief Clerk

BERT K. SARUWATARI
Senior Planner

FRED A. TALON
Drafting Technician

September 8, 2008

Mr. Jeffrey Hunt, Director
Department of Planning
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Hunt:

Subject: Filing of the Tenth Annual Report
Docket No. A97-722 Maui Electric Company, Limited

On August 28, 2008, the Land Use Commission received the annual report from the Petitioner filed pursuant to Condition No. 14 of the Findings of Fact, Conclusions of Law, and Decision and Order issued on June 22, 1998. As required by said conditions, we understand that the County of Maui, Department of Planning, has been served with a copy of the annual report.

We request your assistance in reviewing the annual report and provide us with any comments you may have regarding the Petitioner's compliance with conditions. We request that any comments your agency may have be submitted to our office with a copy to the Petitioner by October 8, 2008.

Please do not hesitate to contact me at 587-3822 should you require clarification or further assistance.

Sincerely,

ORLANDO DAVIDSON
Executive Officer

235 SOUTH BERETANIA STREET ❁ SUITE 406 ❁ HONOLULU, HAWAI`I 96813 ❁ TEL (808) 587-3822 ❁ Fax (808) 587-3827 ❁ EMAIL: luc@dbedt.hawaii.gov
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Maui Electric Company, Ltd. 0 West Kamehameha Avenue • PO Box 398 • ului, Maui, HI 96733-6898 • (808) 871-8461

DDV
CL

LAND USE COMMISSION
STATE OF HAWAII

2008 AUG 28 A 8:28

August 25, 2008

Edward L. Reinhardt
President

Mr. Orlando Davidson
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Dear Mr. Davidson:

Enclosed is the Tenth Annual Report of Maui Electric Company, Limited (original and one copy).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

Enclosures

cc: Ms. Caroline Lorenzo (DBEDT), via e-mail.
Mr. Michael Ribao (MECO)

TENTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	Docket No. A97-722

TENTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its tenth annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project from June 2007 to May 2008:

In a letter dated March 12, 2007 the State of Hawaii Department of Health (DOH) requested additional information and clarification concerning the Prevention of Significant Deterioration/Covered Source (PSD/CS) air permit application. On July 2, 2007 and October 30, 2007, MECO submitted responses to DOH's March 12, 2007 request for information regarding the Best Available Control Technologies (BACT) analysis. On December 18, 2007, MECO submitted to DOH a revision to the PSD/CS permit application. In an e-mail dated April 25, 2008, DOH requested additional information regarding MECO's December 18, 2007 revised PSD/CS permit application. MECO submitted a response to several of DOH's April 25, 2008 questions and is preparing responses to the remaining questions.

On April 17, 2008, MECO submitted well construction permits to the Department of Land and Natural Resources to drill two supply wells at Waena. The supply wells will furnish process water for the Waena site.

General Progress of Renewable or Research & Development Projects:

In the Waena Change in Zoning ordinance, Exhibit "2", Condition # 10, it states, "That MECO shall use no more than 32.5 acres for conventional fossil fuel burning energy production and ancillary facilities. The remaining 33.2 acres shall be used for alternative energy (i.e., research, demonstration, and/or production projects) and ancillary facilities."

Renewable Hawaii, Inc., a subsidiary of HECO, has executed a conditional investment agreement with a developer for a landfill gas project on Maui. The project was proposed to Renewable Hawaii in response to its second Renewable Energy Request for Project Proposals (RE RFPP 2) issued in 2005 to seek passive investment opportunities in commercial renewable energy projects larger than 1 MW. The developer is currently in the early development phases of the project.

MECO and BlueEarth Biofuels LLC (BlueEarth) continue negotiations regarding possible construction of a biodiesel production facility on a portion of the Waena Generating Station land.

MECO and HECO continue efforts to evaluate the use of biofuels in MECO's existing generating units. In August 2007, MECO completed initial short-term testing of biodiesel in several internal combustion engines and a combustion turbine at Maalaea Power Plant. Reports on the initial testing were submitted to the DOH in August and October 2007. MECO is currently evaluating plans for a longer term

biodiesel test. MECO continues to use biodiesel during start-up and shut-down operations in two of its generating units at the Maalaea Generation Station.

Black & Veatch (B&V) completed a study for HECO on the use of biofuels from generating unit manufacturers. As part of Phase 3 of the utilities' Biofuels Program, B&V surveyed original equipment manufacturers of diesel generators, boilers, and combustion turbines to assess their insights and experiences on using biofuels including issues associated with operations and infrastructure. HECO is currently in the planning stages of Phase 4, which is the testing of biofuels in existing generating units. HECO plans to test biofuels in an existing boiler to evaluate performance, emissions, and operations.

To help Hawaii establish a local biofuel supply, HECO is providing research funds to the Hawaii Agriculture Research Center (HARC) for biofuel crop research with University of Hawaii participation. HARC and agriculture departments of the Hilo and Manoa campuses of the University of Hawaii are conducting research to determine the most promising oil crops in Hawaii. Research includes test plantings of moringa oleifera on Molokai, jatropha on Oahu, and hybrid oil palm on the Big Island.

Due to the impacts that high penetration levels of intermittent renewable energy generation have on the stability and power quality of small island-based electric grid systems, MECO and HECO have commissioned a study with the U.S. Department of Energy and Hawaii Natural Energy Institute (HNEI). The study will model Maui's electrical grid and evaluate the current penetration of wind energy and to assess the impact of additional wind and other renewable energy systems. Various scenarios and

simulations are being analyzed by project partners General Electric and HNEI in this ongoing project.

Based on a proposal submitted to the USDOE in August 2007, the USDOE awarded $7 million to a team led by HNEI to develop and deploy distributed energy technologies that can help ameliorate the issues (power fluctuation issues, frequency, etc. arising from wind generation) related to wind energy integration on an electric utility grid. Additional funding will be contributed by the various team partners, which include HECO, MECO, General Electric, Columbus Electric Cooperative, the New Mexico Institute of Mining and Technology, Sentech and UPC Wind. The three-year project will be deployed at the Maui Lani Substation on Maui over the 2009-2011 timeframe.

In February 2008, Oceanlinx Limited, an Australian-based high-tech company, announced plans to provide up to 2.7 MW of electricity to MECO from Hawaii's first wave energy project that could be operational by the end of 2010. The project would involve two or three floating wave platforms offshore of Pauwela Point on the north coast of central Maui. Oceanlinx is currently preparing an environmental impact statement for the project and pursuing appropriate permits and approvals. MECO is pursuing a power purchase agreement with Oceanlinx.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program,

coordinated with and approved by DOH to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with DOH and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with DOH and, if necessary, prepare a wastewater disposal plan subject to review and approval by DOH. Petitioner shall provide at its own

expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with DOH and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with DOH regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to

ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of DOH and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with

the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition. As stated in the "General Progress of Renewable or Research & Development Projects" section above, MECO intends to lease a portion of the Waena Generating Station lands to BlueEarth Maui for construction of a biodiesel production facility

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition. Petitioner has filed Annual Reports with the Commission since June 23, 1999 and submits this Tenth Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, August 25, 2008.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Edward L. Reinhardt
Its President

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document will be made by depositing the same with the U.S. mail, postage prepaid, within (5) days of the date on this report, addressed to:

ABBEY S. MAYER — BY MAIL
Director
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA — BY MAIL
Planning Program Administrator
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

JEFF HUNT, Director — BY MAIL
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Kahului, Hawaii, August 25, 2008.

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

LINDA LINGLE
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, Hawaii 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

October 1, 2007

Mr. Edward L. Reinhardt, President
Maui Electric Company, Ltd.
210 West Kamehameha Avenue
P. O. Box 398
Kahului, Hawaii 96733-6898

Dear Mr. Reinhardt:

Subject: Filing of the Ninth Annual Report
Docket No. A97-722 Maui Electric Company, Limited

This is to acknowledge receipt of the annual report for the subject docket dated July 24, 2007. Upon completion of our review of the annual report, we will submit our comments to you, if necessary.

Please note that we have requested the County of Maui, Planning Department, to review and comment on the annual report, with the understanding that you have submitted a copy of the annual report to the County. Any comments they may have will be provided to you.

As a reminder, the LUC requires the following when filing annual reports: (1) an original annual report to the LUC plus one copy; and (2) email a .pdf version of the annual report to Caroline Lorenzo, Secretary, at clorenzo@dbedt.hawaii.gov. We request that you submit a .pdf version of this year's annual report to Caroline Lorenzo as soon as possible.

Thank you for your cooperation in this annual reporting requirement. Please do not hesitate to contact me at 587-3826, should you require clarification or any further assistance.

Sincerely,

ANTHONY J. H. CHING
Executive Officer

LINDA LINGLE
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, Hawaii 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

October 1, 2007

Mr. Jeffrey Hunt, Director
Department of Planning
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Hunt:

Subject: Filing of the Ninth Annual Report
Docket No. A97-722 Maui Electric Company, Limited

On July 30, 2007, the Land Use Commission received the annual report from the Petitioner filed pursuant to Condition No. 14 of the Findings of Fact, Conclusions of Law, and Decision and Order issued on June 22, 1998. As required by said conditions, we understand that the County of Maui, Department of Planning, has been served with a copy of the annual report.

We request your assistance in reviewing the annual report and provide us with any comments you may have regarding the Petitioner's compliance with conditions. We request that any comments your agency may have be submitted to our office with a copy to the Petitioner by November 1, 2007.

Please do not hesitate to contact me at 587-3822 should you require clarification or further assistance.

Sincerely,

ANTHONY J. H. CHING
Executive Officer

Maui Electric Company, Ltd. 0 West Kamehameha Avenue • PO Box 398 hului, Maui, HI 96733-6898 • (808) 871-8461

LAND USE COMMISSION
STATE OF HAWAII
2007 JUL 30 A 7:59

July 24, 2007

Edward L. Reinhardt
President

Mr. Anthony Ching
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Enclosed is the Ninth Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

Enclosures

cc: Mr. Max Rogers (State of Hawaii Land Use Commission)
Mr. Michael Ribao (MECO)

ORIGINAL

LAND USE COMMISSION
STATE OF HAWAII
2007 JUL 30 A 7:59

NINTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	
	)	Docket No. A97-722
MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation	)	
	)	
	)	
To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	
	)	

NINTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its ninth annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project since June 2006:

On December 8, 2006, the Public Utilities Commission (PUC) issued Decision and Order (D&O) No. 23121 regarding the Competitive Bidding for New Generating Capacity in Hawaii (Docket No. 03-0372). With D&O No. 23121, the PUC adopted a Framework for Competitive Bidding which will require MECO to bid on future generating units to be installed on the Island of Maui. The PUC's Framework also requires the Utility to maintain a "Parallel Plan" for new generation until there is reasonable assurance that the winning bid will reach commercial operation. Proceeding with the Parallel Plan, MECO is in the process of selecting a consultant to provide services to support the 2011 commercial operations date required for the next generating unit.

On April 30 2007, MECO filed its Integrated Resource Plan (IRP) 2007-2026 with the PUC. In the IRP, MECO identified the need for two large blocks of firm capacity generation in 2011 and 2013. MECO will submit bids for both blocks of generation when the RFPs for new generation are issued.

In a letter dated March 12, 2007 State of Hawaii Department of Health (DOH) requested addition information and clarification concerning the Prevention of Significant Deterioration/Covered Source (PSD/CS) air permit application. MECO is presently preparing responses to their request.

General Progress of Renewable or Research & Development Projects:

In the Waena Change in Zoning ordinance, Exhibit "2", Condition # 10, it states, "That MECO shall use no more than 32.5 acres for conventional fossil fuel burning energy production and ancillary facilities. The remaining 33.2 acres shall be used for alternative energy (i.e., research, demonstration, and/or production projects) and ancillary facilities." Renewable Hawaii, Inc., a subsidiary of HECO, continues to evaluate a landfill gas proposal for the island of Maui, which was submitted in response to Renewable Hawaii's second Renewable Energy Request for Project Proposals (RE RFPP 2) issued on March 28, 2005 to seek passive investment opportunities in commercial renewable energy projects larger than 1 MW.

In February 2007 BlueEarth Biofuels LLC (BlueEarth) announced plans to build a biodiesel production facility on a portion of the Waena Generating Station land. The facility is presently scheduled to begin operations in 2009. The biodiesel plant will be owned by BlueEarth Maui Biofuels LLC (BlueEarth Maui), a new venture between BlueEarth and a to-be-formed non-regulated subsidiary of HECO. The HECO non-regulated subsidiary's profits from the project will be directed into a biofuels public trust to be created for the purpose of funding biofuel development in Hawaii. MECO intends to lease a portion of the Waena Generating Station land to BlueEarth Maui for the biodiesel plant, with lease proceeds credited to MECO ratepayers. In addition, MECO plans to negotiate a fuel purchase contract with BlueEarth Maui for biodiesel to be used in existing generating units at MECO's Maalaea Generating Station. On April 19 of this

year, Landis Maez of BlueEarth Biofuels, Perry White of Planning Solutions and Neal Shinyama of MECO met with you to review this BlueEarth Maui project. It was agreed that the project as presented is consistent with the SLUC District Boundary Amendment and representations made to the Commission during the proceedings for this application. Per your request, the proceeding project update has been included herein.

MECO and HECO continue efforts to evaluate the use of biofuels in MECO's generating units. On February 12, 2007, MECO submitted a request to the DOH to conduct biodiesel testing on several units at Maalaea Power Plant. The DOH approved MECO's request on February 28, 2007. Testing of biodiesel in various generating units is ongoing. MECO continues to use biodiesel during start-up and shut-down operations in two of its generating units at the Maalaea Generation Station.

HECO has contracted Black & Veatch (B&V) to conduct a study to obtain information from manufacturers of generating units on the HECO, MECO, and HELCO systems. As part of Phase 3 of the utilities' Biofuels Program, B&V is contacting original equipment manufacturers of diesel generators, boilers, and combustion turbines to assess their insights and experiences on using biofuels including issues associated with operations and infrastructure.

Due to the impact that intermittent wind generation at high penetration levels has on the stability of small island-based electric grid systems, MECO and HECO are working towards launching a study to model the electric grid system on Maui to evaluate the current penetration of wind on Maui and to assess the impact of additional wind.

MECO and HECO continue to interface with the University of Hawaii at Manoa and HC&S on efforts related to the Hawaii Biomass Program. Under the proposed multi-year program to collaboratively implement a comprehensive dual-use crop strategy to economically produce both sugar and energy, researchers at the Hawaii Natural Energy Institute of the University of Hawaii are leading a study to conduct a preliminary biomass resource assessment at HC&S. The Hawaii Natural Energy Institute has conducted cane trash processing trials on Maui and Oahu and is currently analyzing test results.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by DOH to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with DOH and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts

directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with DOH and, if necessary, prepare a wastewater disposal plan subject to review and approval by DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with DOH and County Department of Public Works and Waste Management and

obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with DOH regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control

measures during and after construction in compliance with the applicable rules and regulations of DOH and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition. As stated in the "General Progress of Renewable or Research & Development Projects" section above, MECO intends to lease a portion of the Waena Generating Station lands to

BlueEarth Maui for construction of a biodiesel production facility, with lease proceeds credited to MECO ratepayers.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition. Petitioner has filed Annual Reports with the Commission since June 23, 1999 and submits this Ninth Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, July 24, 2007.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Edward L. Reinhardt
Its' President

ORIGINAL

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document will be made by depositing the same with the U.S. mail, postage prepaid, within (5) days of the date on this report, addressed to:

LAURA H. THIELEN — BY MAIL
Director
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA — BY MAIL
Planning Program Administrator
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

LAND USE COMMISSION
STATE OF HAWAII
2007 JUL 30 A 7:59

JEFF HUNT, Director — BY MAIL
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Kahului, Hawaii, July 24, 2007.

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

LINDA LINGLE
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, Hawaii 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

August 15, 2006

Mr. Edward L. Reinhardt, President
Maui Electric Company, Limited
P. O. Box 398
Kahului, Hawaii 96733-6898

Dear Mr. Reinhardt:

Subject: Filing of the Eighth Annual Report of Maui Electric Company for LUC Docket No. A97-722/Maui Electric Company, Limited

This is to acknowledge receipt of the eighth annual report for the subject docket dated August 7, 2006. Upon completion of our review of the annual report, we will submit our comments to you, if necessary.

Please note that we have requested the County of Maui, Planning Department, to review and comment on the annual reports, with the understanding that you have submitted a copy of the annual report to the County. Any comments they may have will be provided to you.

As a reminder, the annual report submitted to the LUC shall include: 1) an original annual report plus one copy, and 2) an email .pdf version of the annual report to Max Rogers, Staff Planner, at mrogers@dbedt.hawaii.gov. If you haven't done so, we request that you send a .pdf copy of this year's annual report to Max Rogers at your earliest convenience.

Thank you for your cooperation in this annual reporting requirement. Please do not hesitate to contact Max Rogers of my staff at 587-3822, should you require clarification or any further assistance.

Sincerely,

ANTHONY J. H. CHING
Executive Officer

LINDA LINGLE
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, Hawaii 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

August 15, 2006

Mr. Michael Foley, Director
Department of Planning
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Foley:

Subject: Filing of the Eighth Annual Report of Maui Electric Company for LUC Docket No. A97-722/Maui Electric Company, Limited

On August 10, 2006, the Land Use Commission received the annual report from the Petitioner filed pursuant to Condition No. 14 of the Findings of Fact, Conclusions of Law, and Decision and Order issued on June 22, 1998. As required by said conditions, we understand that the County of Maui, Department of Planning has been served with a copy of the annual report.

We request your assistance in reviewing the annual report and provide us with any comments you may have regarding the Petitioner's compliance with conditions. We request that any comments that your agency may have be submitted to our office with a copy to the Petitioner by September 15, 2006.

Please do not hesitate to contact Maxwell Rogers of my staff at 587-3822, should you require clarification or any further assistance.

Sincerely,

ANTHONY J. H. CHING
Executive Officer

Maui Electric Company, Ltd. • [redacted] West Kamehameha Avenue • PO Box 398 • K[redacted]lui, Maui, HI 96733-6898 • (808) 871-8461

LAND USE COMMISSION
STATE OF HAWAII
2006 AUG 10 A 8:38

August 7, 2006

Edward L. Reinhardt
President

Mr. Anthony Ching
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Enclosed is the Eighth Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file-stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

Enclosures

cc: Mr. Max Rogers (State of Hawaii Land Use Commission)
Mr. Stanley Kiyonaga (MECO)

EIGHTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	Docket No. A97-722

EIGHTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its eighth annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project since June 2005:

The Waena 1 Prevention of Significant Deterioration/Covered Source Permit (PSD/CS) application was updated and submitted to State of Hawaii Department of Health (DOH) on December 5, 2005. In a letter dated January 30, 2006 DoH acknowledged that the Waena 1 PSD/CSP application was complete per HAR 11-60.1, Subchapter 7 (PSD review) and that they were in the process of determining whether it is complete for Subchapter 5 (Covered Sources).

On December 9, 2005, Maui Electric Company, Limited (MECO) requested the United States Fish and Wildlife Department to review the potential impact the Waena project may have on endangered species or critical habitats. The United States Fish and Wildlife, on December 19, 2005, replied that to the best of their knowledge, no federally listed or proposed threatened or endangered species, or proposed or designated critical habitat occur on or near the proposed project site.

On December 9, 2005, the Waena pre-construction monitoring exemption was submitted to DOH for their review and approval.

As of June 2006, MECO is continuing to develop long- term resource plans through its third cycle of Integrated Resource Planning (IRP-3). Although the selection of the preferred resource plan is not expected to occur until after receiving public input in August 2006, preliminary proposed plans show the installation of Waena 1, a simple cycle combustion turbine, at Waena Generating Station in 2011.

General Progress of Renewable or Research & Development Projects:

In the Waena Change in Zoning ordinance, Exhibit "2", Condition # 10, it states, "That MECo shall use no more than 32.5 acres for conventional fossil fuel burning energy production and ancillary facilities. The remaining 33.2 acres shall be used for alternative energy (i.e., research, demonstration, and/or production projects) and ancillary facilities." Renewable Hawaii, Inc., a subsidiary of HECO, continues to evaluate a landfill gas proposal for the island of Maui, which was submitted in response to Renewable Hawaii's second Renewable Energy Request for Project Proposals (RE RFPP 2) issued on March 28, 2005 to seek passive investment opportunities in commercial renewable energy projects larger than 1 MW.

MECO and HECO continue to work with HC&S and the University of Hawaii at Manoa to develop the Hawaii Biomass Program. Under the proposed multi-year program to collaboratively implement a comprehensive dual-use crop strategy to economically produce both sugar and energy, researchers at the Hawaii Natural Energy Institute of the University of Hawaii are leading a study to conduct a preliminary biomass resource assessment at HC&S. On June 30, 2006, HECO completed its contract with Southwest Research Institute to conduct performance and emissions testing of biodiesel/diesel and ethanol/diesel blends in a combustion turbine combustor. Findings from this work (Phase 2 of the utilities' Biofuels Program) will help assess the feasibility of using biofuels for electric power generation.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with the State Department of Health (DOH)

regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal

deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition.

Petitioner has filed Annual Reports with the Commission since June 23, 1999 and submits this Eight Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of

Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, August 7, 2006.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Edward L. Reinhardt
Its' President

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document will be made by depositing the same with the U.S. mail, postage prepaid, within (5) days of the date on this report, addressed to:

MARY LOU KOBAYASHI — BY MAIL
Administrator
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA — BY MAIL
Planning Program Administrator
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

MICHAEL FOLEY, Director — BY MAIL
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Kahului, Hawaii, August 7, 2006.

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

ALAN M. ARAKAWA
Mayor

MICHAEL W. FOLEY
Director

WAYNE A. BOTEILHO
Deputy Director

Max/Carol V
approp action

LAND USE COMMISSION
STATE OF HAWAII

COUNTY OF MAUI
DEPARTMENT OF PLANNING

2005 JUL -5 A 8:15

June 28, 2005

Mr. Anthony Ching, Executive Officer
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

RE: Annual Report Filed by Maui Electric Company, Ltd., for the Maui Waena Power Generating Plant at TMK 3-8-003:023 and 024, Puunene, Maui (LUC Docket No. 97-722)

We are in receipt of the Annual Report (Report) for the above referenced project and find the Report acceptable. Thank you for the opportunity to review the report. If additional clarification is required, please contact Ms. Colleen M. Suyama, Staff Planner, of this office at 270-7735.

Sincerely,

MICHAEL W. FOLEY
Planning Director

MWF:CMS:lar
c: Clayton I. Yoshida, AICP, Planning Program Administrator
Laura Thielan, Office of Planning
Edward Reinhardt, MECO
Colleen M. Suyama, Staff Planner
Project File
General File
(K:\WP_DOCS\PLANNING\A\97A722MauiWaenaPlant\2005AnnualReport.wpd)

250 SOUTH HIGH STREET, WAILUKU, MAUI, HAWAII 96793
PLANNING DIVISION (808) 270-7735; ZONING DIVISION (808) 270-7253; FACSIMILE (808) 270-7634

LINDA LINGLE
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, Hawaii 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 5, 2005

Mr. Edward L. Reinhardt, President
Maui Electric Company, Limited
P. O. Box 398
Kahului, Hawaii 96733-6898

Dear Mr. Reinhardt:

Subject: Filing of the Seventh Annual Report of Maui Electric Company for LUC Docket No. A97-722/Maui Electric Company, Limited

This is to acknowledge receipt of the seventh annual report for the subject docket dated June 21, 2005. Upon completion of our review of the annual report, we will submit our comments to you, if necessary.

Please note that we have requested the County of Maui, Planning Department, to review and comment on the annual reports, with the understanding that you have submitted a copy of the annual report to the County. Any comments they may have will be provided to you.

As required by Condition No. 14 of the Findings of Fact, Conclusions of Law, and Decision and Order issued by the LUC on June 22, 1998, the Petitioner shall provide the annual report to the LUC, the Office of Planning, and the County of Maui Planning Department.

Please note that the annual report submitted to the LUC shall include: 1) an original annual report plus one copy, and 2) an email .pdf version of the annual report to Max Rogers, Staff Planner, at mrogers@dbedt.hawaii.gov. To initiate this new procedure for 2005, we request that you send a .pdf copy of this year's annual report to Max Rogers at your earliest convenience.

Thank you for your cooperation in this annual reporting requirement. Please do not hesitate to contact Max Rogers of my staff at 587-3822, should you require clarification or any further assistance.

Sincerely,

ANTHONY J. H. CHING
Executive Officer

LINDA LINGLE
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, Hawaii 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 5, 2005

Mr. Michael Foley, Director
Department of Planning
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Mr. Foley:

Subject: Filing of the Seventh Annual Report of Maui Electric Company for LUC Docket No. A97-722/Maui Electric Company, Limited

On June 24, 2005, the Land Use Commission received the annual report from the Petitioner filed pursuant to Condition No. 14 of the Findings of Fact, Conclusions of Law, and Decision and Order issued on June 22, 1998. As required by said conditions, we understand that the County of Maui, Department of Planning has been served with a copy of the annual report.

We request your assistance in reviewing the annual report and provide us with any comments you may have regarding the Petitioner's compliance with conditions. We request that any comments that your agency may have be submitted to our office with a copy to the Petitioner by August 1, 2005.

Please do not hesitate to contact Maxwell Rogers of my staff at 587-3822, should you require clarification or any further assistance.

Sincerely,

ANTHONY J. H. CHING
Executive Officer

Maui Electric Company, Ltd. • [redacted] West Kamehameha Avenue • PO Box 398 • [redacted]lui, Maui, HI 96733-6898 • (808) 871-8461

LAND USE COMMISSION
STATE OF HAWAII

2005 JUN 24 A 7:40

June 21, 2005

Edward L. Reinhardt
President

Mr. Anthony Ching
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Enclosed is the Seventh Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file-stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

Enclosures

cc: Mr. Stanley Kiyonaga

SEVENTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	Docket No. A97-722

SEVENTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its seventh annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project Since June 2004:

On July 12, 2004, MECO awarded a service contract to CH2M Hill to design and construct the Waena Operations Building and to update the conceptual layout of the Waena Generating Station. CH2M Hill completed a preliminary design for a Leadership in Energy & Environmental Design (LEED) qualified Operations Building for Waena, however, in review of the Waena Generating Station master plan, infrastructure requirements and the schedule for the first generating unit at Waena, the Operations Building was deferred to a 2011 commercial operation date.

On April 27, 2005, MECO issued a Request for Proposal (RFP) for consultant services to design and install Waena 1, the first simple cycle combustion turbine at Waena. Proposals were received from six consultants on May 31, 2005 and are currently being reviewed.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them.

Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to

ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with

the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition. Petitioner has filed Annual Reports with the Commission since June 23, 1999 and submits this Seventh Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the

Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, June 21, 2005.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Edward L. Reinhardt
Its President

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document will be made by depositing the same with the U.S. mail, postage prepaid, within (5) days of the date on this report, addressed to:

MARY LOU KOBAYASHI — BY MAIL
Administrator
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA — BY MAIL
Planning Program Administrator
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

MICHAEL FOLEY, Director — BY MAIL
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Kahului, Hawaii, June 21, 2005.

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

ALAN M. ARAKAWA
Mayor

MICHAEL W. FOLEY
Director

WAYNE A. BOTEILHO
Deputy Director

Ant pls file

LAND USE COMMISSION
STATE OF HAWAII
2004 JUN 22 P 1:33

COUNTY OF MAUI
DEPARTMENT OF PLANNING

June 17, 2004

Mr. Anthony Ching, Executive Officer
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

RE: Annual Report Filed by Maui Electric Company, Ltd., for the Maui Waena Power Generating Plant at TMK 3-8-003:023 and 024, Puunene, Maui (LUC Docket No. 97-722)

We are in receipt of the Annual Report (Report) for the above referenced project and find the Report acceptable. Thank you for the opportunity to review the report. If additional clarification is required, please contact Ms. Colleen M. Suyama, Staff Planner, of this office at 270-7735.

Sincerely,

MICHAEL W. FOLEY
Planning Director

MWF:CMS:jmu
c: Clayton I. Yoshida, AICP, Planning Program Administrator
Mary Lou Kobayashi, Office of Planning
Edward Reinhardt, MECO
Colleen M. Suyama, Staff Planner
Project File
General File
(K:\WP_DOCS\PLANNING\A\97A722MauiWaenaPlant\2004AnnualReport.wpd)

LINDA LINGLE
BENJAMIN J. CAYETANO
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

August 22, 2003

Mr. Michael W. Foley, Director
Department of Planning
County of Maui
250 South High Street
Wailuku, Maui, Hawai`i 96793

Dear Mr. Foley:

Subject: Filing of the 2003 Annual Report for LUC Docket No. A97-722/Maui Electric Company Ltd.

On June 21, 2003, the Land Use Commission received the 2003 annual report from Petitioner Maui Electric Company Ltd. filed pursuant to Condition No. 14 of the Findings of Fact, Conclusions of Law, and Decision and Order issued on June 22, 1998 for the subject docket. As required by said condition, we understand that the Department of Planning, County of Maui has been served a copy of the annual report.

We request your assistance in reviewing the 2003 annual reports and provide us with any comments regarding Petitioner's compliance with conditions.

We request that any comments that your agency may have be submitted to our office, if not already provided, with a copy to Petitioner.

Please feel free to contact Russell Kumabe of my staff at (808) 587-3822 should you require clarification or any further assistance.

Sincerely,

ANTHONY J.H. CHING
Executive Officer

LINDA LINGLE
~~BENJAMIN J. CAYETANO~~
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

August 22, 2003

Mr. Edward L. Reinhardt
President
Maui Electric Company, Ltd.
PO Box 398
Kahului, Maui, Hawai`i 96733-6898

Dear Mr. Reinhardt:

Subject: Filing of the 2003 Annual Report for LUC Docket No. A97-722/Maui Electric Company Ltd.

This is to acknowledge receipt of the 2003 annual reports for the subject docket received on June 12, 2003. Upon completion of our review of the annual reports, we will submit our comments to you if necessary.

Please feel free to contact Russell Kumabe of my staff at (808) 587-3822 should you require clarification or any further assistance.

Sincerely,

Russell Kumabe
for

ANTHONY J.H. CHING
Executive Officer

ALAN M. ARAKAWA
Mayor

MICHAEL W. FOLEY
Director

WAYNE A. BOTEILHO
Deputy Director

Russell-appropriation

COUNTY OF MAUI
DEPARTMENT OF PLANNING

LAND USE COMMISSION
STATE OF HAWAII
2003 JUN 20 A 7:26

June 17, 2003

Anthony Ching, Executive Officer
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

RE: Annual Report Filed by Maui Electric Company, Ltd., for the Maui Waena Power Generating Plant at TMK 3-8-003:023 and 024, Puunene, Maui (LUC Docket No. 97-722)

We are in receipt of the Annual Report (Report) for the above referenced project and find the Report acceptable. Thank you for the opportunity to review the report. If additional clarification is required, please contact Ms. Colleen M. Suyama, Staff Planner, of this office at 270-7735.

Very truly yours,

M. Le Foley

MICHAEL W. FOLEY
Planning Director

MWF:CMS:jmu
c: Clayton Yoshida, AICP, Deputy Planning Director
Mary Lou Kobayashi, Office of Planning
Edward Reinhardt, MECO
Colleen M. Suyama, Staff Planner
Project File
General File
(K:\WP_DOCS\PLANNING\A\97A722MauiWaenaPlant\2003AnnualReport.wpd)

Maui Electric Company, Ltd. • 210 West Kamehameha Avenue • PO Box 398 • Kahului, Maui, HI 96733-6898 • (808) 871-8461

Russell- pls return file stamped copy - appropr action

Edward L. Reinhardt
President

June 09, 2003

LAND USE COMMISSION
STATE OF HAWAII
2003 JUN 12 A 7:39

Mr. Anthony Ching
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722;
TMK 3-8-03:23 and 24

Dear Mr. Ching:

Enclosed is the Fifth Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

cc: Mr. Stanley Kiyonaga

FIFTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	Docket No. A97-722

FIFTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its fifth annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project Since June 2002:

On August 27, 2002, MECO submitted a "Comparison of Maximum Air Quality Impacts with Modeling and Monitoring Significant Levels" report to Hawaii State Department of Health (DOH), Clean Air Branch, and requested an exemption from the Prevention of Significant Deterioration (PSD) requirement for preconstruction monitoring.

On Sept. 18, 2002, URS Corporation completed the Best Available Control Technology (BACT) analysis for W1 (GE LM2500 combustion turbine) and WSG1 (1 MW Black Start diesel generator). The BACT is a requirement for the air permit application for Waena 1 and addresses issues concerning the use of ethanol and diesel oil as fuel and emission control technologies for the LM2500 combustion turbine. Ethanol is a renewable resource that may be available from HC&S or other industries in the future.

On October 7, 2002, MECO submitted the "Air Quality Modeling Protocol For Combustion Turbine W1 and Diesel Engine Generator WSG1" report to DOH.

On October 17, 2002, MECO applied and obtained a street address for the Waena Generating Station from the County of Maui, Department of Public Works and Waste Management and the United States Postal Service. Waena Generating Station street address is; 8001 Pulehu Road, Puunene, HI 96784.

On December 18, 2002, MECO submitted the Waena 1 Covered Source (CS)/Prevention of Significant Deterioration (PSD) permit application to DOH. (The

CS/PSD permit application is known as the "air" permit application.) The CS/PSD permit application requested approval from DOH for MECO to install and operate a GE LM2500 combustion turbine and a 1 MW black start diesel at Waena.

On January 16, 2003, DOH issued a letter to MECO deeming the CS/PSD permit application being complete and assigned it CS/PSD Permit No. 0531-01.

On January 20, 2003, MECO submitted Waena AERMOD Modeling Report to DOH. AERMOD is a new emission dispersion model that EPA is proposing to be used in future air permit application, however not required at this time. The Waena AERMOD modeling report was submitted since the National Park Service requested it.

On March 17, 2003, DOH submitted a letter to MECO requesting additional information on Waena 1 air permit application. MECO is presently assembling the information.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them.

Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to

ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with

the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition. Petitioner filed its First, Second, Third, and Fourth Annual Reports with the Commission on June 23, 1999, June 14, 2000, June 19, 2001, June 28, 2002 respectively, and submits this Fifth Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order

for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, June 09, 2003.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Edward L. Reinhardt
Its' President

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document will be made by depositing the same with the U.S. mail, postage prepaid, within (5) days of the date on this report, addressed to:

Mary Lou Kobayashi — BY MAIL
Planning Program Administrator
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA, Administrator — BY MAIL
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

MICHAEL FOLEY, Director — BY MAIL
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Kahului, Hawaii, June 09, 2003.

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

Maui Electric Company, Ltd. • 210 West Kamehameha Avenue • PO Box 398 • Kahului, Maui, HI 96732-0398 • (808) 871-8461

LAND USE COMMISSION
STATE OF HAWAII
2002 JUL 15 A 11:21

July 12, 2002

Mr. Anthony J. H. Ching
Executive Officer
Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Re: Waena Generating Station
LUC Docket No. A97-722, TMK 3-8-03:23 and 24
Maui Electric Company, Limited

Dear Mr. Ching:

On January 9, 2002 we met with you and Bert Saruwatari regarding the project schedule for the new Waena Generating Station. In that meeting we discussed several of the factors that have contributed to the deferred projected start-of-construction date. As promised, we are now submitting a detailed chronology of events (1991 to present) for your information and file. Maui Electric Company, Ltd. also prepares and submits quarterly Progress Reports to the Maui County Planning Department on an ongoing basis. Please do not hesitate to contact Kenji Kusaka at 543-7541 if there are any questions or clarifications.

Sincerely,

Stanley K. Kiyonaga
Manager, Power Supply

Enclosure

cc. Ed Reinhardt (MECO)
Kenji Kusaka (HECO)

LAND USE COMMISSION
STATE OF HAWAII
2002 JUL 15 A 11: 21

MECO'S WAENA GENERATION SITE CHRONOLOGY

(October 1991 – July 2002)

DATE	EVENT
10/28/91	*Maui Electric Company, Limited Generating Facility Siting Study, Candidate Sites Report*, by Black & Veatch was completed.
12/23/92	*Maui Electric Company 1995 Unit Addition Project: Alternate Puunene Airport Site, Environmental Screening Report*; by Belt Collins & Associates was completed.
4/93	*Central Maui Siting Study Air Quality Analysis*; by Trinity Consultants was completed.
5/4/93	MECO submitted a letter to MCA responding to MCA's concerns.
5/26/93	MECO submitted a letter to Mayor Lingle describing MECO's future expansion plans.
5/27/93	MECO submitted a letter to Doane (ABHI) requesting to resume negotiations for the new site.
6/25/93	MECO submitted a letter to the Mayor, requesting a meeting "to review candidate sites and to obtain the Administration's thoughts as to how the sites may agree with County plans and intentions" for the Central Maui Siting Study.
6/29/93	Mayor Lingle submitted a letter to MECO, responding to MECO's letter of 6/25/93; Brian Miskae designated as "lead person on this matter" (power plant siting). Meeting scheduled for 7/22/93.
6/29/93	MECO submitted a letter to Councilman Moniz requesting to present the Central Maui Siting Study to the Council.
6/30/93	HECO transmitted 3 copies of the *Central Maui Siting Study Air Quality Analysis*, preliminary MECO Central Maui Siting Study and the agenda for ABHI/MECO's meeting to Stan Kuriyama, ABHI.
7/9/93	Held a meeting between MECO, HC&S, and ABHI to discuss the preliminary Central Maui Siting Study.
7/16/93	MECO submitted a letter to B. Miskae, Director, Planning Dept., requesting a meeting to discuss the new generation sites.
7/22/93	Held a meeting with Maui Planning Department to discuss the preliminary Central Maui Siting Study. Meeting minutes.
7/23/93	MECO submitted a letter to County Council Chair Goro Hokama, requesting for a meeting on the Central Maui Siting Study with the County Council Planning Committee.
7/93	*Phase I Preliminary Site Assessment, Alternative Puunene Airport Site, TMK 3-8-04:02 (Portion of), Wailuku, Maui, Hawaii*; by Belt Collins Hawaii was completed.
8/3/93	MECO presented the Central Valley Siting Study to the County Council. Meeting notes.
8/9/93	B. Bliemeister (HECO), Williams (HECO), Jung (MECO), Clary (BEE Consulting Services) and Herman Wong (DOH) visited the proposed central valley generation

DATE	EVENT
	sites.
8/10/93	MECO submitted a letter to Councilman Moniz: follow up to 8/3/93 meeting with County Council; provided Maui Peak Loads, MECO fuel consumption and 1999 generating station site information.
9/29/93	MECO submitted a letter to A. Doane (ABHI) requesting to install met towers to record meteorological data to determine if generating units can be installed at the different sites proposed.
10/4/93	MECO submitted *Monitoring Plan for Proposed Future Central Maui Generation Station*; by BEE Consulting Services to DOH.
10/27/93	MECO submitted FAA permit for the met tower at Pulehu Road.
11/22/93	MECO signed Met Tower license agreement with ABHI for the D-1 and C-3 sites.
1/10/94	County of Maui, Department of Public Works and Waste Management issued a letter approving the height variance for the met tower.
1/94	Met towers erected at the D-1 and C-3 sites.
3/8/95	HECO transmitted 2 copies of the *MECO Central Maui Siting Study*, June 1994, to Stan Kuriyama, ABHI
3/95	Met towers dismantled at the D-1 and C-3 sites.
4/8/95	*Environmental Screening and Siting Report for the Central Maui Generation Project*; by Dames & Moore. Received completed report.
4/11/95	MECO transmitted to Vicens (ABHI) copies of a) *Environmental Screening and Siting Report for the Central Maui Generation Project,* b) *Maui Electric Company 1995 Unit Addition Project* & c) *Environmental Screening Report, and Phase I Preliminary Site Assessment study.*
4/11/95	HECO/MECO Lands and Legal dept. held a meet with ABHI to review the potential generation sites. Meeting minutes.
4/19/95	Memorandum from M.K. Vicens (ABHI) to Sol Kahoohalaha (Maui Council Person) proposing new site acquisition schedule between MECO and ABHI
4/21/95	Medusky & Co., Inc. submitted a proposal to provide appraisal services for the Central Maui Power Plant Sites.
5/2/95	HECO submitted a letter to Medusky & Co., Inc. accepting their proposal.
5/2/95	HECO submitted a letter to MECO recommending Stone & Webster Engineering be awarded the contract to conduct the new siting study.
5/4/95	HECO submitted a letter to Medusky providing easement information.
5/10/95	MECO submitted letters to Council members A. Lee, T. Morrow, S. Kaho'ohalahala, B. Monden, W. Nishiki, A. Arakawa, K. Apana, Nakamura, and P. Kawano inviting them to the Kihei and Kula Association meetings to discuss the new sites.
5/18/95	HECO submitted a letter to Medusky & Company, Inc., enclosing drawings that showed the three power plant locations and transmission corridors.
5/19/95	MECO, HECO, HC&S, and Medusky & Co. held a meeting to discuss land appraisals for the new sites. Meeting minutes.
5/16/95	MECO presented MECO's New Generation Site Presentation to the Kihei Community Association. Meeting minutes.

DATE	EVENT
5/25/95	MECO submitted a letter to ABHI & HC&S confirming the complete restoration of the met tower sites.
5/30/95	Miller's (MECO) submitted a letter to Medusky transmitting standard easement document.
5/31/95	HECO, ABHI, and Medusky held a meeting to discuss comparable sales of Ag. land. Meeting minutes.
5/31/95	Fax from Kihei Community Association to T. Jezierny requesting another presentation for June 20, 1995.
6/1/95	MECO presented MECO's New Generation Site Presentation to the Kula Community Association. Meeting minutes.
6/5/95	T. Jezierny (MECO) submitted a letter to Alice Lee (Maui County Council person); inviting her to the Paia and Pukalani community meetings.
6/20/95	MECO presented MECO's New Generation Site Presentation to the Kihei Community Association for the second time. Meeting minutes.
6/22/95	MECO presented MECO's New Generation Site Presentation to the Paia Community Association. Meeting minutes.
6/22/95	MECO held a meeting with HC&S/ABHI to review the preliminary air quality analysis for the three power plant site. A-2 (Waena) is the best site. Meeting minutes.
6/27/95	Kihei Community Association letter/petition to the Maui County Council opposing the C-3 site and favoring the A-2 site.
6/28/95	MECO faxed New Generation Site Fact Sheet to Ken Okamura (Farm Bureau)
6/29/95	MECO presented MECO's New Generation Site Presentation to the Pukalani Community Association. Meeting minutes.
7/5/95	E. Reinhardt's (MECO) submitted a letter to Mr. Lawrence, President, Kahului Town Association. Sent fact sheet on the new generating sites. Council members A. Lee, Arakawa, and K. Apana were copied on the letter.
7/7/95	S. Seu (HECO) transmitted to Mercer Vicens (ABHI) copies of the transparencies used in the air quality screening analysis presentation to HC&S/ABHI
7/12/95	T. Jezierny (MECO) submitted a letter to Mayor Lingle; provided updated information on the new power plant site selection progress.
7/26/95	T. Jezierny (MECO) submitted a letter to Mayor Lingle; requesting a meeting to discuss the new power plant sites and air quality permit opposition.
7/26/95	T. Jezierny (MECO) submitted a letter to Alice Lee: requesting a meeting with the Council to discuss the new power plant sites and air quality permit opposition.
8/1/95	Paia Main Street Association letter to T. Jezierny (MECO); support the C-3 as the next generation site; keep ag. land in production and closest to the areas of largest growth.
8/15/95	MECO presented MECO's New Generation Site Presentation to the Mayor. Meeting minutes.
8/15/95	Meeting with the Maui Farm Bureau and Dr. Paull to discuss the impacts of ethylene emissions. Meeting minutes.
8/17/95	MECO presented MECO's New Generation Site Presentation to the Kula

DATE	EVENT
	Community Association. Meeting minutes.
8/23/95	MECO presented MECO's New Generation Site Presentation to the Makawao Community Association. Meeting minutes.
9/12/95	HECO forwarded to ABHI; final appraisal report from Medusky
10/2/95	Facsimile from County of Maui, Planning Department; Agenda for the Oct. 10, 1995 Planning Commission meeting
10/5/95	Held a meeting with MECO, ABHI, and HC&S to discuss the new generation sites. Meeting minutes.
10/10/95	MECO presented MECO's New Generation Site Presentation to the Maui County Planning Commission. Meeting minutes.
10/13/95	Title Searches for the transmission corridor
10/26/95	Title Searches for the transmission corridor
10/26/95	Facsimile from County Council, notifying MECO that the new generating station was on the agenda.
11/2/95	MECO presented MECO's New Generation Site Presentation to Maui County Council, Committee of the Whole. Meeting minutes.
11/14/95	MECO presented MECO's New Generation Site Presentation to the Kahului Town Association. Meeting minutes.
11/21/95	MECO submitted a letter to Robert Sasaki (ABHI), informing ABHI that the A-2 site (Waena) is MECO's choice.
11/28/95	HECO submitted a letter to S. Kuriyama (ABHI); enclosed a map locating A-2 site and the transmission corridors required for the site.
12/7/95	HECO/MECO held a meeting with HC&S and ABHI to discuss the surveying requirements for A-2.
12/11/95	*MECO Generation Siting Study* by Stone & Webster Engineering recommended the A-2 site as the next generation site.
12/15/95	MECO's letter to Stan Kuriyama (ABHI), requesting acceptance of the plans to acquire the A-2 site.
1/8/96	MECO's requested a proposal from A&B Properties, Inc. to survey the A-2 site and associated transmission corridor.
1/10/96	MECO revised the 12/15/95 agreement letter with ABHI. Sent letter to Stan Kuriyama. ABHI requested that the rent be free for the land. Rev. 1
1/18/96	HECO transmitted to ABHI, Stan Kuriyama, Medusky & Co., Inc.'s *Updated Summary Appraisal Report*
1/22/96	ABHI faxed to HECO, comments on the agreement letter that MECO sent on 1/10/96.
1/31/96	MECO revised the 1/10/96 agreement letter with ABHI. Sent letter to Stan Kuriyama. Rev. 2
2/2/96	Stan Kuriyama (ABHI) signed the 1/31/96 agreement letter and returned a copy to MECO.
2/9/96	HECO Regulatory Affairs filed the PUC land application for MECO new generation site. Docket No. 96-0039
2/14/96	HECO Regulatory Affairs transmitted Stone & Webster's *MECO Generation Siting*

DATE	EVENT
	Study to the PUC.
2/15/96	MECO issued purchase order 32090 to A&B Properties, Inc. to survey the A-2 site and its transmission corridors.
2/21/96	MECO submitted letters to County Administration, County Council, Planning Commission, community associations, and Maui Farm Bureau informing them that MECO had selected A-2 as the next generation site.
2/23/96	HECO Lands and Right of Way issued a copy of the PUC application for the Central Maui Power Plant site to Langa Breen & Associates
4/18/96	MECO issued a copy of the *MECO Generation Siting Study* to Mr. Carl Freedman
4/19/96	MECO issued copies of the *MECO Generation Siting Study* to Mr. Mercer Vincens (ABHI) and Mr. Randall Moore (HC&S).
5/3/96	HECO's transmittal letter to Langa, Breen, & Associates. Transmitted title searches for the new site.
5/10/96	PUC Decision and Order No. 14674: Approved the purchase and condemnation of 67 acres for the new site.
5/15/96	HECO transmitted to Stan Kuriyama (ABHI), a copy of PUC D&O 14674.
5/15/96	HECO transmitted to Sanford Langa, Esq., a copy of the PUC D&O 14674.
5/18/96	Dr. Paull's *Maui Ethylene Monitoring report*. Report sent to Maui and Hawaii Farm Bureaus.
5/21/96	MECO submitted letters to County Administration, County Council, Planning Commission, community associations informing them that MECO received PUC approval to purchase 67 acres on Pulehu road, 1/2 mile mauka of the County Landfill.
5/31/96	HECO submitted a letter to Title Guaranty of Hawaii, Inc. requesting status report on Easement 9.
5/31/96	Title search of TMK 3-8-03-02 by Title Guaranty of Hawaii
6/14/96	HECO submitted a letter to S. Kuriyama (ABHI), updating appraisal report from Medusky & Co., Inc.
6/18/96	Held a meeting with ABHI/HC&S to discuss easements for the new site. R. Moore (HC&S), S. Kuriyama (ABHI), S. Kiyonaga (MECO), E. Reinhardt (MECO), N. Shinyama (MECO), and M. Yuen (HECO) in attendance.
7/31/96	HECO issued Request for Proposal to Planning Solutions, CH2M Hill, Dames & Moore, Belt Collins Hawaii, and Chris Hart and Partners. Requested services for EIS and permitting support for new site.
8/9/96	Randall Moore (HC&S), faxed to N. Shinyama (MECO), new transmission routes for the new site. Different from the surveyed route.
8/15/96	Held pre bid meeting with the consultants to review the work scope for the EIS and permitting requirements for the new site.
9/4/96	Held a meeting with ABHI, HC&S, MECO and HECO to discuss alternate transmission route for the new site and schedule.
9/6/96	HECO submitted a letter to Stan Kuriyama (ABHI), provided detail worksheet for the cost of the property and a draft of the license agreement.
9/12/96	HECO submitted a letter to Stan Kuriyama (ABHI), provided a copy of the

DATE	EVENT
	Easement Relocation Agreement.
9/13/96	HECO submitted a letter to S. Langa; provided compensation worksheet, draft license and easement relocation agreement letter.
9/20/96	ABHI submitted a letter to HECO responding to the easement relocation agreement.
10/8/96	ABHI comments to HECO's easement relocation agreement letter.
11/19/96	MECO signed transmission line relocation agreement with ABHI
11/19/96	MECO signed License Agreement for the land with ABHI (HC&S to rent the land)
11/26/96	MECO received Circuit Court order to condemn and acquire the land for the new generation site.
11/26/96	MECO purchased the new site (Waena) from ABHI.
12/3/96	HECO transmitted executed copies of the License Agreement to Mr. Stan Kuriyama (ABHI).
12/11/96	MECO submitted a letter to the PUC, informing them that MECO has acquired the title and easements to the new site and issued a copy of the Final Order of Condemnation from the Second Circuit Court filed on Nov. 26, 1996.
12/18/96	MECO issued contract to CH2M Hill to provide consulting services to develop the EIS for the new generation site and to support the rezoning of the property from Agriculture to Industrial.
1/27/97	MECO submitted *Interim Accounting Report* for the purchase of the Waena site.
1/27/97	EIS: Held a meeting with Maui County Planning Office to discuss the Community Plan and Zoning application process.
1/27/97	EIS: Held a meeting with Maui County Department of Public Works to update them on the site selection process for Waena (new generation site name).
2/5/97	EIS: CH2M Hill published *Environmental Assessment, Proposed Waena Power Generating Station*
2/14/97	EIS: Maui County registered Waena EIS preparation notice with State Office of Environmental Quality Control
3/6/97	EIS: CH2M Hill submitted a letter to consulted parties notifying them of three public EIS scoping meetings
3/6/97	EIS: Advertisement notifying public of three public EIS scoping meetings
3/8/97	EIS: SOEQC published the Notice of Availability of the Draft EA in March 8, 1997 edition of the Environmental Notice.
3/18/97	EIS: Held EIS public scoping meeting at Upcountry Swimming Complex Multi-Purpose Room (Pukalani).
3/19/97	EIS: Held EIS public scoping meeting at Kihei Elementary School Cafeteria.
3/20/97	EIS: Held EIS public scoping meeting at Maui Arts and Cultural Center McCoy Theater.
4/4/97	EIS: State of Hawaii, Office of Environmental Quality Control issued a letter to MECO requesting that additional items be included in the EIS: Not to expand the Maalaea Plant and data on air, ground water and surface water.
4/7/97	EIS: MECO, HECO, CH2M Hill & CH&P met with Maui County State DOT to review project and requested comments.
4/8/97	EIS: Letter to participants who attended the public scoping meeting with a list of

DATE	EVENT
	who attended and comments that were made.
4/21/97	EIS: Summary of issues raised during the EIS Public Scoping period.
4/28/97	EIS: MECO, HECO, CH2M Hill & CH&P met with Department of Agriculture to review project and requested comments.
4/28/97	EIS: MECO, HECO, CH2M Hill & CH&P met with Department of Transportation, Airport Division to review project and requested comments.
6/24/97	EIS: FAA Notice of Proposed Construction or Alteration, Waena stacks are not obstruction to flight patterns.
7/22/97	EIS: Completed Draft EIS. Submitted draft EIS, OEQC Notice of Publication, EIS Draft distribution list to Maui County Planning Department
7/29/97	EIS: Maui County Planning Department transmitted Draft EIS to SOEQC so that it may be published in the 8/8/97 Environmental Notice.
8/8/97	EIS: The Environmental Notice, OEQC issued notice of Maui Waena Power Plant DEIS
8/18/97	EIS: Letter from American Lung Association commenting on the Draft EIS; listed air quality issues.
8/25/97	EIS: Letter from Maalaea Community Association supporting Waena.
8/26/97	EIS: Letter from Steven Moser, M.D. issued concerns about Waena.
8/26/97	EIS: Held Public Hearings for the EIS at Kahului. Published Draft Environmental Impact Statement, Public Comment Meeting, Waena Generating Station.
8/28/97	EIS: Held Public Hearings for the EIS at Pukalani. Published Draft Environmental Impact Statement, Public Comment Meeting, Waena Generating Station.
8/29/97	EIS: Letter from State of Hawaii, Housing Finance and Development Corporation; issued minor comments concerning the Draft EIS.
8/29/97	EIS: Letter from State of Hawaii, Department of Land and Natural Resources' comments concerning the Draft EIS.
8/29/97	EIS: MECO submitted a letter to Mr. Gabe McAuliffe, Enclosed a copy of the Draft EIS.
8/30/97	EIS: James V. Williamson letter-Comments he made at the Aug. 28, 1997 public meeting.
9/10/97	EIS: Submitted Draft EIS to Rocky Mountain Institute.
9/19/97	EIS: Waena Generating Station Draft EIS Public Comment Meeting Summary
9/15/97	EIS: Comments from Masako and Gregory Westcott on the Waena DEIS
9/18/97	EIS: DOH submitted comments on the Waena DEIS
9/22/97	EIS: Life of the Land submitted comments on the Waena DEIS
9/22/97	EIS: University of Hawaii at Manoa's comments on the Waena DEIS
9/22/97	EIS: Hawaiian Commercial & Sugar Company submitted comments on the Waena DEIS.
9/22/97	EIS: Tropical Orchid Farm's submitted comments on the Waena DEIS
9/22/97	EIS: Maui Tomorrow submitted comments on the Waena DEIS
9/22/97	EIS: State of Hawaii, OEQC requesting additional information for the Waena DEIS
9/23/97	EIS: Department of Business, Economic Development & Tourism submitted comments on the Waena DEIS.

DATE	EVENT
9/24/97	EIS: Department of the Navy submitted a letter on the Waena DEIS- No comment
9/25/97	EIS: Department of Public Works and Waste Management submitted comments on the Waena DEIS
9/25/97	EIS: Department of Parks and Recreation submitted a letter on the Waena DEIS-no comment
9/26/97	EIS: OEQC correcting information on OEQC letter dated 9/22/97
9/26/97	SLUC: SLUC comments on Draft Petition for District Boundary Amendment From Agriculture to Urban, Maui Electric Company
10/24/97	MECO submitted State Land Use Commission Petition for District Boundary Amendment
11/6/97	Submitted Final EIS to County Department of Planning.
11/7/97	EIS: Maui County Department of Planning submitted Final EIS, OEQC Publication Form, Final EIS Distribution Cover Letter, and Distribution list to OEQC.
11/7/97	SLUC: M. Luna submitted Petition for Land Use District Boundary Amendment from Agricultural to Urban; Tax Map Key Nos. (2) 3-8-03:23 and 3-8-03:24; LUC Docket No. A97-722: Maui Electric Company, Limited
11/7/97	OEQC deemed the State Land Use Commission Petition a proper filing.
11/10/97	EIS: OEQC approved Final EIS distribution and distribution list.
11/18/97	SLUC: Notification by SLUC that the petition to reclassify the land was deemed proper and a hearing was scheduled for Feb. 5, 1998.
11/20/97	MECO submitted the County Community Plan Amendment application.
11/20/97	MECO submitted the Change in Zoning application.
11/21/97	Final EIS distributed to everyone on the approved distribution list.
11/23/97	Notice of the Final EIS was published in the OEQC Environmental Notice.
11/24/97	County of Maui, Department of Planning's letter to Office of Environmental Quality Control; Department of Planning informed the OEQC that the county has accepted the Final EIS
11/28/97	EIS: MCA submitted a letter to CH2MHILL to relocate M17 to the new site.
11/28/97	SLUC: State of Hawaii, Dept. Of Agriculture issued a letter to Office of Planning, Dept. Of Business, Economic Development, and Tourism stating that Dept. of Ag. does not object to MECO's request.
12/1/97	SLUC: State of Hawaii, LUC issued a letter to MECO advising that a pre-hearing conference has been scheduled for Feb. 3, 1998.
12/2/97	EIS: United States Department of the Interior letter notifying OEQC that they had no comment to the Final EIS.
12/3/97	EIS: State of Hawaii, Civil Defense issued a letter to the Office of State Planning notifying the State that they had no comments to the Final EIS.
12/3/97	SLUC: Maui County Planning Dept. Issued Maui County's position statement concerning the project.
12/8/97	SLUC: Office of Planning, State of Hawaii issued their position statement. Supporting MECO.
12/8/97	EIS: OEQC published Final Environmental Impact Statement Acceptance Notices in *The Environmental Notice.*

DATE	EVENT
12/17/97	SLUC: Maui Tomorrow issued a letter to the LUC requesting to intervene in the District Boundary Amendment proceedings.
12/29/97	SLUC: Carlsmith Ball Wichman Case & Ichiki filed a memorandum with the LUC in opposition to Maui Tomorrow's Petition To Intervene.
1/12/98	MECO held a Workshop with Maui Planning Commission to answer any questions concerning the Waena Generation Station.
1/22/98	SLUC: SLUC granted Maui Tomorrow authority to intervene.
1/23/98	MCPC: County of Maui, Department of Planning issued a letter to MECO notifying MECO that the Community Plan Amendment and the Change in Zoning applications were deemed complete and a hearing was scheduled for March 10, 1998.
1/23/98	SLUC: State Land Use Commission, Testimony of the Maui Planning Department
1/29/98	SLUC: M. Luna's letter to M. Sheehan (Maui Tomorrow) requesting the exhibits and resume of testifiers.
1/30/98	SLUC: SLUC issued information concerning Maui Tomorrow and Hawaii Organic Farmers Association to M. Luna
2/2/98	MECO issued an informational letter to all large customer concerning the Waena Generating Station
2/3/98	MECO issued an informational letter to Council members, Mayor, Maui Planning Commissioners, State Senators, State Reps for Maui, PUC representative
2/3/98	SLUC: SLUC held a pre-hearing conference for the Waena petition.
2/8/98	SLUC: Maui Tomorrow's Supporting Documentation, Including Witness and Exhibit Lists
2/11/98	SLUC: CH2M Hill issued revised witness list, exhibits, PUC D&O, and Certificate of Service for MECO
2/12/98	SLUC: Stipulation regarding applicant Maui Electric Company, Limited's Witness and Stipulation regarding Non-contested issues
2/17/98	SLUC: MECO's final witness and exhibit list
2/20/98	MCPC: Maui Planning Department's Report to the Maui Planning Commission March 10, 1998 Meeting
2/24/98	SLUC: Rocky Mountain Institute's letter to the LUC.
2/26/98	SLUC: LUC conducted a public hearing at Sandalwood Golf Clubhouse for Waena
2/27/98	SLUC: LUC conducted a public hearing at Sandalwood Golf Clubhouse for Waena
3/2/98	MCPC: Maui Planning Department's Recommendation to the Maui Planning Commission, March 10, 1998 Meeting
3/5/98	MCPC: Pam Forrest submitted a letter to deny Waena proposal.
3/9/98	MCPC: Maui Chamber of Commerce submitted a letter supporting MECO
3/9/98	MCPC: Rocky Mountain Institute supporting Maui Tomorrow to stop Waena
3/9/98	MCPC: Merry Sturtz submitted a letter to vote against Waena
3/10/98	MCPC: List of testifiers for the MCPC hearing on 3/10/98.
3/10/98	MCPC: Maui Planning Commission Public Hearing for Community Plan Amendment and Change in Zoning.
3/10/98	MCPC: Letters supporting Maui Tomorrow to stop Waena; Martin Adler, Jeri,

DATE	EVENT
	Gerhard Opel, Michael Potts
3/10/98	MCPC: Maui Tomorrow's submittals to the Maui Planning Commission; Letter to the Editor, Maui Tomorrow, Rocky Mountain Institute, Ahupuaa Action Alliance, Tropical Orchid Farm, Maui Economic Development Board, Inc., and Live of the Land.
4/1/98	SLUC: Land Use Bulletin
4/8/98	SLUC: LUC conducted a public hearing at Sandalwood Golf Clubhouse for Waena
4/9/98	SLUC: LUC conducted a public hearing at Sandalwood Golf Clubhouse for Waena
4/15/98	SLUC: Mike Trotto submitted a letter notifying SLUC that Maui Tomorrow erroneously used his name as a supporter for Maui Tomorrow.
4/15/98	SLUC: Kahului Town Association submitted a letter supporting the Waena Power Plant Site
4/16/98	SLUC: Fernando Ribao, Jr. submitted a letter notifying SLUC that Maui Tomorrow erroneously used his name as a supporter for Maui Tomorrow.
4/16/98	SLUC: M. Singlehurst submitted a letter to Maui Tomorrow stating that they should not have used his name to support Maui Tomorrow
4/20/98	SLUC: T. Reed submitted a letter notifying SLUC that Maui Tomorrow erroneously used his name as a supporter for Maui Tomorrow.
4/20/98	SLUC: R. D. Moore submitted a letter notifying SLUC that Maui Tomorrow erroneously used his name as a supporter for Maui Tomorrow.
4/23/98	SLUC: SLUC conducted public hearing at Sandlewood.
4/24/98	SLUC: SLUC conducted public hearing at Sandlewood.
4/27/98	SLUC: Madge Walls submitted a letter notifying SLUC that Maui Tomorrow erroneously used her name as a supporter for Maui Tomorrow.
5/14/98	SLUC: The office of Planning's proposed findings of fact, conclusions of law, and decision and order.
5/15/98	SLUC: Maui Tomorrow's Proposed Findings of Fact in the Matter of Case Docket #A97-722
5/20/98	SLUC: Maui Tomorrow's Rebuttal in the Matter of Case Docket # A97-722
5/21/98	SLUC: Maui Planning Department's Objection to Intervener Maui Tomorrow's Proposed Findings of Fact, Conclusion of Law, and Decision and Order
5/22/98	SLUC: MECO's Reponses to the Office of Planning's Findings of Facts, Conclusions of Law and Decision and Order
5/22/98	SLUC: MECO's Analysis, Comments, and Objections to Maui Tomorrow's Proposed Findings of Fact and Conclusions of Law in the Matter of Case Docket #A97-7222, Filed May 15, 1998: Certificate of Service
6/8/98	SLUC: State Land Use Commission Proposed Findings of Fact, Conclusions of Law, and Decision and Order
6/9/98	SLUC submitted a letter advising of action meeting scheduled for June 18, 1998; for each party to provide its position on the Proposed findings of facts and conclusion of law.
6/22/98	SLUC: Land Use Commission issued Decision and Order on Waena Generating Station

DATE	EVENT
6/22/98	SLUC submitted a letter to Martin Luna, requesting conditions imposed on Waena
7/30/98	SLUC: Land Use Commission recorded "Document Listing Conditions to Reclassification of Land" in the Bureau of Conveyances of the State of Hawaii as Document No. 98-112111
9/28/98	CLUC: Testimony of PUC Acting Administrative Director, Paul Shigenaga on Waena Generating Station.
9/29/98	CLUC: Planning Committee Meeting Minutes-Council Chamber
11/10/98	CLUC: Planning Committee Meeting Minutes-Council Chamber
12/28/98	MECO & ABHI executed the Supplemental Option Agreement for ABHI to purchase the land back.
1/13/99	Supplemental Option Agreement was recorded in the Bureau of Conveyances as document no. 99-005265.
1/14/99	HECO transmitted executed copies of the Supplemental Option Agreement to ABHI
6/22/99	SLUC: First Annual Report of Maui Electric Company, Limited submitted.
7/20/99	Air Permit: Susan Kihara (DOH), Blake Shiigi (DOH), Stanton Oshiro (HECO), Jim Clary (HECO Consultant), and Neal Shinyama (MECO) visited the Waena AAQMS site.
7/21/99	Air Permit: MECO's transmitted topographic survey for the Waena site to DOH.
8/3/99	CLUC: Department of the Corporation Council, County of Maui responding to Riki Hokama concerning County's franchise authority and on the impact of PURPA
8/16/99	CLUC: CLUC public hearing for Community Plan Amendment & Change in Zoning
8/30/99	CLUC: CLUC public hearing for Community Plan Amendment & Change in Zoning
8/30/99	CLUC: CLUC Power Point Presentation
9/21/99	CLUC: CLUC requesting information from the PUC on what authority the Council has to impose conditions on Maui Electric Operations
9/21/99	CLUC: CLUC requesting information from Maui County Corporation Counsel on what authority the Council has to impose conditions on Maui Electric Operations
10/6/99	CLUC: Protective Order No. 17272, Stipulation for Protective Order. PUC's agreed to keep HECO's fuel price forecast confidential.
10/25/99	CLUC: MECO submitted responses to CLUC questions concerning Waena.
11/1/99	CLUC: Department of the Corporation Counsel, County of Maui's letter to Kalani English commenting on Council's authority to impose conditions on Waena change in zoning application.
11/1/99	CLUC: MECO submitted a letter to Kalani English submitting metes and bounds description of the Waena property
11/1/99	CLUC: Public Hearing – No decision
11/2/99	CLUC: Kalani English submitted a letter requesting fuel forecast and electricity rate forecast.
11/8/99	ABHI letter to MECO: Informing MECO that ABHI will merge with A&B, Inc. (affect lease agreement with MECO)
11/22/99	CLUC: MECO submitted a letter to Kalani English responding to request concerning electricity rates and fuel oil forecast.
11/29/99	CLUC: Public hearing-No decision

DATE	EVENT
1/3/00	CLUC: Public Hearing- Approved to change land designation from agriculture to Heavy Industrial in the Community Plan, however deferred approval of the Change In Zoning until after MECO submits its IRP.
1/21/00	CLUC: County Council Hearing-Community Planned Amendment, First Hearing-County Council approved the land designation from agriculture to industrial.
2/4/00	CLUC: County Council Hearing-Community Planned Amendment, Second Hearing-County Council deferred action on the land designation from agriculture to industrial.
2/16/00	CLUC: Maui County Board of Ethics letter to P. Kawano stating that he did not have a conflict of interest arising out of his past employment with Molokai Electric
2/17/00	CLUC: Deputy Corp. Council's letter in response to the question raised by Council concerning the effect of the Hawaii Supreme Court's decision in GATRI vs. Blane on a community plan designation for Waena.
2/18/00	CLUC: County Council Hearing-Community Planned Amendment, Second Hearing-County Council deferred action on the land designation from agriculture to industrial.
2/25/00	CLUC:P. Kawano's memo delaying Bill No. 6 (2000), to amend the Wailuku-Kahului Community Plan and Land Use Map from Agriculture to Heavy Industrial for Waena to March 17, 2000.
3/7/00	CLUC: Deputy Corp. Counsel's memo to Council concerning the question raised about the applicability of Section 18.04.030, Maui County Code for subdivision. MECO cannot subdivide the lot to industrial standards.
3/16/00	CLUC: B. Bonnet (MECO) submitted a letter to Council Person Tavares showing unit efficiencies of existing and future generating units.
3/17/00	CLUC: County Council approved MECO's Community Plan Amendment for the Waena on the second and final reading as amended. The amendment gives M-2 Industrial designation to the 65.7-acre parcel, however does not identify the use as an electrical generating station and the use of the parcel will be determined when the change in zoning is considered.
3/30/00	CLUC: B. Bonnet (MECO) submitted a letter to K. English, providing information concerning the need for Waena.
4/6/00	CLUC: B. Bonnet (MECO) submitted a letter to Pukalani Community Association. Provided a copy of the Waena EIS to the association.
4/14/00	CLUC: Transmittal letter from Maui, Department of Planning to MECO: Ordinance No. 2841, Bill No. 6 (2000) approved. Ordinance to amend the Wailuku-Kahului Community Plan and Land Use Map from Agriculture to Heavy Industrial for Property situated at Pulehu, Wailuku, Maui, Hawaii. Effective date 4/12/00
5/4/00	CLUC: MECO submitted a letter to R. Hokama responding to D. Gratham, S. Lester, D. Mayer & R. Sturtz questions.
5/8/00	CLUC: MECO presented its IRP Draft report and Maui Tomorrow members provided their visions of Maui's Electric Energy Future in a public presentation.
5/16/00	CLUC: MECO participated in a forum sponsored by the Kihei Community Association on Maui's Energy Future
5/22/00	CLUC: MECO submitted a letter to R. Hokama responding to D. Grantham, S.

DATE	EVENT
	Lester, D. Mayer & R. Sturtz questions.
6/1/00	CLUC: MECO submitted 18 sets of MECO IRP 2000 report to the CLUC.
6/5/00	CLUC: County Council Land Use Committee Meeting – Council members amended the application and allowed only 32.5 acres be used for conventional power generating unit. The bill was passed onto the County Council.
6/9/00	CLUC: County Council informing MECO that the Change in Zoning hearing has been scheduled for June 16, 2000 and to contact the County Clerk regarding the Bureau of Conveyances' Recordation/Filing Fee.
6/14/00	SLUC: Transmitted the *Second Annual Report of MECO* per condition of Land Use permit.
6/14/00	CLUC: C. Freedman submitted a letter to County Council to assign MECO a MW limit.
6/16/00	County Council Hearing: First Reading of Bill 60 (2000) to change in zoning Agriculture District to M-2 Heavy Industrial for the Waena site. Council set two major conditions. Limited the site to 32.5 acres for conventional power generation and limited generation to only 66 MW. Need to go back to the Council if additional acreage or power is needed.
6/19/00	SLUC: Maui Depart of Planning letter to State Land Use Commission advising them that the Waena property was zoned County Agricultural District on Dec. 28, 1998 from County Interim.
6/19/00	CLUC: Carlsmith Ball submitted a letter to Deputy Corp Counsel: submitted the Unilateral Agreement executed by Bill Bonnet (MECO).
6/22/00	SLUC: Calsmith Ball submitted a letter to State Land Use Commission advising correction to Docket No. A97-722 (redistricting of 65.7 acres from Agriculture to Urban.) based on Department of Planning letter dated 6/19/00.
6/22/00	CLUC: Carlsmith Ball submitted a letter to Director, Department of Planning rebutting allegations that a supplemental EIS is required since MECO was not retiring the units as proposed in the EIS
6/23/00	CLUC: Maui Land & Pine letter to P. Kawano stating that Mr. Grantham provided misinformation about their air permit.
6/26/00	CLUC: Deputy Corp. Council's memo to County Clerk advising the process MECO will need to follow to increase the 66 MW restriction on Waena.
6/28/00	SLUC: SLUC letter to Carlsmith Ball acknowledging receipt of the June 22, 2000 letter.
6/29/00	CLUC: Bureau of Conveyances recorded the Unilateral Agreement and Declaration for Conditional Zoning, Document No. 2000-089696
6/30/00	CLUC: Department of Planning letter to Maui Tomorrow stating that a supplemental EIS is not required.
7/5/00	CLUC: Deputy Corp. Counsel letter to P. Kawano clarifying two issued raised by Maui Tomorrow; Criteria for granting a change in zoning and agricultural district criteria.
7/7/00	County Council Hearing: Second Reading of Bill 60 (2000) to change in zoning Agriculture District to M-2 Heavy Industrial for the Waena site. Council approved

DATE	EVENT
	the change in zoning with two major conditions. Limited the site to 32.5 acres for conventional power generation and limited generation to only 66 MW. Need to go back to the Council if additional acreage or power is needed.
7/12/00	CLUC: Mayor Apana signed Bill 60 to change the zoning for Waena to Heavy Industrial.
10/10/00	Air Permit: Started collecting air quality data at Waena.
11/28/00	Air Permit: MECO submitted to DOH, Pre-construction Air Quality and Meteorological Monitoring Protocol.
2/1/01	Air Permit: HECO submitted a letter to US Fish & Wildlife Service asking for input on potential impacts of the project's emissions on any endangered species or critical habitat.
3/2/01	Air Permit: US Fish & Wildlife responded to HECO's 2/1/01 letter. No federally listed endangered, threatened, or proposed threatened or endangered species, or proposed or designated critical habitats occur in the proposed project site.
6/20/01	SLUC; Issued *Third Annual Report of Maui Electric Company* to the State Land Use Commission.
7/24/01	CLUC: *First Annual Status Report* issued to the County of Maui per Change in Zoning Condition #6.
9/26/01	Air Permit: Completed air quality monitoring at Waena. Shut down air station.
1/9/02	SLUC: MECO, HECO, M. Luna met with Mr. Ching to discuss Waena conditions.
1/24/02	SLUC: M. Luna submitted a letter to Executive Officer, Land Use Commission, summarizing MECO's discussion with Mr. A. Ching on Jan. 9, 2002.
2/21/02	Air Permit: J. Kane (HECO) and Q. Komori (HECO) met with Nolan (DOH) and Marianne Rossio (DOH) to update DOH on Waena generating unit selection process.
4/2/02	Air Permit: R. Sakuda (HECO) gave a presentation to DOH on the planning process to add unit additions on Maui.
6/10/02	Air Permit: URS Corporation signed work authorization to develop the BACT analysis for a GE LM2500 combustion turbine utilizing ethanol and diesel oil as fuel.
6/11/02	HC&S PPA: MECO and HC&S agreed to extend purchase power agreement to Dec. 31, 2007.
6/28/02	SLUC; Issued *Fourth Annual Report of Maui Electric Company* to the State Land Use Commission.
7/1/02	MECO submitted *Maui Electric Company, Ltd. 2002 Electric Utility System Cost Data Filing* to the PUC.

Legend

ABHI	Alexander & Baldwin-Hawaii
CH&P	Chris Hart & Partners (Consultant)
CH2M Hill	Consultant
CLUC	Council Land Use Committee
DEIS	Draft Environmental Impact Statement
DOH	State of Hawaii, Department of Health
EIS	Environmental Impact Statement
FAA	Federal Aviation Administration
HC&S	Hawaiian Commercial & Sugar Company
HECO	Hawaiian Electric Company, Inc.
IRP	Integrated Resource Planning
LUC	Land Use Commission
MCA	Maalaea Community Association
MCPC	Maui County Planning Commission
MECO	Maui Electric Company, Limited
OEQC	Office of Environmental Quality Control
PPA	Purchased Power Agreement
PUC	Public Utility Commission
SLUC	State Land Use Commission
A-2	Waena Generating Station
D-1	Candidate generation site located 1 mile south of A-2
C-3	Candidate generation site located 1.5 miles NE of Kihei

JAMES "KIMO" APANA
Mayor

JOHN E. MIN
Director

CLAYTON I. YOSHIDA
Deputy Director

LAND USE COMMISSION
STATE OF HAWAII
2002 JUL -9 A 8:25

COUNTY OF MAUI
DEPARTMENT OF PLANNING

July 8, 2002

Anthony Ching, Executive Officer
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

RE: Annual Report Filed by Maui Electric Company, Ltd., for the Maui Waena Power Generating Plant at TMK 3-8-003:023 and 024, Puunene, Maui (LUC Docket No. 97-722)

We are in receipt of the Annual Report (Report) for the above referenced project and finds the Report acceptable. Thank you for the opportunity to review the report. If additional clarification is required, please contact Ms. Colleen M. Suyama, Staff Planner, of this office at 270-7735.

Very truly yours,

JOHN E. MIN
Planning Director

JEM:CMS:jay
c: Clayton Yoshida, AICP, Deputy Planning Director
David Blane, AICP, Director, Office of Planning
Edward Reinhardt, MECO
Colleen M. Suyama, Staff Planner
Project File
General File
(K:\WP_DOCS\PLANNING\A\97A722MauiWaenaPlant\2002AnnualReport.wpd)

Maui Electric Company, Ltd. • 210 West Kamehameha Avenue • PO Box 398 • Kahului, Maui, HI 96733-6898 • (808) 871-8461

LAND USE COMMISSION
STATE OF HAWAII
2002 JUL -2 A 8:54

June 28, 2002

Edward L. Reinhardt
President

Mr. Anthony Ching
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

Re: Petition for Land Use Commission District Boundary Amendment for Property Situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Enclosed is the Fourth Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

Enclosures

cc: Mr. Stanley Kiyonaga

LAND USE COMMISSION
STATE OF HAWAII
2002 JUL -2 A 8:54

FOURTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

ORIGINAL

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	
	)	Docket No. A97-722
MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation	)	
	)	
	)	
To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	
	)	

FOURTH ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its fourth annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project Since June 2001

In June 2001, HECO initiated a Waena Type and Size Study to determine the first unit to be installed at Waena. Initial indications confirmed that a simple cycle LM2500 combustion turbine would be the preferred unit to be installed at Waena. This study will be an Exhibit for the Waena-1 PUC application.

On September 26, 2001, one year of air quality monitoring (to satisfy a requirement of Waena-1 air permit) which began on October 1, 2000 was completed.

On January 9, 2002, a meeting was held with Mr. A. Ching, Executive Director of the Land Use Commission (LUC) , Mr. Bert Saruwatari of LUC, MECO, and Hawaiian Electric Company, Inc. (HECO) to update the LUC and to discuss the conditions imposed by the Waena District Boundary Amendment.

On May 24, 2002, MECO awarded a contract to URS Corporation to develop a Best Available Control Technology (BACT) analysis for the first LM2500 combustion turbine to be installed at Waena. The BACT is a requirement for the air permit application for Waena-1 and will address issues concerning the use of ethanol and diesel oil as fuel and emission control technologies for the LM2500 combustion turbine. Ethanol is a renewable resource that may be available from HC&S or other industries in the future. HC&S and MECO have discussed the use of ethanol in MECO's combustion turbine.

On June 14, 2002, MECO and HC&S agreed not to terminate our Amended and Restated Power Purchase Agreement any sooner than the end of 2007, which will extend the need date for Waena-1.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with the State Department of Health (DOH)

regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal

deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition.

Petitioner filed its First, Second, and Third Annual Reports to the Commission on June 23, 1999, June 14, 2000, and June 19, 2001 respectively, and submits this Fourth Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission

Rules. The document was dated July 23, 1998 and recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, June 28, 2002.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Edward L. Reinhardt
Its President

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document will be made by depositing the same with the U.S. mail, postage prepaid, within (5) days of the date on this report, addressed to:

DAVID BLANE, Director
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

BY MAIL

ABE MITSUDA, Administrator
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

BY MAIL

JOHN MIN, Director
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

BY MAIL

Dated: Kahului, Hawaii, June 28, 2002.

Edward L. Reinhardt

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

Bert-already cc'd
Cara-FYI

CARLSMITH BALL LLP

A LIMITED LIABILITY LAW PARTNERSHIP

ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET, P.O. BOX 1086
WAILUKU, MAUI, HAWAII 96793-1086
TELEPHONE (808) 242-4535 FAX (808) 244-4974
WWW.CARLSMITH.COM

bml@carlsmith.com

January 24, 2002

LAND USE COMMISSION
STATE OF HAWAII
2002 JAN 29 A 10: 25

Mr. Anthony J. H. Ching
Executive Officer
Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Re: Waena Generating Station
Maui Electric Company, Limited

Dear Mr. Ching:

On behalf of Maui Electric Company, Ltd., I wish to express our appreciation to you and Bert Saruwatari for setting aside time to meet with us on Wednesday, January 9, 2002.

As you can readily see from the annual reports that MECO has provided to the Land Use Commission since June 1998 when the LUC granted the district boundary amendment for property on which its Waena Generating Station (WGS) will be established, MECO has diligently proceeded to obtain the county entitlements that will permit it to construct the generating units which will provide electricity to Maui's growing population and increasing number of businesses. Also, MECO has recently completed gathering twelve months of air quality data that will be used in preparing the application to the Environmental Protection Agency and the Hawaii State Department of Health for a Prevention of Significant Deterioration/Covered Source Permit to install and operate new generating capacity at Waena. This application is anticipated to be completed and filed by the second quarter of 2002. Based on prior experience, MECO anticipates it will receive final approvals from EPA/DOH to begin construction approximately three years after the application is filed.

The actual time required to obtain the county entitlements, the Community Plan Amendment and the Change in Zoning, took longer than was projected by MECO. Also, because of some other factors, we informed you that certain representations made by MECO during the district boundary amendment process have necessarily changed. Specifically, the start

of construction of the first generating unit is now projected to be in 2006 and it will begin to operate in 2007, instead of 2002 and 2004, respectively. We inquired of you what the practice and policy of the Land Use Commission are under the foregoing circumstances.

Needless to say, MECO is greatly relieved that the LUC will look at the overall picture of what the applicant does after granting a district boundary amendment to an applicant, and that it realizes that time projections made during the hearing can change as the applicant proceeds with the project. Furthermore, you stated that the LUC generally reviews the progress of a project about the tenth year after the district boundary amendment was approved. You explained that the LUC will not act to revert the property back to its original land use classification unless little or no activity to pursue the project presented to the LUC had been made by the applicant for a number of years.

Additionally, however, you cautioned us to be sure that MECO has addressed every condition imposed by a governmental agency that can be addressed at this time. Although MECO is under the impression that all such conditions have been or are being addressed, it will review all governmental approvals it has received for WGS and will follow up with any one that it may have inadvertently overlooked.

As we also discussed, MECO will provide a detailed chronology of events (including reasons why) in its annual report to the Commission. In addition, MECO will consider the possibility of making a presentation to the LUC to provide the commissioners with the status of its efforts to establish the WGS on the redistricted parcel. There are several factors to consider in making such a presentation, and MECO will assess them carefully.

Again, thank you for your courtesy and cooperation.

Sincerely,

B. Martin Luna

BML:mea

cc: Kenji Kusaka
Stan Kiyonaga
Marc Ratte

5072299.1

DCA-FYI
Carol-file C

CARLSMITH BALL LLP

ATTORNEYS AT LAW
A LIMITED LIABILITY LAW PARTNERSHIP

ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET, P.O. BOX 1086
WAILUKU, MAUI, HAWAII 96793-1086
TELEPHONE (808) 242-4535 FAX (808) 244-4974
WWW.CARLSMITH.COM

LAND USE COMMISSION
STATE OF HAWAII
2002 JAN 28 A 6:54

FACSIMILE TRANSMISSION

UNLESS OTHERWISE INDICATED OR OBVIOUS FROM THE NATURE OF THE TRANSMITTAL, THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS ATTORNEY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED BELOW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR OR ARE NOT SURE WHETHER IT IS PRIVILEGED, PLEASE IMMEDIATELY NOTIFY US BY COLLECT TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE AT OUR EXPENSE. THANK YOU

DATE: January 25, 2002

TO:

Name	Fax No.	Phone No.
Mr. Anthony J. H. Ching ~160	1-808-587-3827	

FROM: B. Martin Luna

NUMBER OF PAGES INCLUDING THIS COVER SHEET: 3

CASE NAME: Maui Electric-Waena
CASE NUMBER: 015787-5

[X] ORIGINAL/COPY WILL BE MAILED [ ] ORIGINAL/COPY WILL NOT BE MAILED

MESSAGE:

Please see attached letter dated January 24, 2002.

If problems occur, please call Mary at (808) 242-4535.

CARLSMITH BALL LLP

A LIMITED LIABILITY LAW PARTNERSHIP

ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET, P.O. BOX 1086
WAILUKU, MAUI, HAWAII 96793-1086
TELEPHONE (808) 242-4535 FAX (808) 244-4974
WWW.CARLSMITH.COM

bml@carlsmith.com

LAND USE COMMISSION
STATE OF HAWAII
2002 JAN 28 A 6:54

January 24, 2002

Mr. Anthony J. H. Ching
Executive Officer
Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Re: Waena Generating Station
Maui Electric Company, Limited

Dear Mr. Ching:

On behalf of Maui Electric Company, Ltd., I wish to express our appreciation to you and Bert Saruwatari for setting aside time to meet with us on Wednesday, January 9, 2002.

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Needless to say, MECO is greatly relieved that the LUC will look at the overall picture of what the applicant does after granting a district boundary amendment to an applicant, and that it realizes that time projections made during the hearing can change as the applicant proceeds with the project. Furthermore, you stated that the LUC generally reviews the progress of a project about the tenth year after the district boundary amendment was approved. You explained that the LUC will not act to revert the property back to its original land use classification unless little or no activity to pursue the project presented to the LUC had been made by the applicant for a number of years.

Additionally, however, you cautioned us to be sure that MECO has addressed every condition imposed by a governmental agency that can be addressed at this time. Although MECO is under the impression that all such conditions have been or are being addressed, it will review all governmental approvals it has received for WGS and will follow up with any one that it may have inadvertently overlooked.

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Again, thank you for your courtesy and cooperation.

Sincerely,

B. Martin Luna

BML:mea

cc: Kenji Kusaka
Stan Kiyonaga
Marc Ratte

5072299.1

BENJAMIN J. CAYETANO
GOVERNOR

ANTHONY J.H. CHING
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 3, 2001

Mr. Edward L. Reinhardt, President
Maui Electric Company, Limited
P. O. Box 398
Kahului, HI 96733-6898

Dear Mr. Reinhardt:

Subject: Filing of the 2001 Annual Report for
LUC Docket No. A97-722/Maui Electric Company, Limited

This is to acknowledge receipt of the 2001 annual report for the subject docket as transmitted by your letter dated June 20, 2001. Upon completion of our review of the annual report we will submit our comments to you, if necessary.

Enclosed for your files is a copy of a letter from the County of Maui, Department of Planning regarding their comments on the annual report

Thank you for your cooperation in this annual reporting requirement. Please feel free to contact Russell Kumabe of my staff at (808) 587-3822, should you require clarification or any further assistance.

Sincerely,

for ANTHONY J. H. CHING
Executive Officer

Enclosure

c: Office of Planning, with enclosure

JAMES "KIMO" APANA
Mayor

JOHN E. MIN
Director

CLAYTON I. YOSHIDA
Deputy Director

COUNTY OF MAUI
DEPARTMENT OF PLANNING

June 29, 2001

LAND USE COMMISSION
STATE OF HAWAII
2001 JUL -3 A 9:07

Mr. Anthony Ching
Executive Officer
Land use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

RE: Annual Report Prepared By Maui Electric Company, Ltd. for the Maui Waena Power Generating Station at TMK: 3-8-003:023 and 024, Puunene, Maui, Hawaii (LUC Docket No. A97-722)

The Maui Planning Department has reviewed the annual report for the above-referenced application and finds the report acceptable.

Thank you for the opportunity to comment. If additional clarification is required, please contact Ms. Colleen Suyama, Staff Planner, of this office at 270-7735.

Very truly yours,

JOHN E. MIN
Planning Director

JEM:CMS:cmb

c: Clayton Yoshida, AICP, Deputy Planning Director
Jeffrey Chang, Acting Planning Program Administrator
Aaron Shinmoto, PE, Planning Program Administrator
Colleen Suyama, Staff Planner
Edward Reinhardt, MECO
David Blane, Director, Office of Planning
Project File
General File
(K:\WP_DOCS\PLANNING\A\97A722MauiWaenaPlant\2001AnnualReport.wpd)

Maui Electric Company, Ltd. • 210 West Kamehameha Avenue • PO Box 398 • Kahului, Maui, HI 96733-6898 • (808) 871-8461

Edward L. Reinhardt
President

LAND USE COMMISSION
STATE OF HAWAII
2001 JUN 21 A 11:00

June 20, 2001

Mr. Anthony Ching
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Enclosed is the Third Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

Edward L. Reinhardt

Enclosures
cc: Mr. Stanley Kiyonaga

ORIGINAL

THIRD ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

LAND USE COMMISSION
STATE OF HAWAII
2001 JUN 21 A 11:00

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	Docket No. A97-722

THIRD ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its third

annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project

The Petitioner filed with the Maui County Planning Department applications for Community Plan Amendment and Change in Zoning for the Waena Generating Station on November 20, 1997. On March 10, 1998, the Maui Planning Commission voted to make no recommendation on these applications to the Maui County Council. The Maui Planning Department transmitted both applications to the Maui County Council on April 16, 1998.

On May 1, 1998, the Council referred these applications to the Council Land Use Committee. These applications were then reassigned to the Council Planning Committee on September 22, 1998.

On September 29, 1998, the Planning Committee held a site visit at the Waena Generating Station site, followed by its regular meeting. The Planning Committee also addressed both applications at its November 10 and 17, 1998 meetings. No decision was rendered and the committee voted to defer the applications to the new council.

The new Council starting in 1999 assigned the applications to the Land Use Committee. Because of an anticipated demanding budget approval process, the Land Use Committee did not schedule major issues, including these applications, for consideration until after the budget process in May 1999.

The Land Use Committee addressed both of MECO's applications at its meetings of August 16 and 30, 1999; and November 1 and 29, 1999. At the

Land Use Committee's January 3, 2000 meeting, the Committee granted approval on the Community Plan Amendment from Agricultural to Heavy Industrial. However, the Committee deferred the Change in Zoning request until MECO's updated Integrated Resource Plan (IRP-2000) was filed in May 2000.

The County Council addressed MECO's Community Plan Amendment at its meeting of January 21, 2000, and unanimously approved this application on First Reading. The Council addressed the Community Plan Amendment for Second and Final Reading at its meetings of February 4 and 18, 2000, but deferred action at both meetings. The Community Plan Amendment was approved on Second and Final Reading by the Council on March 17, 2000, as amended. The amendment notes the Community Plan designation as Heavy Industrial, but does not specify the use of the parcel as a power generating facility. The amendment notes that the use of the said parcel will be determined by the Council in the Change in Zoning process.

MECO filed its IRP-2000 on May 31, 2000. The Land Use Committee addressed MECO's Change in Zoning request at its meeting of June 5, 2000. The Committee approved the Change in Zoning request for the Waena Generating Station site from Interim District to M-2 Heavy Industrial District for the 65.7 acres, with conditions. The most significant condition is that:

MECO shall use no more than 32.5 acres for conventional fossil fuel burning energy production and ancillary facilities. The remaining 33.2 acres shall be used for alternative energy (i.e., research, demonstration and/or production projects) and ancillary facilities.

At its regular meeting of June 16, 2000, the County Council approved on first reading MECO's CHANGE IN ZONING request with conditions. In addition to the acreage limitation placed by the CLUC, the Council added a generation capacity limitation of 66 MW. Any increase in conventional energy production or number of acres used for conventional energy production over the conditioned limits shall require an amendment of the zoning conditions pursuant to the Maui County code.

On July 7, 2000, the County Council approved on second and final reading MECO's CHANGE IN ZONING application for the Waena Generating Station with 12 conditions. Major Apana approved the bill for Change in Zoning on July 13, 2000.

An air quality monitoring station was installed at Waena and an audit was performed on September 25 and 26, 2000 which confirmed the accuracy of the instruments. One year of air quality monitoring (to satisfy a requirement of Waena-1 air permit) began on October 1, 2000 and continues through present day.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena

Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, for leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

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6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

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7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the

operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugar cane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawaii and County of Maui civil defense agencies.

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10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

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11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate

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13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

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14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition. Petitioner filed its First and Second Annual Reports to the Commission on June 23, 1999 and June 14, 2000 respectively, and submits this Third Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

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(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

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recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin when required as part of a permit requirement for construction.

Dated: Kahului, Hawaii, June 20, 2001.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: Edward L. Reinhardt
Edward L. Reinhardt
Its President

CERTIFICATION OF SERVICE

I hereby certify that due service of a copy of the within document was made by depositing the same with the U.S. mail, postage prepaid, on June 19, 2001, addressed to:

DAVID BLANE, Director
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

BY MAIL

ABE MITSUDA, Administrator
Land Use Division
Office of State Planning
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

BY MAIL

JOHN MIN, Director
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

BY MAIL

Dated: Kahului, Hawaii, June 20, 2001.

Edward L. Reinhardt
President
MAUI ELECTRIC COMPANY, LIMITED

Subject

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

August 7 2000

B. Martin Luna, Esq.
Carlsmith Ball
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793

Dear Mr. Luna:

Subject: LUC Docket No. A97-722/Maui Electric Company

This is to acknowledge receipt of your letter dated August 1, 2000, providing additional information to your annual report filed in the subject docket.

We further acknowledge Petitioner's intention to confer with our office prior to completing its review of the conceptual plan to ensure that any proposed change to the plan is consistent with the representations made to the Commission during the subject proceedings.

Thank you for your cooperation in this matter.

Should you have any questions, please feel free to call me or Bert Saruwatari of our office at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:aa

CARLSMITH BALL

ATTORNEYS AT LAW
A PARTNERSHIP INCLUDING LAW CORPORATIONS

ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET
WAILUKU, MAUI, HAWAII 96793
TELEPHONE (808) 242-4535 FAX (808) 244-4974
WWW.CARLSMITH.COM
E-MAIL BML@CARLSMITH.COM

LAND USE COMMISSION
STATE OF HAWAII
2000 AUG -2 A 10:42

August 1, 2000

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

Re: Maui Electric Company

Dear Ms. Ueda:

This acknowledges receipt of your letter of July 28, 2000.

As I stated in my earlier letter of June 22, 2000, we agree with the comments by the Director of Planning that the prior zoning of the property for the development of the Waena Generating Station before the recent change in zoning occurred earlier this month was Agriculture. However, when Maui Electric Company, Limited, applied to the Land Use Commission for a district boundary amendment, the property was still zoned County Interim. It was changed to Agriculture when the Agricultural Zoning Ordinance was enacted in December 1998. On July 7, 2000, the Maui County Council approved the change in zoning for the property to M-2 Heavy Industrial.

In granting the change in zoning to Heavy Industrial, the Maui County Council imposed twelve conditions that were incorporated into a Unilateral Agreement executed by Maui Electric Company and recorded in the Bureau of Conveyances, State of Hawaii. The Unilateral Agreement is attached to Ordinance No. 2879, which is enclosed herein

for your reference. Please note that Condition 10 limits the generation of conventional power to 32.5 acres of the 65.7-acre site, and Condition 11 limits the amount of generation by conventional power to 66 megawatts. Condition 11 also states that "Any increase in said conventional energy production or number of acres used for said conventional energy production shall require an amendment of the zoning conditions pursuant to Maui County Code Section 19.510.050."

While the County Council's Conditions 10 and 11 appear to impact Condition 12 of the Land Use Commission's Decision and Order, Maui Electric Company believes that the first phase of generation at the Waena site (up to 66 megawatts) can be developed in accordance with the conceptual layout of the Waena Station in its Environmental Impact Statement ("EIS"), as well as with said County Council conditions. However, because the conceptual layout in the EIS was not designed with the acreage limitation specified in Condition 10 in mind, Maui Electric is attempting to determine whether the current conceptual site plan is the most efficient layout for Waena in the long run. In reviewing said conceptual plan, Maui Electric's objective is to comply with both the County Council Conditions 10 and 11 and with the LUC's Condition 12. Please be assured that prior to finalizing its findings from such review, Maui Electric will be conferring with the LUC staff to ensure that any proposed change to the conceptual site plan is consistent with the purpose for which the district boundary amendment had been filed.

In this connection, Maui Electric Company wishes to point out to the LUC that the County Council changed the zoning of the entire 65.7 acres to Heavy Industrial for the generation of electricity. The only difference from Maui Electric's original zoning proposal is that about one half of the property is for the generation of conventional power, while the other half is for development of alternate energy systems. Initially, Maui Electric proposed having 17 acres of the entire site allocated for alternate energy purposes, but the County Council decided that 33.2 acres–an increase of 16. 2 acres–should be provided for alternate energy purposes.

Also, earlier this year, said County Council designated said property for Heavy Industrial use in the Wailuku-Kahului Community Plan. Accordingly, the recent change in zoning for the Waena Generating Station is consistent with the property's community plan use designation, and both the zoning and community plan use for the Waena Generating Station are consistent with the representation made to the LUC by Maui Electric Company for the use of the property (generation of electricity) during the district boundary amendment process notwithstanding the County Council's decision to allocate

about one-half the property for alternate energy use.

With the zoning change, Maui Electric is ready to proceed expeditiously with the actual development of the property. In fact, Maui Electric began work on the infrastructure necessary to install the Air Quality Monitoring Station before the County Council's granting of the change in zoning in an attempt to make up some time for the protracted zoning process. The ambient air quality data will be used for the air permit application to the Department of Health and Environmental Protection Agency. This air permit is required prior to construction of the emission source and certain other improvements.

In closing, Maui Electric wishes to express its appreciation to the LUC for its patience and understanding during the past two years since it issued its Decision and Order in this matter. Please contact me on this matter if you have any questions.

Sincerely,

B. Martin Luna

BML:mea
5055424.5.015787-5
Enclosure
cc: William Bonnet
Neal Shinyama

ORDINANCE NO. 2879
Effective Date: July 13, 2000

[ ] Budget
[ ] CDBG
[ ] Civil Defense
[✓] Finance
[✓] Fire
[ ] Human Concerns
[ ] Liquor Control
[✓] OED
[ ] Parks
[ ] Personnel
[✓] Planning
[ ] Police
[ ] Prosecutors
[✓] Public Works
[ ] Water Supply
[ ] Chun
[ ] Ching
[✓] Inokuma
[✓] Miskae
[ ] Nemoto
[ ] Nitta

RECEIVED
2000 JUL 14 AM 8:51
OFFICE OF THE MAYOR

'00 JUL 18 A9:48

ORDINANCE NO. 2879

BILL NO. 60 (2000)

A BILL FOR AN ORDINANCE TO CHANGE ZONING FROM AGRICULTURAL DISTRICT TO M-2 HEAVY INDUSTRIAL DISTRICT (CONDITIONAL ZONING) FOR PROPERTY SITUATED AT PULEHU NUI, WAILUKU, MAUI, HAWAII

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Pursuant to Chapters 19.26 and 19.510, Maui County Code, a change in zoning from Agricultural District to M-2 Heavy Industrial District (conditional zoning) is hereby granted for property situated at Pulehu Nui, Wailuku, Maui, Hawaii, and identified by Tax Map Key No. 3-8-003:023 (Lot A-1) and 3-8-003:024 (Lot A-2), comprised of approximately 65.7 acres, and more particularly described in Exhibit "A", attached hereto and by this reference made a part hereof, and in Land Zoning Map No. L-209, which is on file in the Office of the County Clerk of the County of Maui, and which is by this reference made a part hereof.

SECTION 2. Pursuant to Section 19.510.050, Maui County Code, the zoning established by this ordinance is subject to the conditions set forth in Exhibit "B", attached hereto and made a part hereof, and the Unilateral Agreement and Declaration for Conditional Zoning, attached hereto and made a part hereof as Exhibit "C" and by this reference made a part hereof.

SECTION 3. Severability. If any provision of this ordinance, including any condition set forth in Exhibit "B", or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

SECTION 4. This ordinance shall take effect upon its approval.

LAND USE COMMISSION
STATE OF HAWAII
2000 AUG -2 A 10:42

APPROVED AS TO FORM
AND LEGALITY:

Kelly A. Cairns

KELLY A. CAIRNS
Deputy Corporation Counsel
County of Maui
S:\CLERICAL\LJN\ORD\38003024.ciz.wpd

DESCRIPTION

LOT A-1
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the southwesterly corner of this lot, said pipe being also the northerly corner of Lot A-2 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	218° 13'	458.24	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	310° 51'	551.41	feet along the southwesterly side of Pulehu Road to a pipe;
3.	310° 29'	626.14	feet along same to a pipe;
4.	309° 01'	204.21	feet along same to a pipe;
5.	306° 38'	87.23	feet along same to a pipe;
6.	309° 47'	56.65	feet along same to a pipe;
7.	Thence along Lot A-2 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being: 356° 54' 30" 43.97 feet to a pipe;		

EXHIBIT "A"

8.	44° 02'	380.81	feet along same to a pipe;
9.	128° 26'	1,514.94	feet along same to the point of beginning and containing an Area of 15.127 Acres.

SUBJECT, HOWEVER to the following easements:

A) EASEMENT 1

Being an easement for waterline purposes over, under and across a portion of Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a point at the northeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,588.18 feet North and 15,659.00 feet West and running by azimuths measured clockwise from True South:

1.	34° 49'	383.76	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	128° 26'	5.02	feet over and across same to a point;
3.	214° 49'	383.94	feet over and across same to a point;
4.	310° 29'	5.03	feet along the southwesterly side of Pulehu Road to the point of beginning and containing an Area of 1,923 Square Feet.

B) EASEMENT 2

Being an easement for waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,291.24 feet North and 15,294.06 feet West and running by azimuths measured clockwise from True South:

1.	119°	20'	92.72	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	129°	11'	199.96	feet over and across same to a point;
3.	131°	41'	95.74	feet over and across same to a point;
4.	129°	03'	197.07	feet over and across same to a point;
5.	129°	39'	218.20	feet over and across same to a point;
6.	132°	02'	94.60	feet over and across same to a point;
7.	130°	55'	115.49	feet over and across same to a point;
8.	129°	20'	195.25	feet over and across same to a point;
9.	130°	13' 30"	260.77	feet over and across same to a point;
10.	218°	13'	5.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
11.	310°	13' 30"	260.91	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
12.	309°	20'	195.28	feet over and across same to a point;

13.	310° 55'	115.61	feet over and across same to a point;
14.	312° 02'	94.54	feet over and across same to a point;
15.	309° 39'	218.07	feet over and across same to a point;
16.	309° 03'	197.15	feet over and across same to a point;
17.	311° 41'	95.74	feet over and across same to a point;
18.	309° 11'	199.89	feet over and across same to a point;
19.	219° 01'	6.97	feet over and across same to a point;
20.	309° 01'	4.20	feet along the southwesterly side of Pulehu Road to a pipe;
21.	306° 38'	87.23	feet along same to the point of beginning and containing an Area of 7,420 Square Feet.

C) EASEMENT 4

Being an easement for access and waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	128° 26'	1,514.94	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a pipe;

2.	218° 13'	36.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
3.	308° 26'	1,518.61	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
4.	44° 02"	36.17	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 54,604 Square Feet.

Prepared by A&B Properties, Inc. September 11, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-t

DESCRIPTION

LOT A-2
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the northerly corner of this lot, said pipe being also the southwesterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	308° 26'	1,514.94	feet along Lot A-1 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	224° 02'	380.81	feet along same to a pipe;
3.	Thence along same on a curve		to the left with a radius of 30.00 feet, the chord azimuth and distance being: 176° 54' 30" 43.97 feet to a pipe;
4.	309° 47'	92.48	feet along the southwesterly side of Pulehu Road to a pipe;
5.	44° 02'	411.70	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
6.	43° 29'	473.14	feet along same to a pipe;
7.	88° 29'	63.60	feet along same to a pipe;

8.	43° 29'	166.36	feet along same to a pipe;
9.	358° 29'	65.48	feet along same to a pipe;
10.	43° 29'	721.55	feet along same to a pipe;
11.	128° 13'	1,443.23	feet along same to a pipe;
12.	218° 13'	1,452.27	feet along same to the point of beginning and containing an Area of 50.573 Acres.

SUBJECT, HOWEVER to Easement 3 for access and waterline purposes over, under and across a Portion of Lot A-2 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the northwesterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	36.17	feet along Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
3.	44° 02'	36.17	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
4.	128° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 2,170 Square Feet.

Prepared by A&B Properties, Inc. August 6, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-u

DESCRIPTION

EASEMENT 5
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
Affecting Lot A-3
(TMK: (2)3-8-03:Por. 1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the northwesterly corner of this easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,917.16 feet North and 15,448.86 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	50.24	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	79.15	feet over and across Grant 3343 to Claus Spreckels to a point;
3.	43° 36' 43"	50.21	feet over and across same to a point;
4.	128° 26'	79.52	feet over and across same to the point of beginning and containing an Area of 3,967 Square Feet.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

September 11, 1996

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-x

EXHIBIT "B"

CONDITIONS

1. That the use of the property shall be limited to power generation, transmission, distribution and ancillary facilities, and alternative energy facilities.

2. That a 15-foot wide strip along the north boundary of Lot A-1 (Tax Map Key: 3-8-003:023) shall be retained as a landscape buffer area to visually screen the power generating station and that no structures shall be constructed within this area except for the proposed leach fields, access driveways, transmission corridors and signage. The final landscape planting and irrigation plans shall be submitted to the Maui Planning Department ("Department") for review and approval.

3. That the final color scheme of the power generating station shall be similar to the existing Maalaea facility color scheme and shall be reviewed and approved by the Department in order to reduce the visual impact of the facility.

4. That as the first component of each of the ensuing dual train phases of the power generating station is submitted for building permit approval, Maui Electric Company, Limited (MECo) shall update its Traffic Impact Analysis of project-related impacts. MECo shall participate in the funding and construction of project-related traffic mitigation measures that are deemed necessary by the Department of Public Works and Waste Management and the State Department of Transportation.

5. That as the first component of each of the ensuing three dual train phases of the power generating station is developed, MECo shall consult with the State Department of Health (DOH) and, if necessary, MECo shall participate in a groundwater quality monitoring program, in consultation with the County Department of Water Supply and approved by DOH, to monitor groundwater quality impacts directly attributable to the operations of the Waena Power Generating Station.

6. That MECo shall annually update the Maui Planning Department, Maui Planning Commission, Maui County Council and Mayor of its status in developing the power-generating needs of the Island of Maui, including but not limited to, the Waena Power Generating Station, Maalaea Power Plant, and Kahului Power Plant. Further, MECo shall provide an update of the feasibility of alternative energy sources besides the use of fossil fuels and its ongoing conservation measures by submitting copies of the Integrated Resource Plan, following its acceptance by the Public Utilities Commission.

7. That MECo shall implement to the extent possible appropriate lighting recommendations of the "International Dark Sky Association" at the Waena Power Generating Station.

8. That MECo shall incorporate into its 24-hour Trouble Call hotline a plan to address complaints from the public regarding emission control.

9. That MECo shall incorporate Best Management Practices (BMPs) for ammonia, sludge, and other potentially hazardous materials/wastes to be used or produced at the Waena Power Generating Station site.

10. That MECo shall use no more than 32.5 acres for conventional fossil fuel burning energy production and ancillary facilities. The remaining 33.2 acres shall be used for alternative energy (i.e., research, demonstration and/or production projects) and ancillary facilities.

11. That MECo shall limit its conventional fossil fuel burning energy production on said 32.5 acres to no more than 66 megawatts of net electrical output. Any increase in said conventional energy production or number of acres used for said conventional energy production shall require an amendment of the zoning conditions pursuant to Maui County Code Section 19.510.050.

12. That MECo must notify the Council as soon as practicable of any public agency meetings where the operations of the Waena Power Generating Station are under review, including but not limited to the Public Utilities Commission, the Department of Health and the Department of Land and Natural Resources.

THE ORIGINAL OF THIS DOCUMENT WAS RECORDED AT 8:00 A.M. STATE OF HAWAII

BUREAU OF CONVEYANCES

DATE JUN 29 2000 TIME 8:00 A.M.

DOCUMENT NO 2000-096916

LAND COURT SYSTEM | REGULAR SYSTEM

Return by Mail [X] Pickup [ ] To:

Office of the County Clerk
County of Maui
200 South High Street
Wailuku, Maui, Hawaii 96793

TITLE OF DOCUMENT:

UNILATERAL AGREEMENT AND DECLARATION FOR CONDITIONAL ZONING

PARTIES TO DOCUMENT:

Declarant: MAUI ELECTRIC COMPANY, LIMITED
P. O. Box 398
Kahului, Maui, Hawaii 96732

County of Maui: County of Maui
200 South High Street
Wailuku, Maui, Hawaii 96793

Affects Tax Map Key: (2) 3-8-03:23 and 24 (This document consists of 15 pages.)

EXHIBIT "C"

UNILATERAL AGREEMENT AND DECLARATION FOR CONDITIONAL ZONING

THIS INDENTURE, made this 16th day of June, 2000, by MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, whose principal place of business is located in Kahului, Maui, Hawaii, and whose mailing address is P. O. Box 398, Kahului, Maui, Hawaii 96732, hereinafter referred to as "DECLARANT", and who is the owner of those certain parcels of land located at Wailuku and Makawao District, Island and County of Maui, State of Hawaii, comprised of approximately 65.7 acres, and identified for real property tax purposes by Tax Map Key Nos. (2) 3-8-03:23 and 24, hereinafter referred to jointly as "PARCELS", or individually as "Parcel",

WITNESSETH:

WHEREAS, the Council of the County of Maui, State of Hawaii, hereinafter referred to as "Council", is considering the establishment of zoning for the Parcels, comprised of approximately 65.7 acres, which are more particularly described in Exhibit "1", attached hereto and made a part hereof, and more particularly identified in Land Zoning Map No. L-209, which is on file in the Office of the County Clerk of the County of Maui; and

WHEREAS, the Council recommends through its Land Use Committee, Committee Report No. 00-99, that said establishment of zoning be approved for passage on first reading subject to certain conditions pursuant to Section 19.510.050, Maui County Code; and

WHEREAS, the Declarant has agreed to execute this instrument pursuant to the conditional zoning provisions of Section 19.510.050, Maui County Code;

NOW, THEREFORE, the Declarant makes the following Declaration:

1. That this Declaration is made pursuant to the provisions of Section 19.510.050, Maui County Code relating to conditional zoning;

2. That until written release by the County of Maui, hereinafter referred to as the "County", the Parcels, and all parts thereof, are and shall be held subject to covenants, conditions and restrictions which shall be effective as to and shall run with the land as to the Parcels, from and after the recording of this Declaration with the Bureau of Conveyances or the Land Court of the State of Hawaii, without the execution, delivery or recordation of any further deed, instrument, document, agreement, declaration, covenant or the like with respect thereto by the Declarant, the County, or any heir, devisee, executor, administrator, personal

representative, successor, and assign; that the acquisition of any right, title or interest in or with respect to the Parcels by any person or persons, entity or entities, whomsoever, shall be deemed to constitute the acceptance of all of the covenants, conditions and restrictions of this Declaration by such person or persons, entity or entities; and that upon any transfer of any right, title or interest in or with respect to the Parcels the same shall be subject to, and the transferee shall assume and be bound and obligated to observe and perform all of the covenants, conditions and restrictions of this Declaration;

3. That this Declaration and all of the covenants, conditions and restrictions contained herein shall continue to be effective as to and run with the land in perpetuity, or until the Declarant notifies the appropriate County Department that any said covenants, conditions and restrictions are satisfied by the Declarant, and the appropriate County Department verifies the satisfaction and provides a written release of the covenant, condition or restriction;

4. That the term "Declarant" and any pronoun in reference thereto, wherever used herein, shall be construed to mean the singular or the plural, the masculine or the feminine, or the neuter, and vice versa, and shall include any corporation, and shall be held to mean and include the "Declarant", the Declarant's heirs, devisees, executors, administrators, personal representatives, successors, and assigns;

5. That the Declaration shall become fully effective on the effective date of the zoning ordinance approving the establishment of M-2 Heavy Industrial District Zoning and this Declaration shall be recorded in the Bureau of Conveyances or Land Court of the State of Hawaii;

6. That the Declarant agrees to develop said Parcels in conformance with the conditions set forth in Exhibit "2", which is attached hereto and made a part hereof and which shall be made a part of the zoning ordinance;

7. That the conditions imposed are reasonable and rationally relate to the objective of preserving the public health, safety and general welfare and such conditions fulfill the need for the public service demands created by the proposed use.

AND IT IS EXPRESSLY UNDERSTOOD AND AGREED that until released in writing by the County, the conditions imposed in this Declaration shall run with the land identified hereinabove and shall bind and constitute notice to all subsequent lessees, grantees, assignees, mortgagees, lienors and any other persons who claim an interest in said land, and the County of Maui shall have the right to enforce this Declaration by appropriate action at law or suit in equity against all such persons, provided that the Declarant or its successors and assigns may at any time file a petition for the removal of the conditions and terminate this Unilateral Agreement, such petition to be processed in the same manner as petitions for change in zoning.

IN WITNESS WHEREOF, the undersigned has executed this Declaration the day and year first above written.

DECLARANT:

MAUI ELECTRIC COMPANY, LIMITED

By _____
Type/Stamp
Name: WILLIAM A. BONNET
Its PRESIDENT

APPROVED AS TO FORM AND LEGALITY:

_____

Deputy Corporation Counsel
County of Maui

STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 16th day of June, 2000, before me appeared WILLIAM A. BONNET, to me personally known/proved to me on the basis of satisfactory evidence, who, being by me duly sworn, did say that he is the President of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Mary E. Ah Sam
Type/Stamp Name: MARY E. AH SAM

Notary Public, State of Hawaii

My commission expires: 4-24-2003

DESCRIPTION

LOT A-1
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the southwesterly corner of this lot, said pipe being also the northerly corner of Lot A-2 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	218° 13'	458.24	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	310° 51'	551.41	feet along the southwesterly side of Pulehu Road to a pipe;
3.	310° 29'	626.14	feet along same to a pipe;
4.	309° 01'	204.21	feet along same to a pipe;
5.	306° 38'	87.23	feet along same to a pipe;
6.	309° 47'	56.65	feet along same to a pipe;
7.	Thence along Lot A-2 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being: 356° 54' 30" 43.97 feet to a pipe;		

EXHIBIT "1"

8.	44° 02'	380.81	feet along same to a pipe;
9.	128° 26'	1,514.94	feet along same to the point of beginning and containing an Area of 15.127 Acres.

SUBJECT, HOWEVER to the following easements:

A) EASEMENT 1

Being an easement for waterline purposes over, under and across a portion of Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a point at the northeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,588.18 feet North and 15,659.00 feet West and running by azimuths measured clockwise from True South:

1.	34° 49'	383.76	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	128° 26'	5.02	feet over and across same to a point;
3.	214° 49'	383.94	feet over and across same to a point;
4.	310° 29'	5.03	feet along the southwesterly side of Pulehu Road to the point of beginning and containing an Area of 1,923 Square Feet.

B) EASEMENT 2

Being an easement for waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,291.24 feet North and 15,294.06 feet West and running by azimuths measured clockwise from True South:

1.	119° 20'	92.72	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	129° 11'	199.96	feet over and across same to a point;
3.	131° 41'	95.74	feet over and across same to a point;
4.	129° 03'	197.07	feet over and across same to a point;
5.	129° 39'	218.20	feet over and across same to a point;
6.	132° 02'	94.60	feet over and across same to a point;
7.	130° 55'	115.49	feet over and across same to a point;
8.	129° 20'	195.25	feet over and across same to a point;
9.	130° 13' 30"	260.77	feet over and across same to a point;
10.	218° 13'	5.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
11.	310° 13' 30"	260.91	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
12.	309° 20'	195.28	feet over and across same to a point;

13.	310° 55'	115.61	feet over and across same to a point;
14.	312° 02'	94.54	feet over and across same to a point;
15.	309° 39'	218.07	feet over and across same to a point;
16.	309° 03'	197.15	feet over and across same to a point;
17.	311° 41'	95.74	feet over and across same to a point;
18.	309° 11'	199.89	feet over and across same to a point;
19.	219° 01'	6.97	feet over and across same to a point;
20.	309° 01'	4.20	feet along the southwesterly side of Pulehu Road to a pipe;
21.	306° 38'	87.23	feet along same to the point of beginning and containing an Area of 7,420 Square Feet.

C) EASEMENT 4

Being an easement for access and waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	128° 26'	1,514.94	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a pipe;

2.	218° 13'	36.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
3.	308° 26'	1,518.61	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
4.	44° 02"	36.17	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 54,604 Square Feet.

Prepared by A&B Properties, Inc. September 11, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-t

DESCRIPTION

LOT A-2
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the northerly corner of this lot, said pipe being also the southwesterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	308° 26'	1,514.94	feet along Lot A-1 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	224° 02'	380.81	feet along same to a pipe;
3.	Thence along same on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being: 176° 54' 30"	43.97	feet to a pipe;
4.	309° 47'	92.48	feet along the southwesterly side of Pulehu Road to a pipe;
5.	44° 02'	411.70	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
6.	43° 29'	473.14	feet along same to a pipe;
7.	88° 29'	63.60	feet along same to a pipe;

8.	43° 29'	166.36	feet along same to a pipe;
9.	358° 29'	65.48	feet along same to a pipe;
10.	43° 29'	721.55	feet along same to a pipe;
11.	128° 13'	1,443.23	feet along same to a pipe;
12.	218° 13'	1,452.27	feet along same to the point of beginning and containing an Area of 50.573 Acres.

SUBJECT, HOWEVER to Easement 3 for access and waterline purposes over, under and across a Portion of Lot A-2 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the northwesterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	36.17	feet along Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
3.	44° 02'	36.17	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
4,	128° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 2,170 Square Feet.

Prepared by A&B Properties, Inc. August 6, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-u

DESCRIPTION

EASEMENT 5
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
Affecting Lot A-3
(TMK: (2)3-8-03:Por. 1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the northwesterly corner of this easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,917.16 feet North and 15,448.86 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	50.24	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	79.15	feet over and across Grant 3343 to Claus Spreckels to a point;
3.	43° 36' 43"	50.21	feet over and across same to a point;
4.	128° 26'	79.52	feet over and across same to the point of beginning and containing an Area of 3,967 Square Feet.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

September 11, 1996

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-x

EXHIBIT "2"

Conditions

Pursuant to Section 19.510.050 of the Maui County Code, the zoning established for the Parcels described herein shall be subject to the following conditions:

1. That the use of the property shall be limited to power generation, transmission, distribution and ancillary facilities, and alternative energy facilities.

2. That a 15-foot wide strip along the north boundary of Lot A-1 (Tax Map Key: 3-8-003:023) shall be retained as a landscape buffer area to visually screen the power generating station and that no structures shall be constructed within this area except for the proposed leach fields, access driveways, transmission corridors and signage. The final landscape planting and irrigation plans shall be submitted to the Maui Planning Department ("Department") for review and approval.

3. That the final color scheme of the power generating station shall be similar to the existing Maalaea facility color scheme and shall be reviewed and approved by the Department in order to reduce the visual impact of the facility.

4. That as the first component of each of the ensuing dual train phases of the power generating station is submitted for building permit approval, Maui Electric Company, Limited (MECo) shall update its Traffic Impact Analysis of project-related impacts. MECo shall participate in the funding and construction of project-related traffic mitigation measures that are deemed necessary by the Department of Public Works and Waste Management and the State Department of Transportation.

5. That as the first component of each of the ensuing three dual train phases of the power generating station is developed, MECo shall consult with the State Department of Health (DOH) and, if necessary, MECo shall participate in a groundwater quality monitoring program, in consultation with the County Department of Water Supply and approved by DOH, to monitor groundwater quality impacts directly attributable to the operations of the Waena Power Generating Station.

6. That MECo shall annually update the Maui Planning Department, Maui Planning Commission, Maui County Council and Mayor of its status in developing the power-generating needs of the Island of Maui, including but not limited to, the Waena Power Generating Station, Maalaea Power Plant, and Kahului Power Plant. Further, MECo shall provide an update of the feasibility of alternative energy sources besides the use of fossil fuels and its ongoing conservation measures by submitting copies of the Integrated Resource Plan, following its acceptance by the Public Utilities Commission.

7. That MECo shall implement to the extent possible appropriate lighting recommendations of the "International Dark Sky Association" at the Waena Power Generating Station.

8. That MECo shall incorporate into its 24-hour Trouble Call hotline a plan to address complaints from the public regarding emission control.

9. That MECo shall incorporate Best Management Practices (BMPs) for ammonia, sludge and other potentially hazardous materials/wastes to be used or produced at the Waena Power Generating Station site.

10. That MECo shall use no more than 32.5 acres for conventional fossil fuel burning energy production and ancillary facilities. The remaining 33.2 acres shall be used for alternative energy (i.e., research, demonstration and/or production projects) and ancillary facilities.

11. That MECo shall limit its conventional fossil fuel burning energy production on said 32.5 acres to no more than 66 megawatts of net electrical output. Any increase in said conventional energy production or number of acres used for said conventional energy production shall require an amendment of the zoning conditions pursuant to Maui County Code Section 19.510.050.

12. That MECo must notify the Council as soon as practicable of any public agency meetings where the operations of the Waena Power Generating Station are under review, including but not limited to the Public Utilities Commission, the Department of Health and the Department of Land and Natural Resources.

5024077.5.015787-5

WE HEREBY CERTIFY that the foregoing BILL NO. 60 (2000)

1. Passed FINAL READING at the meeting of the Council of the County of Maui, State of Hawaii, held c the 7th day of July, 2000, by the following votes:

Patrick S. KAWANO Chair	Dain P. KANE Vice-Chair	Michael A. DAVIS	J. Kalani ENGLISH	John Wayne ENRIQUES	G. Riki HOKAMA	Dennis Y. NAKAMURA	Wayne K. NISHIKI	Charmaine TAVARES
Aye	Aye	Aye	Aye	Aye	Aye	Aye	No	No

2. Was transmitted to the Mayor of the County of Maui, State of Hawaii, on the 10th day of July, 2000.

DATED AT WAILUKU, MAUI, HAWAII, this 10th day of July, 2000.

RECEIVED
2000 JUL 10 AM 9:57
OFFICE OF THE MAYOR

PATRICK S. KAWANO, CHAIR
Council of the County of Maui

DARYL T. YAMAMOTO, COUNTY CLERK
County of Maui

THE FOREGOING BILL IS HEREBY APPROVED THIS 13th DAY OF JULY, 2000.

JAMES H. APANA JR., MAYOR
County of Maui

I HEREBY CERTIFY that upon approval of the foregoing BILL by the Mayor of the County of Maui, the sa BILL was designated as ORDINANCE NO. 2879 of the County of Maui, State of Hawaii.

DARYL T. YAMAMOTO, COUNTY CLERK
County of Maui

Passed First Reading on June 16, 2000.
Effective date of Ordinance July 13, 2000.

I HEREBY CERTIFY that the foregoing is a true and correct copy Ordinance No. 2879 , the original of which is on file in the Office the County Clerk, County of Maui, State of Hawaii.

Dated at Wailuku, Hawaii, on

County Clerk, County of Maui

RECEIVED
2000 JUL 13 PM 2:15
OFFICE OF THE
COUNTY CLERK

Subject

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 24, 2000

B. Martin Luna, Esq.
Carlsmith Ball
Post Office Box 1086
Wailuku, Maui, Hawaii 96793-1086

Dear Mr. Luna:

Subject: Filing of 2000 Annual Report for LUC Docket No. A97-722
Maui Electric Company, Limited

This is to acknowledge receipt of the 2000 annual report for the subject docket transmitted by your letter dated June 14, 2000.

We understand that the County of Maui Department of Planning (CMDP) had reviewed the annual report, and their comments were forwarded to you.

Based on our review of the subject annual report, we have the following comments:

1) In regards to the progress of the project, the CMDP in their letter dated June 19, 2000 to the State Land Use Commission (LUC), clarified that the Change in Zoning application was from the County Agricultural District to M-2 Heavy Industrial District, and not from the County Interim to M-2 Heavy Industrial District as described on page 3 of the subject annual report.

2) In light of the County of Maui County Council's approval of the Change in Zoning request contingent upon the utilization of 33.2 acres for alternative energy and ancillary facilities, please clarify how this decision affects the representations made to the LUC during the proceedings of the subject docket.

We request that the information requested above be submitted to our office by August 4, 2000.

If you have any questions in regards to this matter, please feel free to contact me or Russell Kumabe of my staff at 587-3822.

Sincerely,

for ESTHER UEDA
Executive Officer

EU:aa

c: Office of Planning
County of Maui Department of Planning

CARLSMITH BALL

ATTORNEYS AT LAW
A PARTNERSHIP INCLUDING LAW CORPORATIONS

ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET, P.O. BOX 1086
WAILUKU, MAUI, HAWAII 96793-1086
TELEPHONE (808) 242-4535 FAX (808) 244-4974
WWW.CARLSMITH.COM
E-MAIL BML@CARLSMITH.COM

June 14, 2000

LAND USE COMMISSION
STATE OF HAWAII
2000 JUN 15 A 10:52

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Dear Ms. Ueda:

Enclosed is the Second Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

B. Martin Luna

BML:mea

Enclosures
cc: Mr. Neal Shinyama
5054230.1.015787-5

6/15/00 mailed stamped copy back

Subject

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

June 28, 2000

B. Martin Luna, Esq.
Carlsmith Ball
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793

Dear Mr. Luna:

Subject: LUC Docket No. A97-722
Maui Electric Company, Limited

This is to acknowledge receipt of your letter dated June 22, 2000, confirming the Agricultural zoning of the subject property, as pointed out by the County of Maui Planning Department.

Thank you for your cooperation in this matter.

Should you have any questions, please feel free to call me or Bert Saruwatari of our office at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:aa

CARLSMITH BALL

ATTORNEYS AT LAW
A PARTNERSHIP INCLUDING LAW CORPORATIONS

ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET
WAILUKU, MAUI, HAWAII 96793
TELEPHONE (808) 242-4535 FAX (808) 244-4974
WWW.CARLSMITH.COM
E-MAIL BML@CARLSMITH.COM

LAND USE COMMISSION
STATE OF HAWAII
2000 JUN 23 A 9:11

June 22, 2000

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

Re: Second Annual Report of Maui Electric Company, Limited,
Docket No. A97-722

Dear Ms. Ueda:

We have reviewed the Department of Planning's comments pertaining to the Second Annual Report filed by Maui Electric Company, Ltd. pertaining to the redistricting of 65.7 acres from Agriculture to Urban (Docket No. A97-722). The Department's correction that the current zoning of MECO's Waena site is Agricultural instead of County Interim is correct. The correction should be made to the second sentence in the second paragraph on page 3 so that the sentence should read: "The Committee approved the Change in Zoning request for the Waena Generating Station site from Agricultural District to M-2 Heavy Industrial District for the 65.7 acres, with conditions."

At the time that MECO filed its application for change in zoning in 1997, the then existing zoning for the Waena site was County Interim. In 1998, however, the County enacted a new Agricultural District ordinance. Included in said ordinance was a

6/28/00-EU

provision that comprehensively rezoned all lands in the County Interim District which were classified Agricultural in the State district boundary and in the appropriate County community plans. Thus, when the Council Land Use Committee approved for recommendation to the full Council the change in zoning for the Waena site on June 5, 2000, the existing zoning was Agricultural, not Interim. It remains Agricultural until the full Council passes the change in zoning application on second and final reading and the Mayor of the County of Maui signs the change in zoning bill from the Council.

We hope the foregoing correction to the Second Annual Report is clear. If not, please contact me. Thank you for your continued courtesy and assistance.

Sincerely,

B. Martin Luna

BML:mea
5054413.1.015787-5

cc: David Blane
Abe Mitsuda
John Min

JAMES "KIMO" APANA
Mayor

JOHN E. MIN
Director

CLAYTON I. YOSHIDA
Deputy Director

COUNTY OF MAUI
DEPARTMENT OF PLANNING

June 19, 2000

LAND USE COMMISSION
STATE OF HAWAII
2000 JUN 21 A 10:22

Ms. Esther Ueda, Executive Officer
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Ms. Ueda:

RE: Second Annual Report, LUC Docket No. A97-722/Maui Electric Company, Limited

The Maui Planning Department (Department) has reviewed the Second Annual Report of the Petitioner and has no objections. The Department confirms that the Community Plan Amendment has been approved by the County of Maui through Ordinance No. 2841 effective on April 12, 2000. Further, the Change in Zoning application is from County Agricultural District to M-2 Heavy Industrial District and not County Interim to M-2 Heavy Industrial. On December 28, 1998, the subject property was zoned County Agricultural District with the enactment of the County Agricultural District Ordinance.

Also, please be advised that on June 16, 2000, the Maui County Council reviewed the Change in Zoning application and voted to approve First Reading of the Bill subject to conditions. The application still requires Second and Final Reading of the Bill and transmittal to the Mayor's Office for signature prior to enactment.

Thank you for the opportunity to comment. If additional clarification is required, please contact Ms. Colleen Suyama, Staff Planner, of this office at 270-7735.

Very truly yours,

Clayton I. Yoshida

for JOHN E. MIN
Planning Director

JEM:CMS:osy
Enclosure
c: Clayton Yoshida, Deputy Planning Director
Colleen Suyama, Staff Planner
David Blane, Director, Office of Planning
B. Martin Luna, Esq.
Project File
General File
(S:\\CMS\97a72200)

CARLSMITH BALL

B. MARTIN LUNA 865-0
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Maui, Hawaii 96793
Tel. No. (808) 242-4535

Attorney for Petitioner
MAUI ELECTRIC COMPANY, LIMITED

ORIGINAL

LAND USE COMMISSION
STATE OF HAWAII
2000 JUN 15 A 10:52

BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	Docket No. A97-722

SECOND ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	Docket No. A97-722

SECOND ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its second annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project

The Petitioner filed with the Maui County Planning Department applications for Community Plan Amendment and Change in Zoning for the Waena Generating Station on November 20, 1997. On March 10, 1998, the Maui Planning

Commission voted to make no recommendation on these applications to the Maui County Council. The Maui Planning Department transmitted both applications to the Maui County Council on April 16, 1998.

On May 1, 1998, the Council referred these applications to the Council Land Use Committee. These applications were then reassigned to the Council Planning Committee on September 22, 1998.

On September 29, 1998, the Planning Committee held a site visit at the Waena Generating Station site, followed by its regular meeting. The Planning Committee also addressed both applications at its November 10 and 17, 1998 meetings. No decision was rendered and the committee voted to defer the applications to the new council.

The new council starting in 1999 assigned the applications to the Land Use Committee. Because of an anticipated demanding budget approval process, the Land Use Committee did not schedule major issues, including these applications, for consideration until after the budget process in May 1999.

The Land Use Committee addressed both of MECO's applications at its meetings of August 16 and 30; 1999; and November 1 and 29, 1999. At the Land Use Committee's January 3, 2000 meeting, the Committee granted approval on the Community Plan Amendment from Agricultural to Heavy Industrial. However, the Committee deferred the Change in Zoning request until MECO's updated Integrated Resource Plan (IRP-2000) was filed in May 2000.

The County Council addressed MECO's Community Plan Amendment at its meeting of January 21, 2000, and unanimously approved this application on First Reading. The Council addressed the Community Plan Amendment for Second and Final Reading at its meetings of February 4 and 18, 2000, but deferred action at both meetings. The Community Plan Amendment was approved on Second and Final Reading by the Council on March 17, 2000, as amended. The amendment notes the Community Plan designation as Heavy Industrial, but does not specify the use of the parcel as a power generating facility. The amendment notes that the use of the said parcel will be determined by the Council in the Change in Zoning process.

MECO filed its IRP-2000 on May 31, 2000. The Land Use Committee addressed MECO's Change in Zoning request at its meeting of June 5, 2000. The Committee approved the Change in Zoning request for the Waena Generating Station site from Interim District to M-2 Heavy Industrial District for the 65.7 acres, with conditions. The most significant condition is that:

MECO shall use no more than 32.5 acres for conventional fossil fuel burning energy production and ancillary facilities. The remaining 33.2 acres shall be used for alternative energy (i.e., research, demonstration and/or production projects) and ancillary facilities.

The Land Use Committee's recommendation now goes to the Council for action. The earliest possible date for Council action for first reading is June 16, 2000.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the Land Use Commission approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, from leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of

Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugarcane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawai`i and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition. Petitioner filed its First Annual Report to the Commission on June 23, 1999, and submits this Second Annual Report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the

Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawai`i Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin after the Community Plan Amendment and Change in Zoning applications are approved and/or when required as part of a permit requirement for construction.

Dated: Wailuku, Hawaii, June 14, 2000.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: _____
William A. Bonnet
Its President

CERTIFICATE OF SERVICE

I hereby certify that due service of a copy of the within document was made by depositing the same with the U.S. mail, postage prepaid, or by hand delivery, on June 14, 2000, addressed to:

DAVID BLANE, Director — BY MAIL
Office of State Planning
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA, Administrator — BY MAIL
Land Use Division
Office of State Planning
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

JOHN MIN, Director — BY HAND DELIVERY
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Wailuku, Hawaii, June 14, 2000.

B. Martin Luna
Attorney for Petitioner MAUI ELECTRIC COMPANY, LIMITED

5054126.1.015787-5

JAMES "KIMO" APANA
Mayor

JOHN E. MIN
Director

CLAYTON I. YOSHIDA
Deputy Director

LAND USE COMMISSION
STATE OF HAWAII
1999 JUL 23 A 10:27

COUNTY OF MAUI
DEPARTMENT OF PLANNING

July 20, 1999

Ms. Esther Ueda, Executive Officer
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Ms. Ueda:

RE: LUC Docket No. A97-722/Maui Electric Company, Limited

The Maui Planning Department has reviewed the Annual Report of the Petitioner and has no objections. Please note that Maui Electric Company, Ltd. has land use applications for a Community Plan Amendment and a Change in Zoning for the Maui Waena Power Plant pending with the Maui County Council. This matter has been under review by the Council since April 20, 1998.

Thank you for the opportunity to comment. If additional clarification is required, please contact Ms. Colleen Suyama, Staff Planner, of this office at 270-7735.

Very truly yours,

JOHN E. MIN
Planning Director

JEM:CMS:cmb
c: Clayton Yoshida, AICP, Deputy Planning Director
Colleen Suyama, Staff Planner
David Blane, Director, Office of Planning
B. Martin Luna, Esq.
Project File
General File
(S:\\CMS\MECORPT)

Maui Electric Company, Ltd. • 210 West Kamehameha Avenue • PO Box 398 • Kahului, Maui, HI 96733-6898 • (808) 871-8461

LAND USE COMMISSION
STATE OF HAWAII
1999 JUL 19 A 10:52

William A. Bonnet
President

July 15, 1999

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, Hawaii 96804

Dear Ms. Ueda:

Subject: Petition for Land Use Commission District Boundary Amendment for
Property situated at Wailuku and Makawao Districts, Maui, Hawaii
Maui Electric Company, Limited; TMK 3-8-03: 23 and 24
Filing of 1999 Annual Report for LUC Docket No. A97-722

This is in response to your letter of July 12, 1999 to Mr. B. Martin Luna.

Thank you for your prompt action on this matter. We look forward to receiving copies of any comment you may receive from the State Office of Planning and the Maui Planning Department.

The County Council has completed their budget process. As the County Council Committees have resumed their regular meeting schedule, we anticipate our Waena Generating Station applications for Community Plan Amendment and Change in Zoning will be addressed by the County Land Use Committee in mid-August 1999.

Please call Neal Shinyama, our Electrical Systems Engineer, at 871-2341 if you have any questions on this matter.

Sincerely,

cc: B. Martin Luna

Subject

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 12, 1999

B. Martin Luna
Carlsmith Ball,
Attorneys At Law
One Main Plaza
2200 Main Street, Suite 400
Post Office Box 1066
Wailuku, Maui, Hawaii 96793-1086

Dear Mr. B. Martin Luna:

Subject: Filing of 1999 Annual Report for LUC Docket No. A97-722/Maui Electric Company, Limited

This is to acknowledge receipt of the 1999 annual report for the subject docket transmitted by your letter dated June 22, 1999.

Please note that we have requested the Office of Planning and the County of Maui Planning Department to review and comment on the annual report. Any comments that they may have will be provided to you.

Upon review of the 1999 annual report, the Commission seeks clarification as to when the Petitioner anticipates the Maui County Council's budget process will be completed and when the Council will act upon the Petitioner's applications for a Community Plan Amendment and a Change in Zoning.

Thank you for your cooperation in this annual reporting requirement to the Commission.

We request that the information requested above be submitted to our office as soon as possible.

If you have any questions in regards to this matter, please feel free to contact me or Russell Kumabe of my staff at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:aa

Subject

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 12, 1999

Mr. David W. Blane, Director
Office of Planning
Department of Business, Economic Development
and Tourism
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Mr. John E. Min
Director of Planning
Planning Department
County of Maui
250 S. High Street
Wailuku, Hawaii 96793

Dear Mr. Blane and Mr. Min:

Subject: LUC Docket No. A97-722/Maui Electric Company, Limited

On June 23, 1999 the Land Use Commission received Petitioner Maui Electric Company, Limited, 1999 annual report filed pursuant to Condition No. 14 of the Findings of Fact, Conclusions of Law, and Decision and Order filed on June 22, 1998 for the above-referenced docket. As required by said condition, we understand that the Office of Planning and the e County Planning Department has been served with a copy of the annual report.

We request your assistance in reviewing the 1999 annual report and advise us whether you agree with representations made by the Petitioner regarding compliance with conditions, and provide any comments in regards to concerns that your agency may have.

We request that any comments that your agency may have be submitted to our office with a copy to the Petitioner by August 6, 1999.

If you have any questions in regards to this matter, please feel free to contact me or Russell Kumabe of my staff at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:aa

CARLSMITH BALL
ATTORNEYS AT LAW
A PARTNERSHIP INCLUDING LAW CORPORATIONS
ONE MAIN PLAZA
SUITE 400, 2200 MAIN STREET
POST OFFICE BOX 1086
WAILUKU, MAUI, HAWAII 96793-1086

TELEPHONE (808) 242-4535
FAX (808) 244-4974

LAND USE COMMISSION
STATE OF HAWAII
1999 JUN 23 A 10:50

June 22, 1999

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

Re: Petition for Land Use Commission District Boundary Amendment for Property situated at Wailuku and Makawao Districts, Maui, Hawaii; Maui Electric Company, Limited; LUC Docket No. A97-722; TMK 3-8-03:23 and 24

Dear Ms. Ueda:

We have enclosed herein the First Annual Report of Maui Electric Company, Limited (original and three copies).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a stamped, self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,

B. Martin Luna

BML:mea
5030701.1.015787-5
Enclosures
cc: Maui Electric Company, Limited

CARLSMITH BALL

B. MARTIN LUNA 865-0
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Maui, Hawaii 96793
Tel. No. (808) 242-4535

Attorney for Petitioner
MAUI ELECTRIC COMPANY, LIMITED

LAND USE COMMISSION
STATE OF HAWAII
1999 JUN 23 A 10:50

ORIGINAL

BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	Docket No. A97-722

FIRST ANNUAL REPORT OF MAUI ELECTRIC COMPANY, LIMITED

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	
	)	Docket No. A97-722
MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation	)	
	)	
To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, Tax Map Key No. 3-8-03:23 and 24	)	

FIRST ANNUAL REPORT OF MAUI ELECTRIC COMPANY

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, Petitioner herein, and pursuant to Condition No. 14 of the Findings of Fact, Conclusion of Law, and Decision and Order issued on June 22, 1998, hereby submits to the State Land Use Commission ("Commission") its first annual report of compliance with the conditions established by said approval as follows:

General Progress of the Project

The Petitioner filed with the Maui County Planning Department applications for Community Plan Amendment and Change in Zoning for the Waena Generating Station on November 20, 1997. On March 10, 1998, the Maui Planning

Commission voted to make no recommendation on these applications to the Maui County Council. The Maui Planning Department transmitted both applications to the Maui County Council on April 16, 1998.

On May 1, 1998, the Council referred these applications to the Council Land Use Committee. These applications were then reassigned to the Council Planning Committee on September 22, 1998.

On September 29, 1998, the Planning Committee held a site visit at the Waena Generating Station site, followed by their regular meeting. The Planning Committee also addressed both applications at their November 10 and 17, 1998 meetings. No decision was rendered and the committee voted to defer the applications to the new council.

With the new council, the applications were assigned to the Land Use Committee. With an anticipated demanding budget approval process, major issues including these applications, were deferred until after the budget process.

Report on Compliance with Conditions Imposed by Commission

The following states whether the conditions in the approval have been met:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and

Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the county Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

Petitioner understands its obligation to comply with this condition.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

Petitioner understands its obligation to comply with this condition.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by

the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

Petitioner understands its obligation to comply with this condition.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, from leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

Petitioner understands its obligation to comply with this condition.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation

(DOT) and the County of Maui.

Petitioner understands its obligation to comply with this condition.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugarcane cultivation areas.

Petitioner understands its obligation to comply with this condition.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawai'i and County of Maui civil defense agencies.

Petitioner understands its obligation to comply with this condition.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

Petitioner understands its obligation to comply with this condition.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully

executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

Petitioner understands its obligation to comply with this condition.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

Petitioner understands its obligations to comply with this condition.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

Petitioner understands its obligation to comply with this condition.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition, and submits this annual report in compliance therewith.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the

provision of adequate assurance of satisfaction of these conditions by Petitioner.

Petitioner understands the Commission's authority in this condition.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

(a) Petitioner has recorded a Notice of Imposition of Conditions by the Land Use Commission pursuant to Commission Rule Section 15-15-92. The notice was dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

(b) A copy of the notice was transmitted to the Commission on July 1, 1998.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawai'i Administrative Rules.

Petitioner has recorded a Document Listing Conditions to Reclassification of Land pursuant to Section 15-15-92 of the State of Hawaii Land Use Commission Rules. The document was dated July 23, 1998 and recorded in said Bureau of Conveyances as Document No. 98-112111. A copy of the document was transmitted to the Commission on August 4, 1998.

Conclusion

Efforts to comply with the remaining conditions shall begin after the Community Plan Amendment and Change in Zoning applications are approved and/or when required as part of a permit requirement for construction.

Dated: Wailuku, Hawaii, June 22, 1999.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By: _____
William A. Bonnet
Its President

CERTIFICATE OF SERVICE

I hereby certify that due service of a copy of the within document was made by depositing the same with the U.S. mail, postage prepaid, or by hand delivery, on June 22, 1999, addressed to:

DAVID BLANE, Director — BY MAIL
Office of State Planning
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

ABE MITSUDA, Administrator — BY MAIL
Land Use Division
Office of State Planning
State of Hawaii
P. O. Box 2359
Honolulu, Hawaii 96804

JOHN MIN, Director — BY HAND DELIVERY
Planning Department
County of Maui
250 South High Street
Wailuku, Maui, Hawaii 96793

Dated: Wailuku, Hawaii, June 22, 1999.

B. Martin Luna
Attorney for Petitioner MAUI ELECTRIC COMPANY, LIMITED

5030594.1.015787-5

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

August 10, 1998

B. Martin Luna, Esq.
Carlsmith, Ball, Wichman,
Case & Ichiki
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793-1086

Dear Mr. Luna:

Subject: Filing of Conditions for LUC Docket No. A97-722/Maui Electric Company, Limited

This is to acknowledge receipt of the certified copy of the Document Listing Conditions to Reclassification of Land for the subject docket forwarded by your letter of transmittal dated August 4, 1998.

Thank you for your cooperation in this recording requirement.

Should you have any questions, please feel free to call me or Bert Saruwatari of our office at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:th

CARLSMITH BALL
ATTORNEYS AT LAW
A PARTNERSHIP INCLUDING LAW CORPORATIONS
ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET
WAILUKU, MAUI, HAWAII 96793-1086

TELEPHONE (808) 242-4535
FAX (808) 244-4974

LAND USE COMMISSION
STATE OF HAWAII
1998 AUG -5 A 10:06

LETTER OF TRANSMITTAL

TO: Ms. Esther Ueda
Executive Officer
State Land Use Commission
Department of Business, Economic Development & Tourism
P. O. Box 2359
Honolulu, Hawaii 96804

DATE: August 4, 1998

RE: Maui Electric Company, Limited
LUC Docket No. A97-722; TMK 3-8-03:23 and 24

[X] Mailed [ ] Hand Delivered [ ]

THE FOLLOWING IS (ARE) TRANSMITTED HEREWITH:

COPIES	DATE	DESCRIPTION
1	7/23/98	Certified Copy of Document Listing Conditions to Reclassification of Land, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-112111.

[X] For Your Information	[ ] For Review and Comment
[X] For Your Files	[ ] For Necessary Action
[ ] Per Your Request	[ ] For Signature and Return **(Black Ink)**
[ ] Per Our Conversation	[ ] See Remarks below

REMARKS:

By Mary E. Ahsan
for B. Martin Luna/mea

cc: Mr. Neal Shinyama w/enclosure

I hereby certify that this is a true copy from the records of the Bureau of Conveyances, as 98-112111.

Registrar of Conveyances
Assistant Registrar, Land Court
State of Hawaii JUL 30 1998

LAND COURT SYSTEM | REGULAR SYSTEM

Return by Mail ☐ Pickup ☒ To:
CARLSMITH BALL
2200 Main Street, Suite 400
Wailuku, Maui, Hawaii 96793-2225
Attention: B. Martin Luna
Telephone: 808-242-4535

TITLE OF DOCUMENT:

DOCUMENT LISTING CONDITIONS
TO RECLASSIFICATION OF LAND

LAND USE COMMISSION STATE OF HAWAII 1998 AUG -5 A 10:06

PARTIES TO DOCUMENT:

Petitioner: MAUI ELECTRIC COMPANY, LIMITED
P. O. Box 398
Kahului, Maui, Hawaii 96732

TAX MAP KEY(S): (II) 3-8-03:23 and 24 (This document consists of 38 pages.)

DOCUMENT LISTING CONDITIONS
TO RECLASSIFICATION OF LAND

KNOW ALL PERSONS BY THESE PRESENTS:

In compliance with Section 205-4 (g) of the Hawaii Revised Statutes, and Section 15-15-92 of the State of Hawaii Land Use Commission's Rules, MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation (hereinafter referred to as "Petitioner"), hereby records the following conditions which were imposed by the Land Use Commission of the State of Hawaii (hereinafter referred to as the "Commission") in its Findings of Fact, Conclusions of Law, and Decision and Order (hereinafter referred to as the "Decision and Order") filed on June 22, 1998, in Docket No. A97-722, Land Use Commission, State of Hawaii. Said Decision and Order reclassified the subject property consisting of approximately 65.7 acres of certain parcels of land situated at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, more particularly identified as Maui Tax Map Key Nos. 3-8-03:23 and 24 (hereinafter referred to as the "Property"). The Property is as outlined in Exhibit "A", attached hereto and made a part hereof and more particularly described in Exhibit "B", attached hereto and made a part hereof. The Commission has reclassified the Property from the Agricultural District to the Urban District, subject to the following conditions:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation

measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the County Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, from leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugarcane cultivation areas.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawai`i and County of Maui civil defense agencies.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with

the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawai`i Administrative Rules.

The foregoing conditions shall run with the land and shall be binding upon the Petitioner and each and every subsequent owner, lessee, sub-lessee, transferree, grantee, assignee, or developer, pursuant to Section 15-15-91, Hawai`i Administrative Rules.

This Document Listing Conditions to Reclassification of Land fulfills the recording requirements with respect to the June 22, 1998 Decision and Order, and supersedes that certain Notice of Imposition of Conditions by the Commission entered into by Maui Electric Company, Limited, Petitioner, dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

Dated: July 23, 1998, Kahului, Maui, Hawaii, ~~1998.~~

WAO
mp

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By _____
William A. Bonnet
Its President

STATE OF HAWAII)
) ss.
COUNTY OF MAUI)

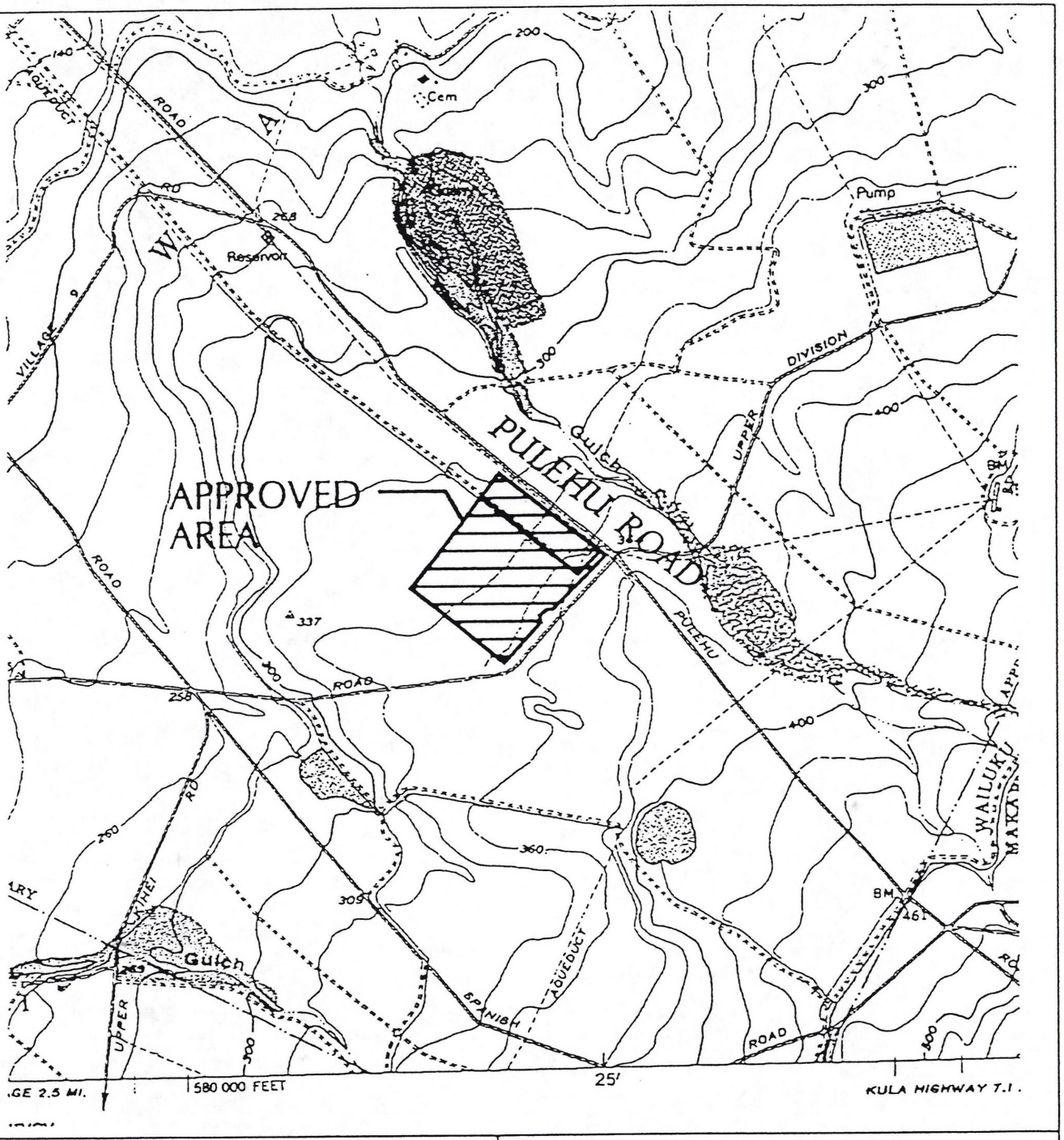
On this 23rd day of July, 1998, before me personally appeared WILLIAM A. BONNET, to me personally known/~~proved~~ to me on the basis of satisfactory evidence, who, being by me duly sworn, did say that he is the President of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

VS

Jeanda A. Otake
Notary Public
State of Hawaii

My commission expires: August 15, 2001

5020211.2.015787-5

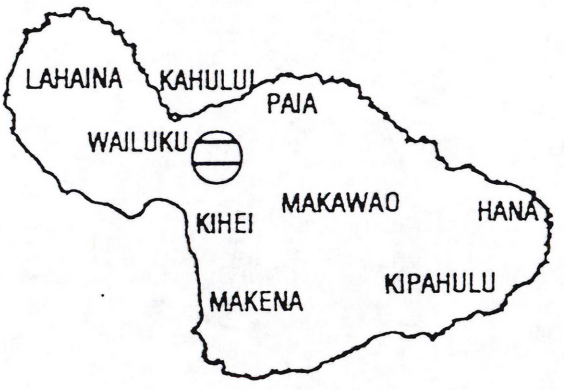


A97-722 / MAUI ELECTRIC COMPANY, LTD., a Hawai`i Corporation

LOCATION MAP

TAX MAP KEY NO.: 3-8-03: 23 & 24
WAILUKU AND MAKAWAO DISTRICTS, ISLAND OF MAUI, STATE OF HAWAI`I

EXHIBIT "A"



DESCRIPTION

LOT A-1
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the southwesterly corner of this lot, said pipe being also the northerly corner of Lot A-2 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	218° 13'	458.24	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	310° 51'	551.41	feet along the southwesterly side of Pulehu Road to a pipe;
3.	310° 29'	626.14	feet along same to a pipe;
4.	309° 01'	204.21	feet along same to a pipe;
5.	306° 38'	87.23	feet along same to a pipe;
6.	309° 47'	56.65	feet along same to a pipe;
7.	Thence along Lot A-2 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being: 356° 54' 30" 43.97 feet to a pipe;		

EXHIBIT B

8.	44° 02'	380.81	feet along same to a pipe;
9.	128° 26'	1,514.94	feet along same to the point of beginning and containing an Area of 15.127 Acres.

SUBJECT, HOWEVER to the following easements:

A) EASEMENT 1

Being an easement for waterline purposes over, under and across a portion of Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a point at the northeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,588.18 feet North and 15,659.00 feet West and running by azimuths measured clockwise from True South:

1.	34° 49'	383.76	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	128° 26'	5.02	feet over and across same to a point;
3.	214° 49'	383.94	feet over and across same to a point;
4.	310° 29'	5.03	feet along the southwesterly side of Pulehu Road to the point of beginning and containing an Area of 1,923 Square Feet.

B) EASEMENT 2

Being an easement for waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,291.24 feet North and 15,294.06 feet West and running by azimuths measured clockwise from True South:

1.	119° 20'	92.72	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	129° 11'	199.96	feet over and across same to a point;
3.	131° 41'	95.74	feet over and across same to a point;
4.	129° 03'	197.07	feet over and across same to a point;
5.	129° 39'	218.20	feet over and across same to a point;
6.	132° 02'	94.60	feet over and across same to a point;
7.	130° 55'	115.49	feet over and across same to a point;
8.	129° 20'	195.25	feet over and across same to a point;
9.	130° 13' 30"	260.77	feet over and across same to a point;
10.	218° 13' -	5.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
11.	310° 13' 30"	260.91	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
12.	309° 20'	195.28	feet over and across same to a point;

13.	310° 55'	115.61	feet over and across same to a point;
14.	312° 02'	94.54	feet over and across same to a point;
15.	309° 39'	218.07	feet over and across same to a point;
16.	309° 03'	197.15	feet over and across same to a point;
17.	311° 41'	95.74	feet over and across same to a point;
18.	309° 11'	199.89	feet over and across same to a point;
19.	219° 01'	6.97	feet over and across same to a point;
20.	309° 01'	4.20	feet along the southwesterly side of Pulehu Road to a pipe;
21.	306° 38'	87.23	feet along same to the point of beginning and containing an Area of 7,420 Square Feet.

C) EASEMENT 4

Being an easement for access and waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	128° 26'	1,514.94	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a pipe;

2.	218° 13'	36.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
3.	308° 26'	1,518.61	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
4.	44° 02"	36.17	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 54,604 Square Feet.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

September 11, 1996

This work was prepared by me or under my supervision.

KEN T. NOMURA
LICENSED PROFESSIONAL LAND SURVEYOR
No. LS-7633
HAWAII, U.S.A.

Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-t

13

DESCRIPTION

LOT A-2
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Tax Map Key:(2)3-8-03:24)

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the northerly corner of this lot, said pipe being also the southwesterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	308° 26'	1,514.94	feet along Lot A-1 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	224° 02'	380.81	feet along same to a pipe;
3.	Thence along same on a curve		to the left with a radius of 30.00 feet, the chord azimuth and distance being: 176° 54' 30" 43.97 feet to a pipe;
4.	309° 47'	92.48	feet along the southwesterly side of Pulehu Road to a pipe;
5.	44° 02'	411.70	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
6.	43° 29'	473.14	feet along same to a pipe;
7.	88° 29'	63.60	feet along same to a pipe;

8.	43° 29'	166.36	feet along same to a pipe;
9.	358° 29'	65.48	feet along same to a pipe;
10.	43° 29'	721.55	feet along same to a pipe;
11.	128° 13'	1,443.23	feet along same to a pipe;
12.	218° 13'	1,452.27	feet along same to the point of beginning and containing an Area of 50.573 Acres.

SUBJECT, HOWEVER to Easement 3 for access and waterline purposes over, under and across a Portion of Lot A-2 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the northwesterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	36.17	feet along Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
3.	44° 02'	36.17	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
4,	128° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 2,170 Square Feet.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

August 6, 1996

This work was prepared by me or under my supervision.



Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-u

DESCRIPTION

EASEMENT 5
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
Affecting Lot A-3
(TMK: (2)3-8-03:Por. 1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the northwesterly corner of this easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,917.16 feet North and 15,448.86 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	50.24	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	79.15	feet over and across Grant 3343 to Claus Spreckels to a point;
3.	43° 36' 43"	50.21	feet over and across same to a point;
4.	128° 26'	79.52	feet over and across same to the point of beginning and containing an Area of 3,967 Square Feet.

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Prepared by A&B Properties, Inc. September 11, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-x

DESCRIPTION

EASEMENT 6
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-03:4)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southwesterly corner of this easement, on the northeasterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" BEING 10,270.48 feet North and 16,391.29 feet West and running by azimuths measured clockwise from True South:

1.	218° 13'	100.11	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	130° 51'	244.42	feet over and across same to a point;
3.	130° 15'	647.51	feet over and across same to a point;
4.	129° 45'	168.86	feet over and across same to a point;
5.	219° 45' 35"	50.00	feet along Lot 1 of the Central Maui Sanitary Landfill Subdivision to a point;
6.	309° 45'	169.07	feet over and across Grant 3343 to Claus Spreckels to a point;
7.	310° 15'	647.99	feet over and across same to a point;
8.	310° 51'	292.43	feet over and across same to a point;

9. 38° 13' 150.16 feet over and across same to a point;

10. 130° 51' 50.05 feet along the northeasterly side of Pulehu Road to the point of beginning and containing an Area of 60,513 Square Feet or 1.389 Acres.

Prepared by A&B Properties, Inc. April 17, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-w

20

DESCRIPTION

EASEMENT 7
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-01:1, (2)3-8-03:4)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southeasterly corner of this easement, being also on the northerly boundary of Lot 1 of the Central Maui Sanitary Landfill Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 11,063.49 feet North and 17,172.10 feet West and running by azimuths measured clockwise from True South:

1. 129° 45' 323.10 feet over and across Grant 3343 to Claus Spreckels to a point;

2. 129° 00' 258.93 feet over and across same to a point;

3. Thence over and across same on a curve to the right with a radius of 1,455.00 feet, the chord azimuth and distance being:
134° 52' 30" 297.86 feet to a point;

4. 140° 45' 437.04 feet over and across same to a point;

5. 139° 26' 990.32 feet over and across same to a point;

6. 140° 06' 736.46 feet over and across same to a point;

7. 139° 40' 303.36 feet over and across same to a point;

8.	136° 15'	202.49	feet over and across same to a point;
9.	135° 20'	413.47	feet over and across same to a point;
10.	136° 06'	503.37	feet over and across same to a point;
11.	135° 26'	1,143.38	feet over and across same to a point;
12.	133° 29'	656.53	feet over and across same to a point;
13.	132° 55'	786.55	feet over and across same to a point;
14.	133° 20'	499.08	feet over and across same to a point;
15.	223° 05'	50.00	feet over and across same to a point;
16.	313° 20'	499.12	feet over and across same to a point;
17.	312° 55'	786.62	feet over and across same to a point;
18.	313° 29'	657.63	feet over and across same to a point;
19.	315° 26'	1,144.52	feet over and across same to a point;
20.	316° 06'	503.33	feet over and across same to a point;
21.	315° 20'	413.53	feet over and across same to a point;
22.	316° 15'	204.38	feet over and across same to a point;
23.	319° 40'	305.04	feet over and across same to a point;
24.	320° 06'	736.36	feet over and across same to a point;

25. 319° 26' 990.61 feet over and across same to a point;

26. 320° 45' 437.61 feet over and across same to a point;

27. Thence over and across same on a curve to the left with a radius of 1,405.00 feet, the chord azimuth and distance being:
314° 52' 30" 287.63 feet to a point;

28. 309° 00' 259.25 feet over and across same to a point;

29. 309° 45' 323.44 feet over and across same to a point;

30. 39° 45' 35" 50.00 feet along Lot 1 of the Central Maui Sanitary Landfill Subdivision to the point of beginning and containing an Area of 377,550 Square Feet or 8.667 Acres.

Prepared by A&B Properties, Inc. September 11, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.

KEN T. NOMURA
LICENSED PROFESSIONAL LAND SURVEYOR
No. LS-7633
HAWAII, U.S.A.

Registered Professional Land Surveyor No. LS-7633

ME
43/6-y

23

DESCRIPTION

EASEMENT 8
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-01:1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the northwesterly corner of this easement, on the northeasterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 16,442.27 feet North and 22,521.18 feet West and running by azimuths measured clockwise from True South:

1.	223° 05'	879.66	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	242° 30'	757.56	feet over and across same to a point;
3.	234° 27'	277.87	feet over and across same to a point;
4.	230° 44'	202.33	feet over and across same to a point;
5.	228° 58'	2,708.29	feet over and across same to a point;
6.	229° 05'	3,278.67	feet over and across same to a point;
7.	227° 52'	84.52	feet over and across same to a point;
8.	291° 03' 05"	29.29	feet along the southerly side of Haleakala Road [Federal Aid Project No. F-037-1(6)] to a point;

9. Thence along same on a curve to the left with a radius of 7,689.44 feet, the chord azimuth and distance being: 290° 57' 06" 26.77 feet to a point;

10. 47° 52' 110.38 feet over and across Grant 3343 to Claus Spreckels to a point;

11. 49° 05' 3,279.15 feet over and across same to a point;

12. 48° 58' 2,709.01 feet over and across same to a point;

13. 50° 44' 204.72 feet over and across same to a point;

14. 54° 27' 283.02 feet over and across same to a point;

15. 62° 30' 752.52 feet over and across same to a point;

16. 43° 05' 873.05 feet over and across same to a point;

17. 135° 19' 50.04 feet along the northeasterly side of Pulehu Road to the point of beginning and containing an Area of 410,080 Square Feet or 9.414 Acres.

Prepared by A&B Properties, Inc. August 7, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.

KEN T. NOMURA
LICENSED PROFESSIONAL LAND SURVEYOR
No. LS-7633
HAWAII, U.S.A.

Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/7-a

25

DESCRIPTION

EASEMENT 9
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-01:6,7 & 14 and (2)2-5-05:19)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across portions of Grant 3343 to Claus Spreckels, Royal Patent 7512, Land Commission Award 11216, Apana 27 to M. Kekauonohi and the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 situated at Wailuku, Haliimaile and Hamakuapoko, Island and County of Maui, State of Hawaii.

Beginning at a point at the southwesterly corner of this easement, on the northeasterly side of Haleakala Highway [Federal Aid Project No. F-037-1 (6)], the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUUNENE 2" being 5,762.22 feet South and 6,826.22 feet West and running by azimuths measured clockwise from True South:

1.	227° 51' 25"	26.37	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	229° 08'	847.98	feet over and across same to a point;
3.	227° 05'	180.87	feet over and across same to a point;
4.	200° 55'	177.19	feet over and across same to a point;
5.	161° 27'	1,245.48	feet over and across same to a point;
6.	168° 30'	252.63	feet over and across same to a point;
7.	173° 10'	255.68	feet over and across same to a point;
8.	176° 43'	251.90	feet over and across same to a point;

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9.	183° 56'	255.54	feet over and across same to a point;
10.	187° 58'	257.78	feet over and across same to a point;
11.	196° 49'	262.06	feet over and across same to a point;
12.	218° 12'	268.35	feet over and across same to a point;
13.	238° 44'	263.99	feet over and across same to a point;
14.	255° 58'	437.29	feet over and across same to a point;
15.	256° 43'	216.39	feet over and across same to a point;
16.	251° 38'	441.36	feet over and across same to a point;
17.	261° 22'	289.78	feet over and across same to a point;
18.	262° 47'	550.70	feet over and across same to a point;
19.	255° 02'	824.84	feet over and across same to a point;
20.	257° 00'	262.03	feet over and across same to a point;
21.	258° 45'	263.73	feet over and across same to a point;
22.	254° 54'	263.09	feet over and across same to a point;
23.	256° 55'	1,102.51	feet over and across same to a point;
24.	261° 56'	738.92	feet over and across same to a point;
25.	257° 01'	936.10	feet over and across same to a point;

26.	263° 52'	501.34	feet over and across same to a point;
27.	258° 41'	574.72	feet over and across same to a point;
28.	256° 36'	250.74	feet over and across same to a point;
29.	254° 03'	497.69	feet over and across same to a point;
30.	250° 00'	256.06	feet over and across same to a point;
31.	248° 24'	237.99	feet over and across same to a point;
32.	251° 31'	260.07	feet over and across same to a point;
33.	264° 09'	234.37	feet over and across same to a point;
34.	288° 30'	230.82	feet over and across same to a point;
35.	292° 52'	220.33	feet over and across same to a point;
36.	301° 50'	229.63	feet over and across same to a point;
37.	306° 38'	782.18	feet over and across same to a point;
38.	296° 45'	466.32	feet over and across same and R. P. 7512, L. C. Aw. 11216, Apana 27 to M. Kekauonohi to a point;
39.	287° 52'	230.55	feet over and across R. P. 7512, L. C. Aw. 112166, Apana 27 to M. Kekauonohi to a point;
40.	279° 01'	213.15	feet over and across same to a point;
41.	272° 31'	258.81	feet over and across same to a point;

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42.	260° 44'	415.45	feet over and across same to a point;
43.	247° 14'	221.75	feet over and across same to a point;
44.	239° 21'	196.60	feet over and across same to a point;
45.	220° 43'	190.74	feet over and across same to a point;
46.	202° 01'	420.32	feet over and across same to a point;
47.	202° 58'	220.56	feet over and across same to a point;
48.	199° 33'	215.71	feet over and across same to a point;
49.	181° 55'	495.66	feet over and across same to a point;
50.	187° 27'	744.37	feet over and across same and the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 to a point;
51.	184° 03'	242.09	feet over and across the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 to a point;
52.	189° 33'	229.49	feet over and across same to a point;
53.	349° 50' 20"	148.25	feet along Ld. Ct. App. 110 to a point;
54.	9° 33'	87.52	feet over and across the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 to a point;
55.	4° 03'	241.18	feet over and across same to a point;

56.	7° 27'	743.43	feet over and across same and R. P. 7512, L.C. Aw. 11216, Apana 27 to M. Kekauonohi to a point;
57.	1° 55'	501.00	feet over and across R. P. 7512, L. C. Aw. 11216, Apana 27 to M. Kekauonohi to a point;
58.	19° 33'	224.96	feet over and across same to a point;
59.	22° 58'	221.63	feet over and across same to a point;
60.	22° 01'	428.14	feet over and across same to a point;
61.	40° 43'	207.18	feet over and across same to a point;
62.	59° 21'	208.24	feet over and across same to a point;
63.	67° 14'	231.12	feet over and across same to a point;
64.	80° 44'	426.53	feet over and across same to a point;
65.	92° 31'	266.81	feet over and across same to a point;
66.	99° 01'	219.85	feet over and across same to a point;
67.	107° 52'	238.30	feet over and across same to a point;
68.	116° 45'	474.53	feet over and across same and Grant 3343 to Claus Spreckels to a point;
69.	126° 38'	784.41	feet over and across Grant 3343 to Claus Spreckels to a point;
70.	121° 50'	223.61	feet over and across same to a point;

71.	112° 52'	214.51	feet over and across same to a point;
72.	108° 30'	218.13	feet over and across same to a point;
73.	84° 09'	218.05	feet over and across same to a point;
74.	71° 31'	253.17	feet over and across same to a point;
75.	68° 24'	237.32	feet over and across same to a point;
76.	70° 00'	258.53	feet over and across same to a point;
77.	74° 03'	500.58	feet over and across same to a point;
78.	76° 36'	252.76	feet over and across same to a point;
79.	78° 41'	577.89	feet over and across same to a point;
80.	83° 52'	500.61	feet over and across same to a point;
81.	77° 01'	935.25	feet over and across same to a point;
82.	81° 56'	738.88	feet over and across same to a point;
83.	76° 55'	1,099.44	feet over and across same to a point;
84.	74° 54'	263.89	feet over and across same to a point;
85.	78° 45'	264.65	feet over and across same to a point;
86.	77° 00'	260.41	feet over and across same to a point;
87.	75° 02'	827.37	feet over and across same to a point;

88.	82° 47'	553.47	feet over and across same to a point;
89.	81° 22'	284.90	feet over and across same to a point;
90.	71° 38'	439.32	feet over and across same to a point;
91.	76° 43'	218.29	feet over and across same to a point;
92.	75° 58'	429.38	feet over and across same to a point;
93.	58° 44'	247.36	feet over and across same to a point;
94.	38° 12'	249.85	feet over and across same to a point;
95.	16° 49'	248.75	feet over and across same to a point;
96.	7° 58'	252.16	feet over and across same to a point;
97.	3° 56'	250.62	feet over and across same to a point;
98.	356° 43'	247.20	feet over and across same to a point;
99.	353° 10'	252.09	feet over and across same to a point;
100.	348° 30'	247.52	feet over and across same to a point;
101.	341° 27'	1,260.35	feet over and across same to a point;
102.	20° 55'	206.74	feet over and across same to a point;
103.	47° 05'	193.39	feet over and across same to a point;
104.	49° 08'	848.35	feet over and across same to a point;

105. Thence along the northeasterly side of Haleakala Highway [Federal Aid Project No. F-037-1 (6)] on a curve to the right with a radius of 7,569.44 feet, the chord azimuth and distance being: 110° 35' 27.5" 56.26 feet to the point of beginning and containing an Area of 992,181 Square Feet or 22.777 Acres.

Prepared by A&B Properties, Inc. April 17, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-z

DESCRIPTION

EASEMENT 10
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-06:1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 16,377.46 feet North and 22,513.33 feet West and running by azimuths measured clockwise from True South:

1.	43° 05'	509.01	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	118° 36'	120.57	feet over and across same to a point;
3.	139° 10'	900.30	feet over and across same to a point;
4.	110° 58'	98.18	feet over and across same to a point;
5.	151° 12'	227.43	feet over and across same to a point;
6.	139° 13'	1,261.33	feet over and across same to a point;
7.	247° 02' 45"	52.52	feet along the southeasterly side of Hansen Road to a point;
8.	319° 13'	1,250.49	feet over and across Grant 3343 to Claus Spreckels to a point;

9.	331° 12'	214.36	feet over and across same to a point;
10.	290° 58'	92.42	feet over and across same to a point;
11.	319° 10'	903.79	feet over and across same to a point;
12.	298° 36'	72.78	feet over and across same to a point;
13.	223° 05'	472.23	feet over and across same to a point;
14.	315° 19'	50.04	feet along the southwesterly side of Pulehu Road to the point of beginning and containing an Area of 153,068 Square Feet or 3.514 Acres.

Prepared by A&B Properties, Inc. August 8, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/7-b

35

DESCRIPTION

EASEMENT 11
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-06:4)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southeasterly corner of this easement, on the northwesterly side of Hansen Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 2,925.58 feet South and 18,994.36 feet East and running by azimuths measured clockwise from True South:

1.	67° 00'	52.52	feet along the northwesterly side of Hansen Road to a point;
2.	139° 10' 15"	2,584.51	feet over and across Grant 3343 to Claus Spreckels to a point
3.	138° 53'	217.55	feet over and across same to a point;
4.	128° 12'	229.79	feet over and across same to a point;
5.	136° 42'	132.45	feet over and across same to a point;
6.	48° 43'	320.83	feet over and across same to a point;
7.	53° 50'	327.42	feet over and across same to a point;
8.	56° 19'	201.64	feet over and across same to a point;

9.	46° 50'	248.69	feet over and across same to a point;
10.	40° 00'	286.39	feet over and across same to a point;
11.	39° 55'	1,572.12	feet over and across same to a point;
12.	39° 39'	721.26	feet over and across same to a point;
13.	206° 50'	216.74	feet over and across same to a point;
14.	286° 10'	29.50	feet over and across same to a point;
15.	196° 10'	5.00	feet over and across same to a point;
16.	106° 10'	29.42	feet over and across same to a point;
17.	219° 39'	505.41	feet over and across same to a point;
18.	219° 55'	1,572.28	feet over and across same to a point;
19.	220° 00'	289.41	feet over and across same to a point;
20.	226° 50'	255.82	feet over and across same to a point;
21.	236° 19'	204.71	feet over and across same to a point;
22.	233° 50'	324.10	feet over and across same to a point;
23.	228° 43'	366.87	feet over and across same to a point;
24.	316° 42'	177.00	feet over and across same to a point;
25.	308° 12'	230.75	feet over and across same to a point;

26.	318° 53'	222.26	feet over and across same to a point;
27.	319° 10' 15"	2,600.81	feet over and across same to the point of beginning and containing an Area of 339,564 Square Feet or 7.795 Acres.

Prepared by A&B Properties, Inc. August 8, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
11/42-L

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 13, 1998

B. Martin Luna, Esq.
Carlsmith, Ball, Wichman,
Case & Ichiki
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793-1086

Dear Mr. Luna:

Subject: Filing of Conditions for LUC Docket No. A97-722/Maui Electric Company, Limited

We have reviewed the draft of Document Listing Conditions to Reclassification of Land forwarded by your letter of transmittal dated July 8, 1998, and have the following comments:

1) On page 2, line 2, the word "Subsection" should be amended to "section." On lines 8-9, reference to the Findings of Fact, Conclusions of Law, and Decision and Order should be amended to "Decision and Order" since lines 6-7 refer to said document thereafter in this abbreviated form. This change should also be made to the last paragraph on page 6, lines 2-3. Similarly, reference to the Land Use Commission on line 14 should be amended to "Commission" since line 5 refers to it thereafter in this abbreviated form.

2) The document should include language stating that the conditions shall run with the land and shall be binding upon Petitioner and each and every subsequent owner, lessee, sub-lessee, transferee, grantee, assignee, or developer, pursuant to §15-15-91, Hawaii Administrative Rules.

With the above changes, we have no objections to your proceeding to execute and record the document at the Bureau of Conveyances. Please submit a certified copy, under the signature of the Registrar of the Bureau of Conveyances, of the recorded document as soon as possible.

Thank you for your cooperation in this matter. Should you have any questions, please feel free to call me or Bert Saruwatari of our office at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:th

CARLSMITH BALL
ATTORNEYS AT LAW
A PARTNERSHIP INCLUDING LAW CORPORATIONS
ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET
WAILUKU, MAUI, HAWAII 96793-1086

TELEPHONE (808) 242-4535
FAX (808) 244-4974

LAND USE COMMISSION
STATE OF HAWAII
Jul 9 10 10 AM '98

LETTER OF TRANSMITTAL

TO: Ms. Esther Ueda
Executive Officer
State Land Use Commission
Department of Business, Economic Development & Tourism
P. O. Box 2359
Honolulu, Hawaii 96804

DATE: July 8, 1998

RE: Maui Electric Company, Limited
LUC Docket No. A97-722; TMK 3-8-03:23 and 24

[X] Mailed [ ] Hand Delivered [ ]

THE FOLLOWING IS (ARE) TRANSMITTED HEREWITH:

COPIES	DATE	DESCRIPTION
1		Draft of Document Listing Conditions to Reclassification of Land.

[ ]	For Your Information	[X]	For Review and Comment
[ ]	For Your Files	[ ]	For Necessary Action
[X]	Per Your Request	[ ]	For Signature and Return **(Black Ink)**
[ ]	Per Our Conversation	[X]	See Remarks below

REMARKS: We would appreciate receiving your approval of the enclosed Document Listing Conditions. Thereafter, we will have it signed and recorded with the Bureau of Conveyances of the State of Hawaii.

By Mary E. Ah Sam
for B. Martin Luna/mea

LAND USE COMMISSION
STATE OF HAWAII
Jul 9 10 11 AM '98

LAND COURT SYSTEM | REGULAR SYSTEM

Return by Mail ☐ Pickup ☐ To:

CARLSMITH BALL
2200 Main Street, Suite 400
Wailuku, Maui, Hawaii 96793-2225
Attention: B. Martin Luna
Telephone: 808-242-4535

TITLE OF DOCUMENT:

DOCUMENT LISTING CONDITIONS
TO RECLASSIFICATION OF LAND

PARTIES TO DOCUMENT:

Petitioner: MAUI ELECTRIC COMPANY, LIMITED
P. O. Box 398
Kahului, Maui, Hawaii 96732

TAX MAP KEY(S): (II) 3-8-03:23 and 24 (This document consists of 38 pages.)

DOCUMENT LISTING CONDITIONS
TO RECLASSIFICATION OF LAND

KNOW ALL PERSONS BY THESE PRESENTS:

In compliance with Section 205-4 (g) of the Hawaii Revised Statutes, and Subsection 15-15-92 of the State of Hawaii Land Use Commission's Rules, MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation (hereinafter referred to as "Petitioner"), hereby records the following conditions which were imposed by the Land Use Commission of the State of Hawaii (hereinafter referred to as the "Commission") in its Findings of Fact, Conclusions of Law, and Decision and Order (hereinafter referred to as the "Decision and Order") filed on June 22, 1998, in Docket No. A97-722, Land Use Commission, State of Hawaii. Said Findings of Fact, Conclusions of Law, and Decision and Order reclassified the subject property consisting of approximately 65.7 acres of certain parcels of land situated at Wailuku and Makawao Districts, Island of Maui, State of Hawaii, more particularly identified as Maui Tax Map Key Nos. 3-8-03:23 and 24 (hereinafter referred to as the "Property"). The Property is as outlined in Exhibit "A", attached hereto and made a part hereof and more particularly described in Exhibit "B", attached hereto and made a part hereof. The Land Use Commission has reclassified the Property from the Agricultural District to the Urban District, subject to the following conditions:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation

measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the County Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, from leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugarcane cultivation areas.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawai`i and County of Maui civil defense agencies.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with

the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Land Use Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawai`i Administrative Rules.

This Document Listing Conditions to Reclassification of Land fulfills the recording requirements with respect to the June 22, 1998 Findings of Facts, Conclusions of Law, and Decision and Order, and supersedes that certain Notice of Imposition of Conditions by the Land Use Commission entered into by Maui Electric Company, Limited, Petitioner, dated June 25, 1998, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

Dated: _____, Hawaii, _____, 1998.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By _____
William A. Bonnet
Its President

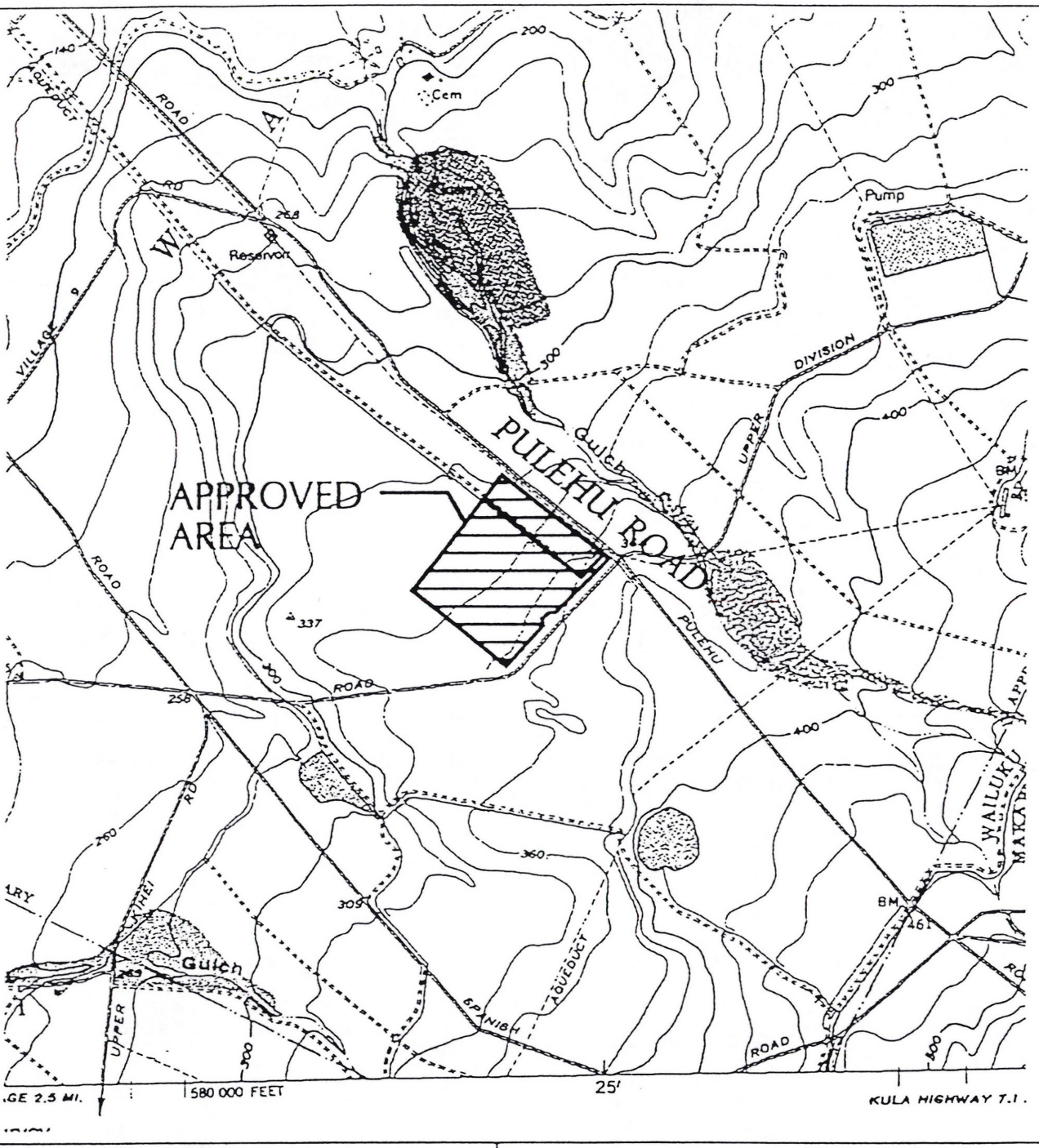
STATE OF HAWAII)
) ss.
COUNTY OF MAUI)

On this _____ day of _____, 1998, before me personally appeared WILLIAM A. BONNET, to me personally known/proved to me on the basis of satisfactory evidence, who, being by me duly sworn, did say that he is the President of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

_____
Notary Public
State of Hawaii

My commission expires: _____

5020211.2.015787-5

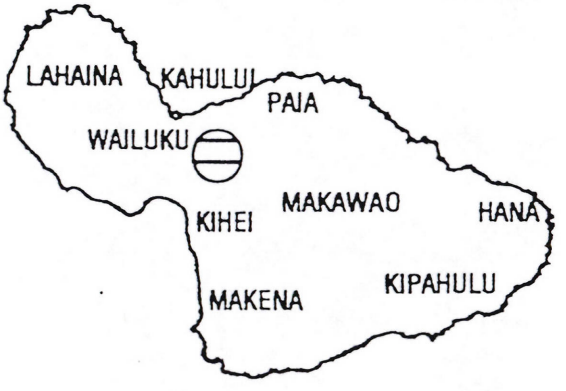


A97-722 / MAUI ELECTRIC COMPANY, LTD., a Hawai`i Corporation

LOCATION MAP

TAX MAP KEY NO.: 3-8-03: 23 & 24
WAILUKU AND MAKAWAO DISTRICTS, ISLAND OF MAUI, STATE OF HAWAI`I

EXHIBIT "A"



DESCRIPTION

LOT A-1
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Tax Map Key:(2)3-8-03:23)

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the southwesterly corner of this lot, said pipe being also the northerly corner of Lot A-2 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	218° 13'	458.24	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	310° 51'	551.41	feet along the southwesterly side of Pulehu Road to a pipe;
3.	310° 29'	626.14	feet along same to a pipe;
4.	309° 01'	204.21	feet along same to a pipe;
5.	306° 38'	87.23	feet along same to a pipe;
6.	309° 47'	56.65	feet along same to a pipe;
7.	Thence along Lot A-2 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being: 356° 54' 30" 43.97 feet to a pipe;		

EXHIBIT B

8.	44° 02'	380.81	feet along same to a pipe;
9.	128° 26'	1,514.94	feet along same to the point of beginning and containing an Area of 15.127 Acres.

SUBJECT, HOWEVER to the following easements:

A) EASEMENT 1

Being an easement for waterline purposes over, under and across a portion of Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a point at the northeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,588.18 feet North and 15,659.00 feet West and running by azimuths measured clockwise from True South:

1.	34° 49'	383.76	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	128° 26'	5.02	feet over and across same to a point;
3.	214° 49'	383.94	feet over and across same to a point;
4.	310° 29'	5.03	feet along the southwesterly side of Pulehu Road to the point of beginning and containing an Area of 1,923 Square Feet.

B) EASEMENT 2

Being an easement for waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,291.24 feet North and 15,294.06 feet West and running by azimuths measured clockwise from True South:

1.	119° 20'	92.72	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	129° 11'	199.96	feet over and across same to a point;
3.	131° 41'	95.74	feet over and across same to a point;
4.	129° 03'	197.07	feet over and across same to a point;
5.	129° 39'	218.20	feet over and across same to a point;
6.	132° 02'	94.60	feet over and across same to a point;
7.	130° 55'	115.49	feet over and across same to a point;
8.	129° 20'	195.25	feet over and across same to a point;
9.	130° 13' 30"	260.77	feet over and across same to a point;
10.	218° 13'	5.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
11.	310° 13' 30"	260.91	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
12.	309° 20'	195.28	feet over and across same to a point;

13.	310° 55'	115.61	feet over and across same to a point;
14.	312° 02'	94.54	feet over and across same to a point;
15.	309° 39'	218.07	feet over and across same to a point;
16.	309° 03'	197.15	feet over and across same to a point;
17.	311° 41'	95.74	feet over and across same to a point;
18.	309° 11'	199.89	feet over and across same to a point;
19.	219° 01'	6.97	feet over and across same to a point;
20.	309° 01'	4.20	feet along the southwesterly side of Pulehu Road to a pipe;
21.	306° 38'	87.23	feet along same to the point of beginning and containing an Area of 7,420 Square Feet.

C) EASEMENT 4

Being an easement for access and waterline purposes over, under and across Lot A-1 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the southeasterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	128° 26'	1,514.94	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a pipe;

2.	218° 13'	36.00	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
3.	308° 26'	1,518.61	feet over and across Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
4.	44° 02"	36.17	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 54,604 Square Feet.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

September 11, 1996

This work was prepared by me or under my supervision.



Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-t

DESCRIPTION

LOT A-2
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Tax Map Key:(2)3-8-03:24)

All of that certain parcel of land, being a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a 1/2-inch pipe at the northerly corner of this lot, said pipe being also the southwesterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 9,879.00 feet North and 16,699.54 feet West and running by azimuths measured clockwise from True South:

1.	308° 26'	1,514.94	feet along Lot A-1 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
2.	224° 02'	380.81	feet along same to a pipe;
3.	Thence along same on a curve		to the left with a radius of 30.00 feet, the chord azimuth and distance being: 176° 54' 30" 43.97 feet to a pipe;
4.	309° 47'	92.48	feet along the southwesterly side of Pulehu Road to a pipe;
5.	44° 02'	411.70	feet along Lot A-3 of the New Central Maui Generation Site Subdivision, being also the remainder of Grant 3343 to Claus Spreckels to a pipe;
6.	43° 29'	473.14	feet along same to a pipe;
7.	88° 29'	63.60	feet along same to a pipe;

8.	43° 29'	166.36	feet along same to a pipe;
9.	358° 29'	65.48	feet along same to a pipe;
10.	43° 29'	721.55	feet along same to a pipe;
11.	128° 13'	1,443.23	feet along same to a pipe;
12.	218° 13'	1,452.27	feet along same to the point of beginning and containing an Area of 50.573 Acres.

SUBJECT, HOWEVER to Easement 3 for access and waterline purposes over, under and across a Portion of Lot A-2 of the New Central Maui Generation Site Subdivision, being also a portion of Grant 3343 to Claus Spreckels and being more particularly described as follows:

Beginning at a pipe at the northwesterly corner of this easement, said pipe being also the southeasterly corner of Lot A-1 of the New Central Maui Generation Site Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,937.30 feet North and 15,512.84 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	36.17	feet along Lot A-1 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
3.	44° 02'	36.17	feet along Lot A-3 of the New Central Maui Generation Site Subdivision to a point;
4.	128° 26'	60.29	feet over and across Lot A-2 of the New Central Maui Generation Site Subdivision to the point of beginning and containing an Area of 2,170 Square Feet.

Prepared by A&B Properties, Inc. August 6, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-u

DESCRIPTION

EASEMENT 5
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
Affecting Lot A-3
(TMK: (2)3-8-03:Por. 1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

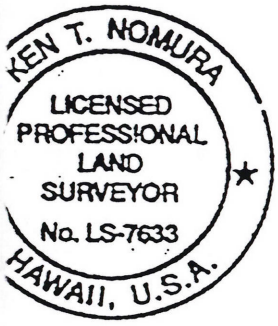
Beginning at a point at the northwesterly corner of this easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 8,917.16 feet North and 15,448.86 feet West and running by azimuths measured clockwise from True South:

1.	224° 02'	50.24	feet along Lot A-2 of the New Central Maui Generation Site Subdivision to a point;
2.	308° 26'	79.15	feet over and across Grant 3343 to Claus Spreckels to a point;
3.	43° 36' 43"	50.21	feet over and across same to a point;
4.	128° 26'	79.52	feet over and across same to the point of beginning and containing an Area of 3,967 Square Feet.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

September 11, 1996

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-x

DESCRIPTION

EASEMENT 6
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-03:4)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southwesterly corner of this easement, on the northeasterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" BEING 10,270.48 feet North and 16,391.29 feet West and running by azimuths measured clockwise from True South:

1.	218° 13'	100.11	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	130° 51'	244.42	feet over and across same to a point;
3.	130° 15'	647.51	feet over and across same to a point;
4.	129° 45'	168.86	feet over and across same to a point;
5.	219° 45' 35"	50.00	feet along Lot 1 of the Central Maui Sanitary Landfill Subdivision to a point;
6.	309° 45'	169.07	feet over and across Grant 3343 to Claus Spreckels to a point;
7.	310° 15'	647.99	feet over and across same to a point;
8.	310° 51'	292.43	feet over and across same to a point;

9. 38° 13' 150.16 feet over and across same to a point;

10. 130° 51' 50.05 feet along the northeasterly side of Pulehu Road to the point of beginning and containing an Area of 60,513 Square Feet or 1.389 Acres.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

April 17, 1996

This work was prepared by me or under my supervision.

KEN T. NOMURA
LICENSED PROFESSIONAL LAND SURVEYOR
No. LS-7633
HAWAII, U.S.A.

Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-w

DESCRIPTION

EASEMENT 7
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-01:1, (2)3-8-03:4)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southeasterly corner of this easement, being also on the northerly boundary of Lot 1 of the Central Maui Sanitary Landfill Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 11,063.49 feet North and 17,172.10 feet West and running by azimuths measured clockwise from True South:

1. 129° 45' 323.10 feet over and across Grant 3343 to Claus Spreckels to a point;

2. 129° 00' 258.93 feet over and across same to a point;

3. Thence over and across same on a curve to the right with a radius of 1,455.00 feet, the chord azimuth and distance being:
134° 52' 30" 297.86 feet to a point;

4. 140° 45' 437.04 feet over and across same to a point;

5. 139° 26' 990.32 feet over and across same to a point;

6. 140° 06' 736.46 feet over and across same to a point;

7. 139° 40' 303.36 feet over and across same to a point;

8.	136° 15'	202.49	feet over and across same to a point;
9.	135° 20'	413.47	feet over and across same to a point;
10.	136° 06'	503.37	feet over and across same to a point;
11.	135° 26'	1,143.38	feet over and across same to a point;
12.	133° 29'	656.53	feet over and across same to a point;
13.	132° 55'	786.55	feet over and across same to a point;
14.	133° 20'	499.08	feet over and across same to a point;
15.	223° 05'	50.00	feet over and across same to a point;
16.	313° 20'	499.12	feet over and across same to a point;
17.	312° 55'	786.62	feet over and across same to a point;
18.	313° 29'	657.63	feet over and across same to a point;
19.	315° 26'	1,144.52	feet over and across same to a point;
20.	316° 06'	503.33	feet over and across same to a point;
21.	315° 20'	413.53	feet over and across same to a point;
22.	316° 15'	204.38	feet over and across same to a point;
23.	319° 40'	305.04	feet over and across same to a point;
24.	320° 06'	736.36	feet over and across same to a point;

25. 319° 26' 990.61 feet over and across same to a point;

26. 320° 45' 437.61 feet over and across same to a point;

27. Thence over and across same on a curve to the left with a radius of 1,405.00 feet, the chord azimuth and distance being:
314° 52' 30" 287.63 feet to a point;

28. 309° 00' 259.25 feet over and across same to a point;

29. 309° 45' 323.44 feet over and across same to a point;

30. 39° 45' 35" 50.00 feet along Lot 1 of the Central Maui Sanitary Landfill Subdivision to the point of beginning and containing an Area of 377,550 Square Feet or 8.667 Acres.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

September 11, 1996

This work was prepared by me or under my supervision.

KEN T. NOMURA
LICENSED PROFESSIONAL LAND SURVEYOR
No. LS-7633
HAWAII, U.S.A.

Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/6-y

DESCRIPTION

EASEMENT 8
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-01:1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the northwesterly corner of this easement, on the northeasterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 16,442.27 feet North and 22,521.18 feet West and running by azimuths measured clockwise from True South:

1.	223° 05'	879.66	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	242° 30'	757.56	feet over and across same to a point;
3.	234° 27'	277.87	feet over and across same to a point;
4.	230° 44'	202.33	feet over and across same to a point;
5.	228° 58'	2,708.29	feet over and across same to a point;
6.	229° 05'	3,278.67	feet over and across same to a point;
7.	227° 52'	84.52	feet over and across same to a point;
8.	291° 03' 05"	29.29	feet along the southerly side of Haleakala Road [Federal Aid Project No. F-037-1(6)] to a point;

9. Thence along same on a curve to the left with a radius of 7,689.44 feet, the chord azimuth and distance being: 290° 57' 06" 26.77 feet to a point;

10. 47° 52' 110.38 feet over and across Grant 3343 to Claus Spreckels to a point;

11. 49° 05' 3,279.15 feet over and across same to a point;

12. 48° 58' 2,709.01 feet over and across same to a point;

13. 50° 44' 204.72 feet over and across same to a point;

14. 54° 27' 283.02 feet over and across same to a point;

15. 62° 30' 752.52 feet over and across same to a point;

16. 43° 05' 873.05 feet over and across same to a point;

17. 135° 19' 50.04 feet along the northeasterly side of Pulehu Road to the point of beginning and containing an Area of 410,080 Square Feet or 9.414 Acres.

Prepared by A&B Properties, Inc. August 7, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.

KEN T. NOMURA
LICENSED PROFESSIONAL LAND SURVEYOR
No. LS-7633
HAWAII, U.S.A.

Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/7-a

DESCRIPTION

EASEMENT 9
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-01:6,7 & 14 and (2)2-5-05:19)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across portions of Grant 3343 to Claus Spreckels, Royal Patent 7512, Land Commission Award 11216, Apana 27 to M. Kekauonohi and the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 situated at Wailuku, Haliimaile and Hamakuapoko, Island and County of Maui, State of Hawaii.

Beginning at a point at the southwesterly corner of this easement, on the northeasterly side of Haleakala Highway [Federal Aid Project No. F-037-1 (6)], the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUUNENE 2" being 5,762.22 feet South and 6,826.22 feet West and running by azimuths measured clockwise from True South:

1.	227° 51' 25"	26.37	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	229° 08'	847.98	feet over and across same to a point;
3.	227° 05'	180.87	feet over and across same to a point;
4.	200° 55'	177.19	feet over and across same to a point;
5.	161° 27'	1,245.48	feet over and across same to a point;
6.	168° 30'	252.63	feet over and across same to a point;
7.	173° 10'	255.68	feet over and across same to a point;
8.	176° 43'	251.90	feet over and across same to a point;

9.	183° 56'	255.54	feet over and across same to a point;
10.	187° 58'	257.78	feet over and across same to a point;
11.	196° 49'	262.06	feet over and across same to a point;
12.	218° 12'	268.35	feet over and across same to a point;
13.	238° 44'	263.99	feet over and across same to a point;
14.	255° 58'	437.29	feet over and across same to a point;
15.	256° 43'	216.39	feet over and across same to a point;
16.	251° 38'	441.36	feet over and across same to a point;
17.	261° 22'	289.78	feet over and across same to a point;
18.	262° 47'	550.70	feet over and across same to a point;
19.	255° 02'	824.84	feet over and across same to a point;
20.	257° 00'	262.03	feet over and across same to a point;
21.	258° 45'	263.73	feet over and across same to a point;
22.	254° 54'	263.09	feet over and across same to a point;
23.	256° 55'	1,102.51	feet over and across same to a point;
24.	261° 56'	738.92	feet over and across same to a point;
25.	257° 01'	936.10	feet over and across same to a point;

26.	263° 52'	501.34	feet over and across same to a point;
27.	258° 41'	574.72	feet over and across same to a point;
28.	256° 36'	250.74	feet over and across same to a point;
29.	254° 03'	497.69	feet over and across same to a point;
30.	250° 00'	256.06	feet over and across same to a point;
31.	248° 24'	237.99	feet over and across same to a point;
32.	251° 31'	260.07	feet over and across same to a point;
33.	264° 09'	234.37	feet over and across same to a point;
34.	288° 30'	230.82	feet over and across same to a point;
35.	292° 52'	220.33	feet over and across same to a point;
36.	301° 50'	229.63	feet over and across same to a point;
37.	306° 38'	782.18	feet over and across same to a point;
38.	296° 45'	466.32	feet over and across same and R. P. 7512, L. C. Aw. 11216, Apana 27 to M. Kekauonohi to a point;
39.	287° 52'	230.55	feet over and across R. P. 7512, L. C. Aw. 112166, Apana 27 to M. Kekauonohi to a point;
40.	279° 01'	213.15	feet over and across same to a point;
41.	272° 31'	258.81	feet over and across same to a point;

42. 260° 44' 415.45 feet over and across same to a point;

43. 247° 14' 221.75 feet over and across same to a point;

44. 239° 21' 196.60 feet over and across same to a point;

45. 220° 43' 190.74 feet over and across same to a point;

46. 202° 01' 420.32 feet over and across same to a point;

47. 202° 58' 220.56 feet over and across same to a point;

48. 199° 33' 215.71 feet over and across same to a point;

49. 181° 55' 495.66 feet over and across same to a point;

50. 187° 27' 744.37 feet over and across same and the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 to a point;

51. 184° 03' 242.09 feet over and across the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 to a point;

52. 189° 33' 229.49 feet over and across same to a point;

53. 349° 50' 20" 148.25 feet along Ld. Ct. App. 110 to a point;

54. 9° 33' 87.52 feet over and across the land deeded by the Board of Education to the Trustees of the Oahu College dated: January 30, 1860 to a point;

55. 4° 03' 241.18 feet over and across same to a point;

56.	7° 27'	743.43	feet over and across same and R. P. 7512, L.C. Aw. 11216, Apana 27 to M. Kekauonohi to a point;
57.	1° 55'	501.00	feet over and across R. P. 7512, L. C. Aw. 11216, Apana 27 to M. Kekauonohi to a point;
58.	19° 33'	224.96	feet over and across same to a point;
59.	22° 58'	221.63	feet over and across same to a point;
60.	22° 01'	428.14	feet over and across same to a point;
61.	40° 43'	207.18	feet over and across same to a point;
62.	59° 21'	208.24	feet over and across same to a point;
63.	67° 14'	231.12	feet over and across same to a point;
64.	80° 44'	426.53	feet over and across same to a point;
65.	92° 31'	266.81	feet over and across same to a point;
66.	99° 01'	219.85	feet over and across same to a point;
67.	107° 52'	238.30	feet over and across same to a point;
68.	116° 45'	474.53	feet over and across same and Grant 3343 to Claus Spreckels to a point;
69.	126° 38'	784.41	feet over and across Grant 3343 to Claus Spreckels to a point;
70.	121° 50'	223.61	feet over and across same to a point;

71.	112° 52'	214.51	feet over and across same to a point;
72.	108° 30'	218.13	feet over and across same to a point;
73.	84° 09'	218.05	feet over and across same to a point;
74.	71° 31'	253.17	feet over and across same to a point;
75.	68° 24'	237.32	feet over and across same to a point;
76.	70° 00'	258.53	feet over and across same to a point;
77.	74° 03'	500.58	feet over and across same to a point;
78.	76° 36'	252.76	feet over and across same to a point;
79.	78° 41'	577.89	feet over and across same to a point;
80.	83° 52'	500.61	feet over and across same to a point;
81.	77° 01'	935.25	feet over and across same to a point;
82.	81° 56'	738.88	feet over and across same to a point;
83.	76° 55'	1,099.44	feet over and across same to a point;
84.	74° 54'	263.89	feet over and across same to a point;
85.	78° 45'	264.65	feet over and across same to a point;
86.	77° 00'	260.41	feet over and across same to a point;
87.	75° 02'	827.37	feet over and across same to a point;

88.	82° 47'	553.47	feet over and across same to a point;
89.	81° 22'	284.90	feet over and across same to a point;
90.	71° 38'	439.32	feet over and across same to a point;
91.	76° 43'	218.29	feet over and across same to a point;
92.	75° 58'	429.38	feet over and across same to a point;
93.	58° 44'	247.36	feet over and across same to a point;
94.	38° 12'	249.85	feet over and across same to a point;
95.	16° 49'	248.75	feet over and across same to a point;
96.	7° 58'	252.16	feet over and across same to a point;
97.	3° 56'	250.62	feet over and across same to a point;
98.	356° 43'	247.20	feet over and across same to a point;
99.	353° 10'	252.09	feet over and across same to a point;
100.	348° 30'	247.52	feet over and across same to a point;
101.	341° 27'	1,260.35	feet over and across same to a point;
102.	20° 55'	206.74	feet over and across same to a point;
103.	47° 05'	193.39	feet over and across same to a point;
104.	49° 08'	848.35	feet over and across same to a point;

105. Thence along the northeasterly side of Haleakala Highway [Federal Aid Project No. F-037-1 (6)] on a curve to the right with a radius of 7,569.44 feet, the chord azimuth and distance being: 110° 35' 27.5" 56.26 feet to the point of beginning and containing an Area of 992,181 Square Feet or 22.777 Acres.

Prepared by A&B Properties, Inc.
Kahului, Maui, Hawaii

April 17, 1996

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
43/6-z

DESCRIPTION

EASEMENT 10
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-06:1)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southeasterly corner of this easement, on the southwesterly side of Pulehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KOHA" being 16,377.46 feet North and 22,513.33 feet West and running by azimuths measured clockwise from True South:

1.	43° 05'	509.01	feet over and across Grant 3343 to Claus Spreckels to a point;
2.	118° 36'	120.57	feet over and across same to a point;
3.	139° 10'	900.30	feet over and across same to a point;
4.	110° 58'	98.18	feet over and across same to a point;
5.	151° 12'	227.43	feet over and across same to a point;
6.	139° 13'	1,261.33	feet over and across same to a point;
7.	247° 02' 45"	52.52	feet along the southeasterly side of Hansen Road to a point;
8.	319° 13'	1,250.49	feet over and across Grant 3343 to Claus Spreckels to a point;

9.	331° 12'	214.36	feet over and across same to a point;
10.	290° 58'	92.42	feet over and across same to a point;
11.	319° 10'	903.79	feet over and across same to a point;
12.	298° 36'	72.78	feet over and across same to a point;
13.	223° 05'	472.23	feet over and across same to a point;
14.	315° 19'	50.04	feet along the southwesterly side of Pulehu Road to the point of beginning and containing an Area of 153,068 Square Feet or 3.514 Acres.

Prepared by A&B Properties, Inc. August 8, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Ken T. Nomura

Registered Professional Land Surveyor No. LS-7633

ME
43/7-b

DESCRIPTION

EASEMENT 11
NEW CENTRAL MAUI GENERATION SITE SUBDIVISION
(Affecting TMK: (2)3-8-06:4)

All of that certain parcel of land, being an easement for electrical transmission line purposes over and across a portion of Grant 3343 to Claus Spreckels situated at Wailuku, Island and County of Maui, State of Hawaii.

Beginning at a point at the southeasterly corner of this easement, on the northwesterly side of Hansen Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 2,925.58 feet South and 18,994.36 feet East and running by azimuths measured clockwise from True South:

1.	67° 00'	52.52	feet along the northwesterly side of Hansen Road to a point;
2.	139° 10' 15"	2,584.51	feet over and across Grant 3343 to Claus Spreckels to a point
3.	138° 53'	217.55	feet over and across same to a point;
4.	128° 12'	229.79	feet over and across same to a point;
5.	136° 42'	132.45	feet over and across same to a point;
6.	48° 43'	320.83	feet over and across same to a point;
7.	53° 50'	327.42	feet over and across same to a point;
8.	56° 19'	201.64	feet over and across same to a point;

9.	46° 50'	248.69	feet over and across same to a point;
10.	40° 00'	286.39	feet over and across same to a point;
11.	39° 55'	1,572.12	feet over and across same to a point;
12.	39° 39'	721.26	feet over and across same to a point;
13.	206° 50'	216.74	feet over and across same to a point;
14.	286° 10'	29.50	feet over and across same to a point;
15.	196° 10'	5.00	feet over and across same to a point;
16.	106° 10'	29.42	feet over and across same to a point;
17.	219° 39'	505.41	feet over and across same to a point;
18.	219° 55'	1,572.28	feet over and across same to a point;
19.	220° 00'	289.41	feet over and across same to a point;
20.	226° 50'	255.82	feet over and across same to a point;
21.	236° 19'	204.71	feet over and across same to a point;
22.	233° 50'	324.10	feet over and across same to a point;
23.	228° 43'	366.87	feet over and across same to a point;
24.	316° 42'	177.00	feet over and across same to a point;
25.	308° 12'	230.75	feet over and across same to a point;

26.	318° 53'		222.26	feet over and across same to a point;
27.	319° 10'	15"	2,600.81	feet over and across same to the point of beginning and containing an Area of 339,564 Square Feet or 7.795 Acres.

Prepared by A&B Properties, Inc. August 8, 1996
Kahului, Maui, Hawaii

This work was prepared by me or under my supervision.



Registered Professional Land Surveyor No. LS-7633

ME
11/42-L

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

July 2, 1998

B. Martin Luna, Esq.
Carlsmith, Ball, Wichman,
Case & Ichiki
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793-1086

Dear Mr. Luna:

Subject: Filing of Conditions for LUC Docket No. A97-722/Maui Electric Company, Limited

This is to acknowledge receipt of the certified copy of the Notice of Imposition of Conditions by the Land Use Commission forwarded by your letter of transmittal dated July 1, 1998.

As stated in our letter dated June 22, 1998, a draft document listing conditions imposed upon the petition area should be submitted to our office for review prior to filing with the Bureau of Conveyances.

Please submit the draft document as soon as possible. Thank you for your cooperation in this recording requirement.

Should you have any questions, please feel free to call me or Bert Saruwatari of our office at 587-3822.

Sincerely,

Bert Saruwatari

for ESTHER UEDA
Executive Officer

EU:th

CARLSMITH BALL
ATTORNEYS AT LAW
A PARTNERSHIP INCLUDING LAW CORPORATIONS
ONE MAIN PLAZA, SUITE 400
2200 MAIN STREET
WAILUKU, MAUI, HAWAII 96793-1086

TELEPHONE (808) 242-4535
FAX (808) 244-4974

JUL 2 10 56 AM '98
LAND USE COMMISSION
STATE OF HAWAII

LETTER OF TRANSMITTAL

TO: Ms. Esther Ueda
Executive Officer
State Land Use Commission
Department of Business, Economic Development & Tourism
P. O. Box 2359
Honolulu, Hawaii 96804

DATE: July 1, 1998

RE: Maui Electric Company, Limited
LUC Docket No. A97-722; TMK 3-8-03:23 and 24

[X] Mailed [ ] Hand Delivered [ ]

THE FOLLOWING IS (ARE) TRANSMITTED HEREWITH:

COPIES	DATE	DESCRIPTION
1	6/2/598	Certified Copy of Notice of Imposition of Conditions by the Land Use Commission, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-094602.

[ ] For Your Information	[ ] For Review and Comment
[X] For Your Files	[ ] For Necessary Action
[ ] Per Your Request	[ ] For Signature and Return **(Black Ink)**
[ ] Per Our Conversation	[ ] See Remarks below

REMARKS:

By B. Martin Luna
B. Martin Luna/mea

cc: Mr. Neal Shinyama w/enclosure
Mr. Mark Willey w/enclosure

I hereby certify that this is a true copy from the records of the Bureau of Conveyances, as 98-094602.

Josephine A. Narar

for Registrar of Conveyances
Assistant Registrar, Land Court
State of Hawaii JUN 30 1998

LAND COURT SYSTEM | REGULAR SYSTEM

Return by Mail ☐ Pickup ☒ To:

CARLSMITH BALL WICHMAN CASE & ICHIKI
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Maui, Hawaii 96793-2225
Attention: B. Martin Luna
Telephone: 808-242-4535

LAND USE COMMISSION
STATE OF HAWAII
JUL 2 10 56 AM '98

TITLE OF DOCUMENT:

NOTICE OF IMPOSITION OF CONDITIONS BY THE LAND USE COMMISSION

PARTIES TO DOCUMENT:

Petitioner: MAUI ELECTRIC COMPANY, LIMITED
P. O. Box 398
Kahului, Maui, Hawaii 96732

TAX MAP KEY(S): (II) 3-8-03:23 and 24 (This document consists of 3 pages.)

P CONVEYANCES
GISTRAR OF
VEYANCES
OF HAWAII

NOTICE OF IMPOSITION OF CONDITIONS BY THE LAND USE COMMISSION

KNOW ALL PERSONS BY THESE PRESENTS:

Please take notice that MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation (hereinafter "Petitioner"), was the Petitioner in State Land Use Commission (hereinafter "Commission") Docket No. A97-722, for the reclassification of approximately 65.7 acres of land situated in the Wailuku and Makawao Districts, Island of Maui, State of Hawaii, more particularly identified as Maui Tax Map Key Nos. 3-8-03:23 and 24 (hereinafter "Property"), and does hereby state and declare that the Commission, by its Findings of Fact, Conclusions of Law, and Decision and Order dated June 22, 1998, reclassified the Property under Docket No. A97-722, from the State Land Use Agricultural District to the State Land Use Urban District, subject to a number of conditions imposed on the reclassified Property. Said conditions shall run with the land and shall be set forth in a Declaration of Conditions to be subsequently recorded at the Bureau of Conveyances of the State of Hawaii pursuant to Commission Rule Section 15-15-92.

This Notice of Imposition of Conditions by the Commission shall be superseded upon the recordation at the Bureau of Conveyances of the said Declaration of Conditions setting forth the conditions imposed by the Commission in Docket No. A97-722.

Dated: Kahului, Hawaii, June 25th, 1998.

MAUI ELECTRIC COMPANY, LIMITED
Petitioner

By _____
William A. Bonnet
Its President

STATE OF HAWAII)
) ss.
COUNTY OF MAUI)

On this 25th day of June, 1998, before me personally appeared WILLIAM A. BONNET, to me personally known/proved to me on the basis of satisfactory evidence, who, being by me duly sworn, did say that he is the President of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public
State of Hawaii

My commission expires: July 28th 1998

5020192.1.015787-5

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

June 24, 1998

NOTIFICATION OF BOUNDARY AMENDMENT
DECISIONS FILED BY THE STATE LAND USE COMMISSION

To all concerned agencies:

The Findings of Fact, Conclusions of Law, and Decision and Order for the following boundary amendment petitions have been filed by the Land Use Commission:

Petition Docket No.	Boundary Amendment Requested	LUC Action on June 18, 1998	Date of Decision and Order
A97-722 MAUI ELECTRIC COMPANY, LIMITED	To reclassify approximately 65.7 acres from Agricultural to Urban at Wailuku and Makawao Districts, Maui, Hawaii	Approved approximately 65.7 acres at Wailuku and Makawao Districts, Maui, Hawaii, TMK No. 3-8-03: 23 and 24. (see map attached)	June 22, 1998
A94-705 COUNTY OF HAWAII PLANNING DEPARTMENT	To reclassify approximately 955.78 acres from Agricultural to Urban at Keahuolu through Keauhou, North Kona, Hawaii	Approved approximately 432.91 acres from Keahuolu to Keauhou, North Kona, Hawaii, TMK Nos.: 7-4-08: por. 1; 7-5-03: 6, 7; 7-8-10: por. 29 and por. 30. Denied approximately 522.87 acres, TMK Nos. 7-5-03: 23; 7-5-10: 5; 7-5-17: 1 & 19; 7-6-13: 9; 7-7-04: por. 2 and 56; 7-7-07: 41; 7-7-08: por. 27, 99 and 105. (see map attached)	June 22, 1998

The above reclassification may include conditions which affect your agency. If you would like a copy of the conditions or more information on this matter, please contact Bert Saruwatari of our office at 587-3822.

Sincerely,

Bert Saruwatari

for ESTHER UEDA
Executive Officer

EU:th

Att.

NOTIFICATION OF BOUNDARY AMENDMENT DECISIONS BY LUC

STATE/FEDERAL AGENCIES (All Petitions)

- [X] Office of Planning
  1) Rick Egged
  2) LUD - Abe Mitsuda
- [X] Department of Education
  1) Mr. Alfred K. Suga
  2) Facilities & Support Services Branch
  Mr. Lester Chuck
- [X] Department of Health
  1) Dr. Lawrence Miike
  2) Office of Environmental Quality Control
- [X] Department of Land and Natural Resources
  Office of the Chairperson
- [X] Department of Transportation
  1) Mr. Kazu Hayashida
  2) Statewide Transportation Planning Office
- [X] USDA Soil Conservation Service
  Attn.: Ms. Nicole Simmons
- [X] City and County of Honolulu
  Department of Finance - Mapping Section
- [ ] Department of Agriculture
  Office of the Chairperson
- [X] Department of Defense
  Office of the Adjutant General
- [ ] Housing Finance and Development Corporation
- [X] DOH - Clean Air Branch
- [ ] DOH - Clean Water Branch
- [X] DOH - Solid & Hazardous Waste Branch
- [X] DOH - Wastewater Branch
- [ ] DLNR - Land Management Division
- [ ] DLNR - Aquatic Resources Division
- [ ] DLNR - Division of Forestry & Wildlife
- [X] DLNR - Historic Preservation Division
- [X] DLNR - Division of Water Resource Management
- [ ] DOT - Airports Division
- [ ] DOT - Harbors Division
- [ ] DOT - Highways Division
- [X] DOH - Safe Drinking Water Branch
- [X] DOH - Nonpoint Source Management Program
- [ ] _____
- [ ] _____
- [ ] _____
- [ ] _____
- [ ] _____

City & County of Honolulu (Oahu Petitions Only)

- [ ] Planning Department
  1) Chief Planning Officer
  2) Division Head, Policy Analysis Division
- [ ] Department of Land Utilization - Director
- [ ] Planning Commission - Executive Secretary
- [ ] Board of Water Supply
  Manager and Chief Engineer
- [ ] Department of Public Works - Director
- [ ] Department of Wastewater Management - Director
- [ ] Department of Transportation Services - Director
- [ ] Department of Housing and Community Development
  Director
- [ ] Department of Finance - Property Assessment
  Section
- [ ] Department of Finance - Property Technical Office
- [ ] _____

County of Hawaii (Hawaii Petitions Only)

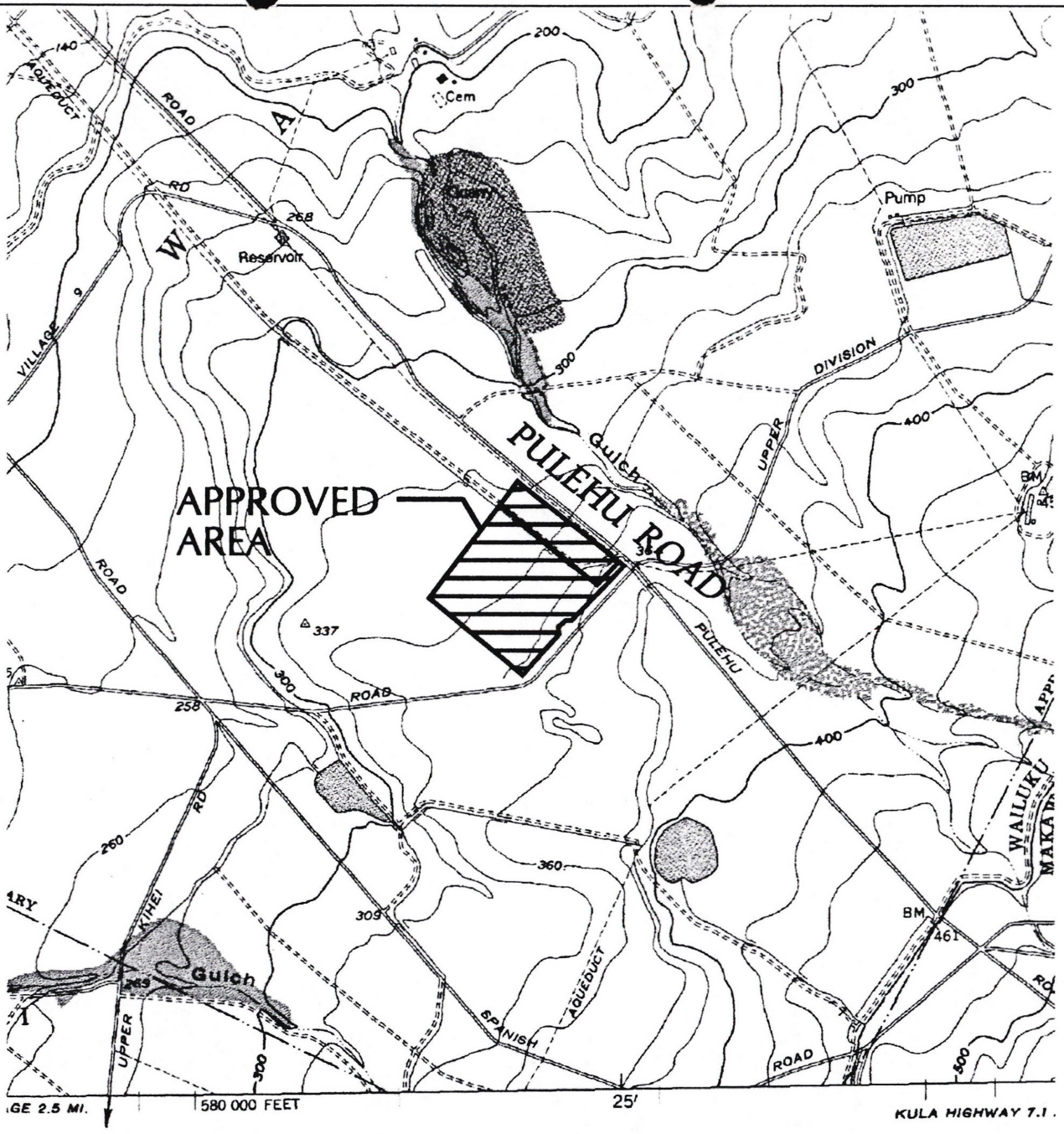
- [ ] Planning Department - Director
- [ ] Planning Commission - Chairperson
- [ ] Department of Water Supply
- [ ] Department of Public Works
- [ ] Real Property Tax Office
- [ ] _____

County of Maui (Maui Petitions Only)

- [X] Planning Department - Director
- [X] Planning Commission - Chairperson
- [X] Department of Water Supply
- [X] Department of Public Works & Waste Management
- [ ] Real Property Tax Division
- [X] Civil Defense Agency

County of Kauai (Kauai Petitions Only)

- [ ] Planning Department - Director
- [ ] Planning Commission - Chairperson
- [ ] Department of Water Supply
- [ ] Department of Public Works
- [ ] Real Property Tax Division
- [ ] _____

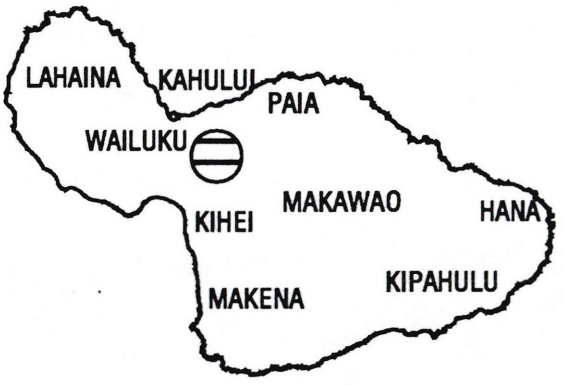


A97-722 / MAUI ELECTRIC COMPANY, LTD., a Hawai`i Corporation

LOCATION MAP

TAX MAP KEY NO.: 3-8-03: 23 & 24
WAILUKU AND MAKAWAO DISTRICTS, ISLAND OF MAUI, STATE OF HAWAI`I

EXHIBIT "A"



BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

June 22, 1998

B. Martin Luna, Esq.
Carlsmith, Ball, Wichman,
Case & Ichiki
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793-1086

Dear Mr. Luna:

Subject: Docket No.: A97-722

Petitioner: MAUI ELECTRIC COMPANY, LIMITED

Please be advised that pursuant to Section 205-4 (g), HRS, and Subsection 15-15-92 of the Land Use Commission's Rules, you are required to submit to the Land Use Commission, for approval, the document listing the conditions imposed on the above boundary amendment petition, prior to filing with the Bureau of Conveyances. These conditions shall be recorded with the Bureau of Conveyances within 60 days after receipt of the Commission's decision and order. You are also required to forward a certified copy of the recordation under the signature of the Registrar of Conveyances.

As a condition of this reclassification, you are also required to record within 7 days of the issuance of the Commission's Decision and Order, a Statement with the Bureau of Conveyances that the reclassified Property is subject to conditions imposed by the Commission, and to file a copy of the recorded Statement with the Commission.

Should you have any questions on the above matter, please call the Commission office at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:th

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAI'I

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawai'i corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 Acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawai'i, Tax Map Key No. 3-8-03: 23 and 24	DOCKET NO. A97-722 FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER

This is to certify that this is a true and correct copy of the Decision and Order on file in the office of the State Land Use Commission, Honolulu Hawaii.

JUN 2 2 1998 by
Date Executive Officer

LAND USE COMMISSION
STATE OF HAWAII
JUN 22 12 55 PM '98

FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND DECISION AND ORDER

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAI'I

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawai'i corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 Acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawai'i, Tax Map Key No. 3-8-03: 23 and 24	DOCKET NO. A97-722 FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER

FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND DECISION AND ORDER

Maui Electric Company, Limited, a Hawai'i corporation ("Petitioner"), filed a Petition for Land Use District Boundary Amendment on October 24, 1997, pursuant to chapter 205, Hawai'i Revised Statutes ("HRS"), and chapter 15-15, Hawai'i Administrative Rules ("HAR"), to amend the State land use district boundary by reclassifying approximately 65.7 acres of land situated in the Wailuku and Makawao Districts, island of Maui, State of Hawai'i, Tax Map Key No. 3-8-03: 23 and 24 ("Property"), from the State Land Use Agricultural District to the State Land Use Urban District to permit the construction of the Waena Generating Station.

The Land Use Commission ("Commission"), having heard and examined the testimony and evidence presented during the hearing; the Proposed Findings of Fact, Conclusions of Law, and Decision and Order of Petitioner, the Office of Planning ("OP"),

and Maui Tomorrow ("Intervenor"); and the responses filed by Petitioner, the County of Maui Planning Department ("Planning Department"), and Intervenor, hereby makes the following findings of fact, conclusions of law, and decision and order:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. On October 24, 1997, Petitioner filed a Petition for Land Use District Boundary Amendment ("Petition").

2. Petitioner Maui Electric Company, Limited, is a Hawai'i corporation whose business and mailing address is P.O. Box 398, Kahului, Maui, Hawai'i, 96733-6898.

3. By letter dated November 3, 1997, the Executive Officer of the Commission ("Executive Officer") deemed the Petition defective pursuant to section 15-15-50(f), HAR.

4. By letter dated November 18, 1997, the Executive Officer deemed the Petition a proper filing as of November 7, 1997, upon review of the additional information submitted by Petitioner.

5. On December 4, 1997, the County of Maui filed the Position of the Maui Planning Department in support of the Petition.

6. On December 8, 1997, OP filed a Statement of Position of the Office of Planning in Support of the Petition.

7. On December 22, 1997, Mr. Mark Sheehan, President, Maui Tomorrow, filed an application for leave to intervene ("Petition for Intervention").

8. On January 22, 1998, and by a written Order dated March 3, 1998, the Commission granted Maui Tomorrow's Petition for Intervention, provided that the scope of its intervention be limited to (i) air quality impacts of the proposed project; (ii) alternative sources, fuels, and processes; (iii) the cumulative impact of industrialization of the central valley area of Maui; and (iv) visual/aesthetic impacts of the proposed project from the surrounding roads.

9. On February 3, 1998, the Commission held a prehearing conference on the Petition which was attended by all parties.

10. On February 4, 1998, the Commission issued a Prehearing Order pursuant to section 15-15-57, HAR, which set forth the dates by which the parties were to file amended exhibit lists, exhibits, witness lists, memoranda, or other documentary information with the Commission.

11. On February 20, 1998, the Planning Department filed Objections of the Maui Planning Department to Intervenor Maui Tomorrow's Witness and Exhibit List.

12. On February 20, 1998, the parties filed a stipulation regarding Petitioner's witnesses. That stipulation set forth that all the witnesses for Petitioner listed on its witness list were accepted as expert witnesses and were deemed qualified to provide expert opinions in their respective fields.

13. On February 20, 1998, the parties filed a stipulation regarding non-contested issues. That stipulation set forth that Intervenor Maui Tomorrow did not contest the testimony

of Petitioner's following expert witnesses, and that the testimony of such experts could be submitted in written testimony/reports that would be accepted into evidence: Glen Lau on geotechnical resources, natural hazards, geology, and soils; Amy Dunn on archaeological and cultural resources; Dr. Evangeline Funk on biological resources; and J. Michael Silva on electric and magnetic field analysis. Each of the foregoing individuals was later made available by Petitioner for examination at the hearings before the Commission.

14. On February 24, 1998, Petitioner filed a Statement of Objections and Joinder in the Objections of the Maui Planning Department to Intervenor Maui Tomorrow's Witness and Exhibit List Dated February 18, 1998.

15. On February 26 and 27, 1998, the Commission conducted a hearing on the Petition pursuant to public notices published on December 5, 1997, in the Maui News and the Honolulu Star-Bulletin.

16. At the February 26, 1998, hearing, the following individuals provided written public testimonies, which were admitted into evidence: G. Stephen Holaday; Harry H.K. Kameenui; Clyde Murashige; Terryl Vencl; Michael H. Lyons, II, and Robert T. Johnson; Lynne Woods; Warren Watanabe and Kenneth Okamura; and Richard Heede. The Commission also admitted into evidence as LUC Exhibit No. 1 a memorandum dated December 10, 1997, from Rae M. Loui, Deputy Director, Commission on Water Resource Management ("CWRM"), to Richard Egged, Jr., Director, OP.

17. At the February 26, 1998, hearing, the following individuals appeared and testified as public witnesses and submitted written testimonies: Jeffrey Parker, Lucienne de Naie, and Daniel Grantham. In addition, the following individuals appeared and testified as public witnesses: Madelyn D'Enbeau, Diana Dahl, Glen Shepherd, David Patton, Tom Ulick, Scott Crawford, Marc Drehsen, and Constance Palmore.

18. On February 26, 1998, the Commission took a field trip to the Property in the afternoon.

19. On March 25, 1998, Petitioner filed a Motion to: (1) Preclude Intervenor Maui Tomorrow From Submitting Exhibits or Presenting Witnesses Not Identified by the Deadlines Established in the Commission's Prehearing Order (Filed February 4, 1998); (2) Limit the Testimony of Intervenor Maui Tomorrow's Expert Witnesses to the Subject Matter and Material Disclosed Pursuant to the Commission's Prehearing Order; and 3) Restrict Intervenor Maui Tomorrow From Engaging in Repetitious and Duplicative Cross-Examination ("Motion"). On April 23, 1998, the Commission denied Petitioner's Motion.

20. The Commission continued the hearing on the Petition on April 8 and 9, and 23 and 24, 1998. The hearing on the Petition was completed on April 24, 1998.

21. At the April 8, 1998, hearing, the Commission admitted into evidence as LUC Exhibit No. 2 a memorandum from Don Hibbard, Administrator, Department of Land and Natural Resources, State Historic Preservation Division ("DLNR-SHPD"), to Esther Ueda, Executive Officer, Commission, dated February 9, 1998. At

the April 9, 1998, hearing, the Commission admitted into evidence a letter from Rory Frampton, dated April 3, 1998.

22. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #1: To Preclude Admission of Maui Tomorrow's Exhibits 4 & 5 ("Motion in Limine #1"). On April 23, 1998, the Commission denied Petitioner's Motion in Limine #1.

23. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #2: To Preclude Testimony of Roy Smith and Erik Frye as Experts in Air Quality and Air Impacts ("Motion in Limine #2"). Petitioner orally moved to withdraw its Motion in Limine #2 on April 24, 1998, at which time the Commission granted Petitioner's oral motion.

24. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #3: To Preclude Testimony of Steven Moser as an Expert in Air Quality and Air Impacts ("Motion in Limine #3"). On April 23, 1998, the Commission granted Petitioner's Motion in Limine #3.

25. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #4: To Preclude Testimony of James Williamson as an Expert ("Motion in Limine #4"). Petitioner orally moved to withdraw its Motion in Limine #4 on April 24, 1998, at which time the Commission granted Petitioner's oral motion.

26. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #5: To Preclude Testimony of Dick Mayer and Ian Chan-Hodges as Experts ("Motion in Limine #5"). Petitioner orally moved to withdraw its Motion in Limine #5 on April 24,

1998, at which time the Commission granted Petitioner's oral motion.

27. On April 23, 1998, Petitioner filed Applicant's Motion in Limine to Preclude Admission of Maui Tomorrow's Exhibits 2, 3 & 12 ("Motion in Limine"). On April 23, 1998, the Commission denied Petitioner's Motion in Limine.

28. At the April 23, 1998, hearing, the Commission admitted into evidence letters from Julie Higa, dated March 4, 1998; Mike Trotto, dated April 15, 1998; Tom C. Leuteneker, dated April 15, 1998; Michael J. Singlehurst, dated April 16, 1998; Fernando Ribao, Jr., dated April 16, 1998; and Tom Reed, dated April 20, 1998.

29. On April 24, 1998, Petitioner requested the Commission to strike any and all references to Mr. Paull and Mr. Schroeder's positions with the University of Hawai'i contained in the record, including Petitioner's witness lists. On April 24, 1998, the Commission granted Petitioner's request.

30. On May 1, 1998, the Commission filed:

- An Order Granting Request To Strike Any and All References To Mr. Paull and Mr. Schroeder's Positions with the University of Hawai'i Contained in the Record, Including MECO's Witness Lists;

- An Order Denying Maui Electric Company, Limited's Motion To:

    1) Preclude Intervenor Maui Tomorrow From Submitting Exhibits or Presenting Witnesses Not Identified by the Deadlines Established

in the Commission's Prehearing Order (Filed February 4, 1998);

2) Limit the Testimony of Intervenor Maui Tomorrow's Expert Witnesses to the Subject Matter and Material Disclosed Pursuant to the Commission's Prehearing Order; and

3) Restrict Intervenor Maui Tomorrow From Engaging in Repetitious and Duplicative Cross-Examination.

- An Order Denying Applicant's Motion in Limine to Preclude Admission of Maui Tomorrow's Exhibits 2, 3 & 12;
- An Order Denying Applicant's Motion in Limine #1: To Preclude Admission of Maui Tomorrow's Exhibits 4 & 5;
- An Order Granting Oral Motion to Withdraw Applicant's Motion in Limine #2: To Preclude Testimony of Roy Smith and Erik Frye as Experts in Air Quality and Air Impacts;
- An Order Granting Applicant's Motion in Limine #3: To Preclude Testimony of Steven Moser as an Expert in Air Quality and Air Impacts;
- An Order Granting Oral Motion to Withdraw Applicant's Motion in Limine #4: To Preclude Testimony of James Williamson as an Expert; and
- An Order Granting Oral Motion to Withdraw Applicant's Motion in Limine #5: To Preclude Testimony of Dick Mayer and Ian Chan-Hodges as Experts.

DESCRIPTION OF THE PROPERTY

31. The Property encompasses lands owned in fee by Petitioner, a subsidiary of Hawaiian Electric Company ("HECO"), which in turn is a wholly owned subsidiary of Hawaiian Electric Industries ("HEI"), a holding company with publicly traded stock. Petitioner is regulated by the Public Utilities Commission ("PUC").

32. The Property is situated in the Wailuku and Makawao Districts, north of Waiko Road at its intersection with Pulehu Road, approximately one quarter mile above the Central Maui Sanitary Landfill and the Ameron HC&D Quarry on the island of Maui, State of Hawai'i.

33. The Property is identified by Tax Map Key No. 3-8-03:23 and 24, consisting of 65.7 acres, inclusive of all existing easements identified as Easements 1-11.

34. The Property encompasses two adjacent parcels totaling approximately 65.7 acres. Parcel 23 is the smaller of the two parcels with a total acreage of 15.127 acres. Parcel 24 encompasses approximately 50.573 acres.

35. The Property has 11 easements. Hawaiian Commercial & Sugar Company ("HC&S") holds 4 easements, identified as easements 1-4, within the Property for the maintenance and use of its irrigation ditch. Petitioner holds easements 5-11 for transmission line use.

36. The Property is currently leased to HC&S for sugarcane cultivation. The Property has been in sugarcane cultivation for the past 2 years.

37. According to the letter of agreement, Petitioner agreed to lease the Property to HC&S on a month-to-month basis at no rent for sugarcane cultivation until the Property is required for development by Petitioner for utility purposes or until December 31, 2004, whichever comes first, or if cultivation of crops on the premises is no longer permissible by law. HC&S must use the Property solely for crop cultivation and ancillary agricultural activities.

38. Lands immediately surrounding the site are owned by Alexander & Baldwin-Hawaii and are used for sugarcane cultivation.

39. Elevations on the Property range from approximately 335 feet above mean sea level ("MSL") on the western side nearer Pu'unene to approximately 365 feet above MSL on the eastern side near the intersection of Waiko and Pulehu Roads. The Property has a gently sloping topography, with an average slope from the southeast to northwest across the site of about one degree.

40. Surface water in the area is comprised of reservoirs, irrigation ditches, and intermittent natural streams within Kalialinui Gulch and Pulehu Gulch. Surface water runoff generated from the Property and adjacent areas is generally through a series of gulches extending from the upper slopes of Haleakala towards the central isthmus area. The Property is drained by Kalialinui Gulch, located a quarter mile to the north, and by Pulehu Gulch, located a mile to the south of the Property. The proposed Waena Generating Station will be located

approximately 1,000 feet from Kalialinui Gulch and 5,000 feet from Pulehu Gulch.

41. The mountainous topography of both East Maui (Haleakala) and West Maui tend to channel prevailing winds through the central valley area. The sloping terrain from the shoreline to the higher elevation at the Property also tends to escalate the wind speeds.

42. The Property is underlain by a thin cover of topsoil lying on top of andesitic lava flows of the Kula Volcanic Series, which in turn overlie the main shield-building, predominantly tholeiitic lavas of the Honomanu Volcanic Series. These series erupted from Haleakala Volcano.

43. Subsurface conditions along the preferred and alternative line corridors are anticipated to generally consist of clays and clayey silts underlain by hard andesitic bedrock. The corridor along most of Pulehu Road extends across the youngest lava a'a flows in the study area and hard bedrock is anticipated to be present within about 3 feet below the existing ground surface. The remainder of the corridors cross over soils consisting of alluvium derived from surrounding a'a flows and weathered volcanic ash. Hard bedrock is anticipated to be present at depths greater than 5 to 6 feet below the existing ground surface.

44. The Property is located in a dry area, with the median rainfall amounting to only 17 to 20 inches a year. Rainfall in the Central Maui isthmus is evenly distributed, averaging approximately 28 inches a year over an area of

approximately 200 square miles. The dry and windy conditions allow only a small percentage of rainfall to percolate deep enough below the ground surface to become groundwater recharge.

45. The U.S. Department of Agriculture, Soil Conservation Service, Soil Survey of Islands of Kauai, Oahu, Maui, Molokai and Lanai, State of Hawaii, identifies the soils within the Property as belonging to the Waiakoa Series, silty clay loam occurring on 3 to 7 percent slopes. Waiakoa Series, silty clay loam is composed of generally stony soil, grading to hard bedrock within a depth of approximately 5 feet. Lava flows over the Property are a'a. Due to the undulating nature of the surface a'a flows, the depth of a'a bedrock will vary across the site and can range from 25 to 35 feet thick and consist of clinker zones above and below a massive, highly to moderately fractured a'a core. Runoff potential of this type of soil is slow to medium and the erosion hazard is slight to medium.

46. Surface soils along the preferred and alternate transmission line corridors have been classified as the Molokai Series (M), Paia Series (Pc), Waiakoa Series (W), Ewa Series (E), Iao Series (I), Alae Series (A), Pulehu Series (Ps), and Rockland (R). The Molokai and Paia soils evolved from weathered a'a lavas and volcanic ash. At the ground surface, they consist of silty clay loam, grading to saprolite then to soft, highly weathered rock at a depth of approximately six feet. The Ewa, Iao, Alae, and Pulehu Series consist of alluvial soils derived from the weathered a'a flows. The soils reach depths of greater than 5 feet, and range from loams to clays with varying amounts of

sands, stones, and cobbles. The Alae soils also contain weathered volcanic ash.

47. The University of Hawai'i Land Study Bureau's Detailed Land Classification rates the productivity rating of soils. Productivity ratings range from "A" lands which are very productive to "E" lands which are considered unproductive for cultivated agriculture. The Land Study Bureau Detailed Land Classification (productivity rating) for the Property is "A." A rating of "A" means that the condition of the soil is very good for agricultural operations.

48. The Property contains land classified as Prime Agricultural Land according to the Agricultural Lands of Importance to the State of Hawaii map.

49. According to the Flood Insurance Rate Map, the Property has been classified as Zone C, indicating areas that experience minimal flooding, and not considered to be in a flood plain area.

PROPOSAL FOR RECLASSIFICATION

50. The proposed reclassification will allow Petitioner to construct a new power generating facility in Central Maui which will: maintain an adequate system margin-of-reserve generating capacity; increase overall system reliability; replace older generation facilities scheduled for retirement; and provide additional capacity to meet projected demand for electric service. Petitioner proposes to develop the 232-megawatt ("MW") electrical generating station in four 58-MW phases.

51. At full buildout, the major components required to operate a 232-MW electrical generating station will include:

- Four diesel oil-fired 58-MW dual-train, combined-cycle ("DTCC") units, exhausted to four two-flue 150-foot-tall stacks
- Four steam turbines ("STs")
- Four steam condensers
- Four control houses
- A control room, including control equipment, offices, file room, kitchen, restrooms, showers, lockers, and meeting room.
- Fire protection system
- Supply wells
- Water treatment facility
- Injection wells
- Water and air laboratory
- Maintenance shop
- Warehouse and storage areas
- Relay building
- Switch yard
- Fuel storage tanks
- Fuel storage tank berms
- Fuel unloading area
- Administration building
- Leach field
- Related 69-kilovolt ("kV") transmission line corridors

- Possible 12-kV distribution line corridors
- Possible gasoline storage area
- Possible transmission and distribution warehouse offices
- Possible transmission and distribution storage and parking area

52. In each of the station's four 58-MW phases, a DTCC unit would be added to the station. Each DTCC unit would consist of two 20-MW combustion turbine ("CT") generators fitted with two heat recovery steam generators ("HRSGs") and one 18-MW ST generator.

53. The first of two 20-MW CT generators is planned to be installed at the Waena Generating Station in calendar year 2004.

54. The second CT unit will be installed in 2005. The HRSGs and an 18-MW ST generator will be added to the station in calendar year 2006 to complete the Phase I installation of the first of three DTCC units. The three remaining DTCC units to be installed, each comprised of similar CT, HRSG, and ST modules, are planned to be added to the station in the calendar years 2010 (Phase II) and 2016 (Phase III), and beyond 2020 (Phase IV).

55. The existing Ma'alaea-Kealahou and Kanaha-Pukalani 69-kV transmission lines will be reconfigured through the proposed Waena Switchyard. As demand for more power increases, two new 69-kV transmission lines from the Property will be constructed to connect with the Pu'unene and Pa'ia Sugar Mill substations to support any growth in demand for additional

electricity. Pending demand requirements, two proposed 12-kV distribution lines from the Property to the Pu'unene area may also be added to these corridors.

56. In Petitioner's Application and Certificate of Service submitted to the PUC in February 1996, Petitioner requested approval to commit funds in excess of $500,000 to purchase the Property for the construction of the proposed Waena Generating Station.

57. In its Decision and Order No. 14674, the PUC approved Petitioner's request to commit funds for the acquisition of the Property and related easements and determined that said acquisition was reasonable and in the public interest.

58. Petitioner purchased the site in November 1996, at a cost of $1,847,648. The estimated cost for construction of the initial Phase I is approximately $105,370,000. Construction cost for the entire Waena Generation Station is estimated at approximately $417,559,668. Petitioner has estimated that the cost to rate payers will be an additional 1.76 cents per kilowatt-hour in 1997 dollars for the first DTCC unit.

59. The following table describes development timetable and costs for the project.

Project Cost and Schedule
(1997 Dollars)

Project Component	Acreage	Cost	Construction Start	Operation Date
Land Costs	65.7	$1,847,648	n/a	1997
DTCC 1/ Site Development	65.7	$105,370,000	2002	2006
DTCC 2	0	$96,857,000	2005	2010
Transmission Lines	n/a	$10,419,000	2003	2004-2020
Transmission & Distribution Facility	0	$5,900,000	2014	2016
DTCC 3	0	$100,318,000	2009	2016
DTCC 4	0	$96,848,000	2013	2020
Total Project Cost		**$417,559,668**		

60. The costs for the project do not include the costs for obtaining the diesel fuel, trucking the diesel fuel, and operating the Waena Generating Station.

PETITIONER'S FINANCIAL CAPABILITY TO UNDERTAKE THE PROPOSED DEVELOPMENT

61. As a subsidiary of HECO which itself is a subsidiary of HEI, a publicly traded company, Petitioner has access to sufficient economic resources required to develop the project. Petitioner is also able to issue bonds and stock to finance the project.

62. Petitioner's net income for the month of August 1997 was $1,525,414, with an accumulated year to date net income of $9,213,872. Petitioner's accumulated net income for the 12 months from August 1996 to August 1997 was $15,016,036.

63. Petitioner must request authority from the PUC to make expenditures for construction of the proposed generating station and recapture costs through the electricity rate paid by Petitioner's customers.

64. The proposed Waena Generating Station project will be funded through Petitioner's customer base and will not require expenditures by either the State of Hawai'i or the County of Maui.

STATE AND COUNTY PLANS AND PROGRAMS

65. The Property is designated within the State Land Use Agricultural District, as reflected on the Commission's official map, M-7 (Pa'ia).

66. The Property is currently designated as "Interim" under Maui County's Zoning Code. Use of the Property for the proposed generating station project will require a change in the current County zoning classification from "Interim" to "Heavy Industrial." On November 20, 1997, Petitioner filed an application with the Planning Department for a change in zoning.

67. The Wailuku-Kahului Community Plan designation for the Property is "Agricultural." The proposal to construct and operate a generating facility will require a change in the existing Community Plan designation to "Heavy Industrial." On November 20, 1997, Petitioner filed an application with the Planning Department for a Community Plan Amendment.

68. Petitioner prepared and submitted a Final Environmental Impact Statement ("FEIS") for the proposed project

as a requirement for the Community Plan Amendment for the County of Maui.

69. The project's FEIS was accepted by the Planning Department on November 24, 1997.

70. Although the Planning Department recommended approval of Petitioner's Community Plan Amendment and Change in Zoning request, the Planning Commission on March 10, 1998, voted to make no recommendation to the Maui County Council.

71. The County Planning Commission raised the following nine concerns that they wanted the County Council to consider.

- Address greater demand-side management and make efforts to cut demand through conservation.
- Re-review growth demand estimates and projections.
- Address rate control as an incentive to diversify from dependency on fossil fuels.
- Close the Ma'alaea and Kahului generating plants.
- Adhere to lighting standards by "night skies."
- Commit to renewable fuel technology or other alternatives by a certain time frame.
- Establish emission control monitoring so public has 24-hour access to inform authorities, especially Department of Health ("DOH").
- Further investigate Best Management Practices of Ammonia, sludge, and other potentially hazardous materials and wastes.

- Get involved in a county-wide energy symposium in order to get feedback from the public on energy resources.

72. The Property is not located within the County of Maui Special Management Area.

NEED FOR THE PROPOSED DEVELOPMENT

Petitioner's Existing Service Area

73. Petitioner provides nearly all the electrical service to the residents and businesses of the County of Maui. The islands of Maui, Moloka'i, and Lana'i each have their own generation and transmission systems.

74. On the island of Maui, Petitioner serves over 91,000 residents with approximately 43,940 metered accounts. Maui County is the fastest growing County in the State.

75. From 1970 to 1980, Maui's population grew by 62.4 percent and increased by 45.4 percent during the period from 1980 to 1990.

Petitioner's Existing Generating Resources

76. Petitioner operates and maintains a diverse variety of generating units of various capacities from 2.2 MW to 28 MW on Maui. These include ST generators, diesel engine generators, and CT generators.

77. Petitioner presently owns and operates 22 generating units on Maui: 4 at Kahului and 18 at Ma'alaea.

Transmission and Distribution Resources

78. As power is generated on Maui, transformers boost the voltage to either 23 kV or 69 kV. The power is then

transmitted through the 23-kV and 69-kV transmissions grids. When the power reaches the substations, the voltage is reduced from 69 kV and 23 kV to Petitioner's 12-kV and 4-kV. The power proceeds from the substations along streets and roads through overhead, or where necessary, underground distribution feeders, to small step-down distribution transformers. These transformers are located on poles or pads near the facilities they serve and are sized for the particular load and voltage required by the customer. The 69-kV system consists of approximately 96 miles of overhead lines, and the 23-kV system consists of approximately 137 circuit miles of overhead lines.

79. The proposed Waena Generating Station is required as a facility to: maintain an adequate system margin-of-reserve generating capacity; provide a system that meets the projected electrical demand; increase system reliability; replace older generation facilities scheduled for retirement; and provide dependable electrical service to its customers.

80. The need for additional generating capacity was identified by Petitioner through the integrated resource planning ("IRP") process.

81. IRP is a PUC process, adopted in 1992, that governs all of the energy utilities in the State of Hawai'i. IRP is an ongoing process which results in a 20-year master plan for the near and long-term energy needs of all the utilities on all of the islands.

82. IRP is intended to bring together representatives from Petitioner, government agencies, public groups, and

individuals concerned with the environment, culture, businesses, and communities to participate in the energy planning process.

83. Petitioner's goal in the IRP process is to identify the resources or the mix of resources needed to meet near and long-term consumer energy needs in an efficient and reliable manner at the lowest reasonable cost.

84. IRP revolves around a three-year cycle to allow for resubmissions of the comprehensive plan with annual and updates such as status reports every year.

85. Petitioner's IRP was a very comprehensive process.

86. The IRP process evaluated the following issues:

- existing and forecasted demand for energy and capacity;
- existing and forecasted fuel prices;
- impacts of Demand-Side Management ("DSM") and conservation and energy efficiency programs on the demand for energy;
- existing firm capacity;
- maintenance and retirement schedules of generating units;
- existing Purchase Power Agreements ("PPAs") from independent power producers ("IPPs");
- proposals for future PPAs from IPPs.

87. Peak power demand by Petitioner's customers has increased an average of 5 percent per year between 1983 and 1996, from 95.4 MW to 174.8 MW. Peak power demand on the island of Maui is forecasted to increase steadily over the next 20 years at

approximately 2.6 percent per year. It is anticipated that there will be a shortfall in Petitioner's system reserve margin by the year 2004, and that additional generation will be required through the year 2016.

88. DSM programs, which are a component of the IRP, were designed to influence customer consumption of electricity in a manner that will produce changes in the utility's demand.

89. DSM is energy conservation to which Petitioner gives strong preference to energy conservation as a first resource option to meet energy needs of its customers.

90. Petitioner formed four DSM resource programs based upon the common end-uses and market segments that they address. These programs include the: Commercial and Industrial Energy Efficiency Program, Commercial and Industrial Customized Rebate Program, Commercial and Industrial New Construction Program, and Residential Efficient Water Heating Program. Potential programs include conservation, energy efficiency, load management, and fuel substitution.

91. Petitioner's total firm capacity for the island of Maui, after completion of its second 58-MW expansion at Ma'alaea in the year 2001, will be 254 MW from Petitioner-owned plants and will enable Petitioner to meet demand forecasted through 2003.

92. After completion of the three additional units at Ma'alaea, the plant will have expanded to its full land capacity. The Kahului plant is also built to land capacity.

93. Replacing or repowering existing units at the Kahului and Ma'alaea Power Plant is not feasible due to the high costs involved.

94. Petitioner considers unit retirement dates as the unit approaches the end of a normal life expectancy. For different technologies, there are different retirement life expectancies. For STs, the life expectancy is 50 years; CTs, 35 years; and depending upon the size of the unit and operating speed, the life expectancy for diesel engines is 25 to 30 years.

95. Petitioner considers three major factors when making unit retirement determinations: availability of parts for the units, service reliability, and operating and maintenance costs.

96. Petitioner's resource plan identifies the retirement of 17 older generating units producing a gross 112.64 MW of power over the next 20 years.

97. Power produced by IPP is classified as either firm capacity or as-available capacity. Petitioner's resource planning can only evaluate producers of firm capacity.

98. The power provided by HC&S is classified firm capacity. The firm power contract with HC&S expires at the end of 1999 and its renewal is uncertain. Beginning in 2000, Petitioner has removed the 16 MW provided by HC&S from Petitioner's resource plan since Petitioner needs to pursue parallel planning in the event the PPA with HC&S is not renewed.

99. The power provided by Pioneer Mill Company is classified as-available capacity. Petitioner cannot rely on this

source of power since the power is available only when the mill is producing electricity in excess of its own needs. Therefore, as-available capacity power is not included in Petitioner's resource plan.

100. Petitioner is an isolated utility; therefore planning criteria requires higher levels of reliability than would mainland utilities that have interconnected grids and can rely on their neighbors to support those contingencies.

101. The proposed Waena Generating Station is designed to meet the increasing demand for electricity on the island of Maui and to improve system reliability. Based upon Petitioner's existing generation resources, resource planning, and planned addition of generation capacity over the next 20-30 years, the Waena Generation Station can accommodate changing public demands and allow for the flexibility of future designs and technologies.

102. Resources Planning has identified the need for additional units to the system beginning in the year 2004.

103. Development of DSM energy programs will not offset the need for unit additions beginning in the year 2004.

104. The scheduled retirement of older generation equipment can be deferred for a short time in order to accommodate permitting delays; however, this action does not ensure continued operating reliability nor offset the identified need for additional units beginning in the year 2004.

Alternate Energy Resources

105. Petitioner examined and evaluated the feasibility of employing biomass conversion, geothermal, hydroelectric, solar, wind, ocean thermal energy conversion ("OTEC"), and coal as alternatives to diesel fuel, and determined that these technologies had not reached a stage in either their development or commercial availability to provide cost-efficient firm generating capacity for the island of Maui.

106. Petitioner will continue to monitor these technologies for possible use should they become cost-effective.

107. Petitioner is currently negotiating with a wind developer for a large MW-scale wind farm installation on Maui.

108. As a part of the IRP process, Petitioner fully evaluated the alternative of a 10-MW wind farm in the Central Maui region near Ma'alaea. Cost of the 10-MW system was estimated at approximately $13.3 million.

Alternative Fuels

109. The CTs will be fueled by No. 2 diesel fuel. Petitioner, through its IRP process, also examined the feasibility of using alternative fuels other than diesel and coal for use with its conventional generation resources, such as propane, ethanol, methanol, orimulsion, coal slurries, municipal solid waste, naphtha, A-21, and landfill gas and digester gas. These alternative fuels are not feasible at this time for several reasons, including but not limited to: high costs, availability, and safety and design concerns.

110. The generating units planned for the Waena Generating Station will have the capability to burn not only diesel fuel, but other gaseous fuels as well, should the technical feasibility and economics of alternative fuels be demonstrated in the future. The planned installation of units over a 30-year span will also allow Petitioner to take advantage of new technologies for power generation at such times as they may be appropriate.

Site Selection

111. To determine the optimal location for the proposed Waena Generating Station, several siting studies and site assessments were conducted between 1989 and 1995. The first island-wide study, Site Selection Study, Maui Electric Company, Ltd. (Stone & Webster, 1989), assessed ten candidate sites and identified three viable sites out of the ten for future generation expansion. These three were the Kahului Power Plant, Pu'unene Sugar Mill, and the Ma'alaea Power Plant.

112. The second study, Candidate Sites Report and Preferred Alternative Site/Technology Report (Black & Veatch, 1991), screened the island of Maui for areas suitable for power plant development and identified the Central Maui isthmus as the most appropriate location for a new, stand-alone electrical generation facility. The assessment was based on compatible land uses, topographic slope, suitable land area, water availability, air shed availability, fuels logistics, transmission line integration, land uses, permitability, community acceptance, socioeconomics, and archaeology.

113. The Ameron Quarry, Pu'unene Airport, and Ma'alaea sites were identified as feasible locations for a power plant. After evaluating these sites with several technologies (atmospheric fluidized bed combustion (coal), coal gasification, and combined-cycle CTs) and an evaluation of 20 technical and environmental criteria, a combined-cycle CT arrangement at the quarry site was determined to be most suitable for Petitioner's future baseload power generation station, with the Pu'unene Airport site as an alternate.

114. When Petitioner further evaluated the quarry and Pu'unene Airport sites, the owner for both sites, Alexander & Baldwin-Hawaii, raised concerns which resulted in the identification of an alternate site approximately two miles southeast of Pu'unene Airport. This site was previously identified in the Candidate Sites Report and Preferred Alternative Site/Technology Report completed in 1991. Based on the findings of the environmental assessment prepared by Belt Collins (1992), the site, identified as Site C-3, was a viable candidate for further consideration as a potential site for a Maui baseload generating station.

115. Further site evaluations in 1993 found Site C-3 to be an acceptable location based on evaluations of several issues including those related to hazardous materials and groundwater issues. An air quality analysis study (Trinity Consultants, 1993) found the Central Maui area an acceptable location for a large baseload generating station. The air quality study also identified areas within the isthmus by the

level of difficulty ascertained in obtaining air quality permits. Areas north of the quarry were discovered to have the highest level of difficulty.

116. The MECO Central Maui Siting Study (Belt Collins, 1994) identified ten 50-acre candidate sites for evaluation. The identification of these sites was based on environmental and technical factors, such as air quality impacts, site soils, agricultural potential, visibility, and fuel transportation requirements.

117. Six of the ten sites were selected as "finalist" sites and analyzed further. The remaining four were rejected because they were either inferior or so similar to one of the six that individual analyses would not have been meaningful.

118. Three sites identified as Sites A-1, A-2, and D-1 ranked highest among the six "finalist" sites and were recommended for further analyses. After further evaluations and discussions with the DOH, Petitioner identified the region surrounding Sites A-1, A-2, and D-1 as primary areas of interest. The Central Maui Siting Study Air Quality Analysis by Trinity Consultants identified Site D-1 as having the best air quality.

119. The Environmental Screening and Siting Report for the Central Maui Generation Project (Dames and Moore, 1995) evaluated Sites A-1, A-2, and D-1 against several environmental factors, including: air quality, topography, soils, ground and surface water, aesthetics, noise, traffic, cultural resources, hazardous materials, botany, engineering considerations, and natural hazards. Baseline studies were conducted on each site

and reports were prepared that outlined anticipated impacts of a 232-MW baseload generating station located on each of the three sites. As a result of the analysis, Site A-2 was identified as the most preferred of the three candidate sites.

120. The MECO Generation Siting Study (Stone and Webster, 1995) conducted a final site evaluation of Sites A-2, C-3, and D-1. The evaluation was based upon more technical issues, including but not limited to: constructability, modeled impacts to air quality, proximity to wells, need for infrastructure improvements to adjacent roadways, overall project schedule, and costs. Site A-1 was eliminated from further consideration because Sites A-1 and A-2 were in the same air quality area and Site A-2 ranked higher. Site D-1 was retained as a final candidate, because although it was found to be the least environmentally desirable site in the Pulehu area, it had been found to have the best air quality in previous analyses (Trinity Consultants, 1993). Site C-3 was included as one of the final sites since it was not being used for sugarcane, and the owner said it was available.

121. As the result of this site analysis, Site A-2 was considered the preferred site for the proposed Waena Generating Station.

122. Of the three sites under consideration, Site A-2 had the least impact on: air quality, biological resources, area traffic and transportation, and infrastructure costs.

123. Air quality constituted one of the more important environmental screening factors in the site selection

process. Air quality modeling data, predicted air emissions, national ambient air quality standards, and the Federal Prevention of Significant Deterioration ("PSD") increment limits were utilized to screen the candidate sites.

124. For air quality and health base standards, the recommendations are based on protecting the most sensitive individuals. The standards are based on protecting people with bronchial asthma.

125. Other factors were also considered by Petitioner in the site selection process for the proposed generation facility, including the compatibility of the proposed use of the site with the quarry, landfill, and the surrounding agricultural uses; its distance from more sensitive urban uses; and its centralized location within Petitioner's existing generation and transmission systems.

126. The site for the proposed Waena Generating Station, Site A-2, is central for Petitioner's transmission grid and populated areas.

SOCIO-ECONOMIC IMPACTS

127. Upon full buildout of the plant, there will be approximately 20 shift personnel. In addition, there will be 26 non-operating personnel, for a total of 46 new employees.

128. Petitioner plans to move the transmission and distribution facilities to Waena, which will include approximately 195 employees working on a 7 to 3:30 shift. The grand total of employees at full buildout will be about 241 people.

129. The proposed facility will require between 80 to 100 construction workers during the initial installation.

130. The electricity provided by the proposed generating facility will support continued economic expansion for the island and provide the necessary energy to support housing developments.

131. Construction of the Waena Generating Station will not have a significant impact on property values.

132. There would be no significant impacts on the value of the property immediately surrounding the Waena Generating Station. The only discernable impact to the property immediately surrounding the project would be the minor effect on sugarcane production operations, such as crop dusting and harvesting activities caused by the physical presence of the structure on the Property and the erection of utility lines.

133. There may be a small effect on residential property values in the immediate vicinity of the facility, but the effect on property values diminishes to relatively minimal and becomes nonexistent as you proceed approximately one-half mile away from the facility. The residential development closest to the Property is located approximately 2½ miles away.

IMPACTS UPON RESOURCES OF THE AREA

Agricultural Resources

134. Maui County has approximately 360,000 acres of land classified as farmland. Of this acreage, approximately 89,000 acres of land are considered cropland, of which 36,500 acres are cultivated by HC&S and 11,000 are cultivated by Maui

Land and Pine Co., Ltd. The Property represents approximately 0.02 percent of Maui County's total farmland, 0.07 percent of Maui County's total cropland, and 0.18 percent of HC&S total acreage.

135. The proposed reclassification of the Property from the State Land Use Agricultural District to the State Land Use Urban District will remove approximately 65.7 acres of prime agricultural land from sugarcane cultivation.

136. Although the proposed Waena Generating Station will remove 65.7 acres of prime agricultural land from active production, the power generated from this facility will support further expansion and diversification of agricultural activities on Maui.

137. HC&S is undergoing expansion plans and will offset the loss of 65.7 acres of sugarcane land by expanding their acreage by 280 acres near Kuihelani Highway and adding another 1,100 acres of land formerly cultivated by Wailuku Agribusiness.

138. A study entitled Potential Ethylene and Sulfuric Acid Impacts of Proposed Waena Generating Station was prepared by Robert E. Paull ("Paull") to evaluate the potential impact of ethylene and sulfuric acid ("H_2SO_4") emissions from the proposed generating station on surrounding agricultural areas.

139. The Paull study used models from the study prepared by Dr. Thomas A. Schroeder and Jim Clary & Associates on the Maui Vortex, a cyclonic eddy that is formed by winds flowing through the Central Maui isthmus that travel along the coast and

encounter upwardly flowing winds along the slopes of Haleakala. The vortex is generally present during periods of regular tradewinds. With all four DTCC units operating, it would take 1,363 days of continuous vortex, with no loss of ethylene from the vortex, to reach a plant response threshold concentration of 0.01 microliters per liter.

140. Given ethylene's normal lifetime of only 0.4 to 4 days and the highly unlikely event of experiencing 1,363 days of uninterrupted tradewinds to produce a continuous vortex, the ethylene impacts from the proposed generating station are not expected to have any adverse impact upon the surrounding agricultural environment.

141. Sulfur dioxide ("SO_2") is commonly produced as the result of fossil fuel burning. SO_2 is the main sulfur compound emitted into the atmosphere. This is oxidized to SO_3 that forms H_2SO_4 when hydrated. A major source of SO_2 in Hawai'i is volcanism. Symptoms of adverse impacts of high concentrations of SO_2 on plants includes bleached brownish or yellowish spots or blotches with areas of dead tissue.

142. Plant sensitivity to SO_2 varies. Some plant species (beans) are very sensitive, while others (celery, corn, potatoes) are quite tolerant.

143. The SO_2 level anticipated from the proposed generating station is less than the U.S. Environmental Protection Agency ("EPA") significance level of 5 micrograms per meter cubed.

144. Exposure of plants to H_2SO_4 can cause damage with a threshold for growth reduction being 0.5 parts per million ("ppm"). Assuming 100 percent of the SO_2 is converted into H_2SO_4, and that no H_2SO_4 decay occurs, the time required to reach an H_2SO_4 concentration of 0.01 ppm is 274 days, and that such infrequent and very low concentration is below the projected thresholds for plant chronic injury and concentrations would never reach acute plant injury concentrations. Other sources of H_2SO_4, which include sea spray, plants, algae, and bacteria, may be expected to have a more significant impact.

145. Based on the findings of the Maui Vortex study by Schroeder and Clary Associates, a persistent vortex would not result in significant concentrations of SO_2, nitrogen dioxide ("NO_2"), particulate matter less than 10 microns in diameter ("PM_{10}"), H_2SO_4, and ethylene.

146. The Maui County Farm Bureau concurs with the assessment that SO_2 and ethylene emissions from the proposed Waena Generating Station will not result in any harmful effects on new and existing crops grown commercially on Maui.

147. Haleakala National Park, approximately 12 miles southeast, is the closest area to the proposed Waena Generating Station having a Class I designation.

148. At the request of the U.S. Department of the Interior, National Park Service ("NPS"), deposition values were calculated for the amount of chemical concentrations which may be deposited on plants and in the soil thereby impacting sensitive plant species. The deposition levels for SO_2 and nitric acid

were calculated based on the procedure contained in the Interagency Workgroup on Air Quality Modeling (IWAQM) Phase I Report: Interim Recommendation for Modeling Long Range Transport and Impacts on Regional Visibility (EPA, 1993). However, the NPS does not have any data on what deposition levels would adversely affect Haleakala National Park. The NPS will need to assess the potential impact on plant species by conducting detailed threshold analyses for specific plant species and soil conditions within the park.

Flora and Fauna

149. A biological survey, prepared by Botanical Consultants, surveyed the Property and the preferred and alternative transmission line corridors. No rare or endangered species of plants or animals, or species listed as candidate for such status, were found either on the Property or within the preferred or alternative transmission line corridors.

150. Neither the Hawaiian hoary bat or the Hawaiian owl was observed during the survey. Hawaiian hoary bats are known to roost at higher elevations. Although the Hawaiian hoary bat was not observed during the survey periods, they have been recorded at elevations as low as 400 feet and within gulches, and it is likely that they utilize the air space above the Property. However, no habitat conducive to bat roosting or forging exists on the Property.

151. Three reservoirs in the area (designated by HC&S as 80, 84, and 52), in addition to being integral to sugarcane

production, also serve as wildlife habitats. Two Hawaiian stilts were observed during a site reconnaissance at reservoir 80.

152. The nearest HC&S reservoir is approximately 2,000 feet from the boundary of the Property.

153. The proposed Waena Generating Plant is not expected to have a significant negative impact on flora or fauna communities because construction and operation of the plant will occur on lands presently under sugar cultivation. Further, the Property has almost no value as native bird habitat. None of the species observed on the Property are listed as threatened or endangered, or candidates for the threatened or endangered species list.

Archaeological Resources

154. The documentary research provided no evidence of prehistoric sites or utilization of the area. An archaeological inventory survey of the Property and the proposed and alternative transmission line routes was conducted by Scientific Consultant Services, Inc., dated April 1997. No archaeological resources were identified in any of the proposed transmission line corridors or at the Property.

155. In a letter dated August 29, 1997, the DLNR-SHPD provided the following comments: "We concur with the findings that no significant historic sites are located on the subject property. Historic to modern sugarcane production and access road construction have destroyed all previous vestiges of the landscape, making it unlikely that significant historic sites survive. We therefore find the proposed construction of the

power line to have 'no effect' on known historic resources."

Groundwater Resources

156. The Property is located in the Pa'ia Aquifer System, one of four aquifer systems within the Central Maui Hydrologic Sector of the Central Maui isthmus. Rainfall in Central Maui averages approximately 28 inches per year, over an area of approximately 200 square miles. Due to dry and windy conditions, only a small percentage of rain infiltrates deep enough to become groundwater recharge. The Property is located in a dry area with the median rainfall amounting to 17 inches a year.

157. The Pa'ia Aquifer System covers an area of 61 square miles and has a sustainable yield of 8 million gallons per day ("mgd"). Significant amounts of water recharge around the Property results from excess sugarcane irrigation in the area. The sustainable yield of 8 mgd represents only natural recharge from rainfall and does not include the large amounts of artificial recharge resulting from drip irrigation of the surrounding sugarcane fields.

158. The lands surrounding the Property are irrigated with surface waters collected from various streams on the windward slopes of East Maui by an elaborate irrigation ditch system operated by HC&S. Water from this system is distributed throughout the Pa'ia Aquifer System by the Haiku, Lowrie, Kauhikoa, and Hamakua Ditches. The system extends 4 miles inland, 1 mile seaward, and more than 2 miles on either side of the Property.

159. Groundwater with chloride levels higher than 250 milligrams per liter ("mg/l") is classified as non-potable. The basal groundwater throughout the central isthmus generally contains chloride levels higher than 250 mg/l and is classified as non-potable.

160. Certain areas, such as near the Property, contain significantly lower chloride levels because the irrigation ditch system contributes to a significant amount of artificial recharge in the area, which dilutes the chloride and significantly lowers the chloride content of the groundwater. The ditch system distributes approximately 164 mgd of surface water to the Pa'ia Aquifer and contributes a significant but undetermined amount of fresh irrigation water recharge in the area, resulting in lower chloride levels.

161. The CWRM provided the following comments:

"The CWRM is currently in the process of assessing recharge from irrigation and other sources and assessing the effect on the net sustainable yield. Furthermore, while estimates of drawdown and water quality appear to be reasonable, these issues will be further addressed, and possibly validated via pump tests during the well construction and pump installation permitting phase."

162. Groundwater on the Property is developed from a dozen or more wells and shafts. Most of the water is used for sugarcane irrigation, with small amounts used for landscape irrigation and industrial purposes.

163. The Property is surrounded by five large capacity wells within a 3-mile radius. These wells produce 80.6 mgd of non-potable water for irrigation. Other wells within the 3-mile radius include 3 monitor wells in the Central Maui Landfill. These wells provided data on groundwater quality expected on the Property.

164. The wells nearest the Property are in the existing Central Maui Landfill. The nearest producing well is HC&S' Pu'unene Pump 6 located 1.5 miles downslope of the Property and has a chloride content reported at between 335 to 490 mg/l.

165. There are no existing municipal wells near the Property or elsewhere in the Central Hydrologic Sector.

Scenic/Visual Resources

166. The Property is situated within an area of gently sloping terrain which extends to the slopes of Haleakala. There are few significant topographic barriers to limit views. The area surrounding the Property is in active sugarcane production.

167. The proposed 232-MW Waena Generating Station will constitute a relatively large industrial complex. The structures housing the generating machinery, support equipment, and offices will be between 15 and 70 feet high and will cover approximately 25 acres. The four stacks will be 150 feet high and 24 feet in diameter.

168. Petitioner analyzed the visual impacts of the proposed project in terms of distance, screening (vegetation), and backdrop (mountains), and provided computer generated

photographic simulations to access the impact of the proposed facility on surrounding scenic features. The facility would not have an adverse impact upon the area's visual resources because of the proposed facility's large distance from sensitive viewer locations. The generation station and exhaust stacks will represent only a co-dominant feature within the landscape up to 3 miles distance, and only a subordinate feature within the landscape beyond 3 miles. Large distances from viewing locations will make the apparent size of the facility small to the viewer and should not become a focus of attention.

169. Haleakala National Park is classified as Class I under the Clean Air Act. To determine the impact of the plume from the four 58-MW units in the generating plant on the visibility in Haleakala National Park, Petitioner used the EPA VISCREEN model recommended by the NPS. The VISCREEN model assesses the visibility of a plume, not whether the plume contributes to reductions in general visibility.

170. When the level-1 analysis was performed for the proposed Waena Generating Station, potentially significant impacts were identified. Therefore, a level-2 analysis was performed. The onsite meteorological data were used for this visibility analysis. The Haleakala National Park is downwind from the Property only when wind directions are between 290° and 315°. Therefore, wind vector data in sectors to the east-southeast, southeast, and south-southeast were used in the analysis. The worst-case plume dispersion conditions were determined following the EPA guidance. The proposed Waena

Generating Station is not anticipated to exceed the Class I Area Screening Criteria inside Haleakala National Park.

171. The NPS provided the following comments on potential visible plume impacts inside Haleakala National Park:

> "The Level 2 VISCREEN visibility analysis indicates that the Waena project will not impact the park with a coherent plume."

172. Lighting used within the plant for nighttime security and operations will be visible to residents located upslope of the Property due to the absence of other urban uses surrounding it and the overall size of the proposed facility. Some night glow impacts will be noticeable to Upcountry residents from reflective lighting and general multiple light sources at the facility. These impacts will lessen with the distance and will diffuse into the ambient background within the 4 miles to the nearest Upcountry residents.

173. Impacts from night lighting at the plant will be mitigated by properly shielding all outside lighting to direct light downward and pavement will be made as non-reflective as possible. Petitioner will avoid the use of halogen or intense white lights. The project will not have a negative impact on the visual character of its immediate environs and will not have an adverse impact to scenic views or vistas related to coastal areas within the Central Maui region.

174. Visual impacts will be mitigated through landscaping and choices of paint colors appropriate to the area. The color of the facility and its exhaust stacks will be blended

with the tones of the background landscape to minimize the visible impact of the facility on the surrounding environs. A landscaping plan is being developed to assist in the overall visual mitigation. Landscaping will be installed during Phase I to allow for full maturation of vegetation by the installation of the final phase.

175. The landscape buffer will be outside of the security fence. The fence is needed for security and the landscaping will screen the industrial feeling the fence might have.

176. The fence will be around 12 feet tall. Many of the trees Petitioner is proposing for the screening will have a mature height of 40 feet. The mass (of trees) would be between 10 to 20 feet high.

177. It is anticipated that any visual impact from the proposed generating plant will be obscured within a year to a year and a half.

ENVIRONMENTAL QUALITY

Noise

178. Two different noise level regulations are available for assessing noise impacts from the proposed Waena Generating Station: DOH noise regulations under Title 11, Chapter 46 Community Noise Control; and the U.S. Department of Housing and Urban Development ("HUD") noise regulations.

179. DOH noise regulations under Title 11, Chapter 46 Community Noise Control, are expressed in maximum allowable property line noise limits, which cannot be exceeded for more

than 2 minutes in any 20-minute time period. For properties zoned for agricultural use, the noise limits are 70 dBA for both the daytime and nighttime periods.

180. HUD noise regulations indicate that an exterior day-night noise level of 65 Ldn or less is considered normally acceptable for residential housing developments. Because there are no housing developments located in the vicinity of the Property that was constructed using federal funds, the HUD noise regulations do not apply. Therefore, the HUD regulations can only be used as a guideline.

181. Studies prepared by Dames and Moore, 1995, and Belt Collins, 1992, measured short-term daytime background ambient noise levels in the vicinity of the Property with average values ranging from 54 to 60 dB, well below the 70 dBA DOH property line noise limit for agricultural and industrial uses.

182. An acoustic study of existing and anticipated noise conditions at and adjacent to the proposed Waena Generating Station was prepared by Y. Ebisu & Associates in May 1997.

183. Ebisu & Associates used the hourly average (Leq(h)) and Ldn noise descriptors to describe existing and future noise levels on the Property and to evaluate the risks of exceeding the 70 dBA DOH noise limit along the Property boundary lines of the proposed generating plant.

184. The study analyzed existing background ambient noise levels at several locations: 50 feet from Dairy Road, areas removed from existing developments, and areas closest and normally downwind of the Property to measure varying noise

levels. At 50 feet from the roadway centerline of Dairy Road, average daily traffic noise level was estimated to be 68 Ldn, and considered to be typical for major roadways in the area, such as Hana Highway and Haleakala Highway. The results of the measurements in the areas removed from the major roadways demonstrated that existing background ambient noise levels are very low, and ranged from 35 to 44 Leq. Existing background noise levels in the communities closest to the Property are believed to be very low and similar to those measured at the other locations, particularly if they are removed from major roadways.

185. Anticipated future noise emission levels from the proposed Waena Generating Station were evaluated for the four phases of planned station expansion. The closest noise sensitive properties to the proposed generating station are day-care and social services facilities located in Pu'unene, beyond 2 miles from the Property. Residences in the other closest communities of Kahului, Pukalani, Pa'ia, Spreckelsville, and Waiakoa are located beyond 3 miles from the station.

186. Using a Linear-Weighting filter (instead of the A-weighting filter), the predicted noise levels from the proposed generating station at the communities of Pu'unene, Kahului, Pukalani, Pa'ia, Spreckelsville, and Waiakoa ranged from 19.7 to 36.2 dBL for Phase I; 22.7 to 39.2 dBL for Phase II; 24.5 to 41.0 dBL for Phase III of the development; and 25.7 to 42.2 dBL for Phase IV of the development. Due to the large separation distances between the Property and the nearest communities, the

predicted dBA levels are approximately 28 dB units less than the dBL values measured in these communities and should not be audible at the levels computed with the Linear-Weighting filter. Even with the added 12 dB of reduced attenuation due to sound ducting (worst case scenario), predicted noise from the proposed generating station should not be audible.

187. Measured background ambient noise levels at the surrounding communities also indicate that the predicted sound levels from the proposed Waena Generating Station probably will be inaudible during even the nighttime and early morning hours.

188. The noise levels generated by the generating station at full buildout would exceed the DOH 45 dBA night time Class A residential and preservation zone noise limits at locations up to 4,600 feet from the station boundaries. Therefore, future development of lands for residential/ preservation uses within 4,600 feet and for commercial/multi-family uses within 2,500 feet should be discouraged unless it can be demonstrated that local shielding effects from buildings, tanks, etc. on the Property allow for shorter buffer areas.

189. Compliance with the DOH 70 dBA standard along the station's property lines is expected following completion and operation of all four DTCC units.

190. No special noise mitigation measures will be required from Petitioner for the operation of the proposed generating station.

191. When measured 600 feet from the source, noise levels associated with the operation of diesel equipment

typically range from about 57 to 67 dBA. Predicted noise levels for the nearest noise sensitive properties (day-care and social services facilities) located in Pu'unene are not expected to exceed 24 dBA, below the existing ambient noise levels, during construction and well drilling activities. Also, twenty-four-hour well drilling operations should be possible without causing adverse noise impacts because of the Property's distance from noise sensitive properties.

192. No adverse noise impacts to the closest noise sensitive properties at Pu'unene are expected from construction noise due to the very low noise levels anticipated, due to the temporary nature of the work, and due to the administrative controls available for its regulation.

193. The intensity of the louder construction noise sources and the exterior nature of the work make it impractical to mitigate construction noise along the Property to levels less than 70 dBA. The use of properly muffled construction equipment and adherence to construction noise limits and curfew times are mitigation measures which can be applied to this project. A construction noise variance may also be requested from DOH prior to construction and well-drilling activities.

Air Quality

194. Existing air quality on Maui is heavily influenced by agriculture, the airport, and motor vehicles. Air pollutants include particulate matter, carbon monoxide ("CO"), and hydrocarbon emissions.

195. There are several significant industrial sources of air emissions located within a few miles of the Property. These include:

- Pu'unene Sugar Mill, approximately 2.5 miles to the northwest
- Kahului Airport, approximately 3 miles to the north
- Kahului Power Plant, approximately 4 miles to the northwest
- Pa'ia Sugar Mill, approximately 4.5 miles to the northeast
- Ma'alaea Power Plant, approximately 5 miles to the southwest

196. An air quality monitoring station was operated at Ma'alaea Monitoring Station 235 between August 1993 and July 1994.

197. Data from Station 235 provided a conservative estimate of the existing air quality at the Property because the station is a post-construction site located close to the Ma'alaea Power Plant. The concentrations of SO_2, PM_{10}, ozone, NO_2, and CO measured at Station 235 are expected to be found in less concentrations at the Property, which is approximately 6 miles upwind from Ma'alaea.

198. The Best Available Control Technology ("BACT") is defined by the Clean Air Act as "an emissions limitation..based on the maximum degree of reduction for each pollutant..which the review authority, on a case by case basis, taking into account energy, environmental, and economic impacts and other costs,

determines is achievable...through the application of production processes or available methods, systems, and techniques...."

199. The application of BACT cannot result in the emissions of any pollutant that would exceed the level allowed by an applicable New Source Performance Standard or National Emissions Standard for Hazardous Air Pollutants.

200. The BACT for the proposed Waena Generating Plant has yet to be determined by Petitioner. The BACT cannot be determined until the DOH and the EPA review the design-specific elements and modeled air emissions through the air quality permit process. When the appropriate technologies have been determined by the DOH and EPA, the final design for the generating station will reflect the necessary BACT requirements.

201. The four combined cycle units for the proposed Waena Generating Station will be installed over 20 to 30 years. At the time of permitting for each of these units, Petitioner will have to do a new BACT analysis.

202. The EPA guidelines state that the background air quality data used in an application has to be no older than three years.

203. Emissions of air pollutants are regulated at the Federal level pursuant to the Clean Air Act.

204. To determine if there could be any emissions impact from the proposed project due to the interaction of the Maui Vortex, a streamline analysis and a simple box model were conducted using a worst-case scenario of one month of continuously steady tradewinds with no nocturnal vortex

dissipation. In addition, it was assumed that any emission entering the vortex would not leave the vortex, circulating within the vortex for the entire month. The results of these models showed the worst case concentrations of the significant criteria pollutants SO_2, PM_{10}, and NO_2 to be insignificant, well below the EPA's 24-hour significance levels concentrations. Major factors for these low concentrations are: (1) the small portion of the plant's plume that would actually be entrained into the vortex, and (2) the large vortex volume. In analyzing the predicted plume dispersion in relationship to the existing vortex, only 0.35 percent of the entire plume would enter the vortex winds. This small amount of emissions would then mix within a vortex whose volume approached 40 billion cubic yards.

205. During construction, vehicle and equipment exhaust emissions will be small, localized, and transient. Dust emissions generated during site excavation and equipment movement will be elevated due to large-scale grading. As long as precautions are taken to water the Property during dry or windy periods, construction emissions are not expected to be significant.

206. Under certain emergency situations, steam from the combined cycle system currently in operation at Ma'alaea is vented to the atmosphere via pressure relief valves.

207. Since 1993, when the combined cycle system went into operation at Ma'alaea, steam is vented from the system on the average of once a year.

Electric and Magnetic Levels

208. The proposed transmission lines will pass through undeveloped land used for sugarcane cultivation. No residential areas or other sensitive receptors are located within 250 feet of any of the proposed transmission lines, and no development exists around the Property proposed for the Waena Generating Station.

209. Enertech Consultants calculated the Electric and Magnetic levels for the proposed generating station and transmission lines in May 1997. Their computer modeled calculations were based on five different overhead powerline configurations--the two 69-kV existing transmission lines running adjacent to the Property and the three proposed transmission lines.

210. The generating station equipment, due to its location near the center of the station, and the switchyard equipment will not contribute significantly to the magnetic field levels at the perimeter of the station. The major source of magnetic fields at the proposed station's boundaries and beyond is due primarily to the 69-kV and 12-kV overhead transmission lines which enter and leave the station along Pulehu and Waiko Roads. Although the proposed generating station will represent an increase in the magnetic field levels found along Pulehu Road and North Firebreak Road, studies to date have been inconclusive as to the health impacts from electric and magnetic fields.

ADEQUACY OF PUBLIC SERVICES AND FACILITIES

Roadway and Highway Services and Facilities

211. A traffic impact analysis was prepared for Petitioner in May 1997 by Austin Tsutsumi & Associates, Inc. Trip generation estimates were developed for 2016, following Petitioner's installation of Phase III of the project when the plant is expected to have its full complement of employees (46). The estimates included the number of employees per shift, service and delivery trips, and the number of fuel haul trucks to the plant on a daily basis.

212. The project will generate approximately 210 vehicle trips during the morning peak hour, 145 entering the site, and 65 exiting the site. Approximately 192 vehicle trips were estimated during the afternoon peak hour, 56 entering the site and 136 exiting the site.

213. Using a qualitative measure identified as Level of Service ("LOS") to describe the conditions of traffic flow, ranging from LOS A (free flow conditions) to LOS F (congested conditions), analyses were conducted at major intersections near the Property. To these, Petitioner added plant generated traffic data to estimated future traffic volumes.

214. Although a small number of individual approaches and turning movements will experience drops in LOS, no significant adverse impacts in the level-of-service for the area's roadways are anticipated. No intersection is expected to experience an approach or turning movement greater than LOS E,

and the vehicle to capacity ratio for the signalized intersections will not increase by any significant amount.

215. Future traffic improvements, currently in the environmental processing or design stage, are planned for completion by 1999. These improvements, including the construction of new roadways and traffic signals, will be implemented prior to the operation of the Waena Generating Station. Some of these improvements include the Department of Transportation's ("DOT") installation of traffic signals at the intersection of Hana Highway, Kamehameha Avenue, and Hobron Avenue. DOT is also proposing modifications to the present road network in the vicinity of the Property, including the construction of a new four-lane Airport Access Road as part of the Kahului Airport Master Plan. These modifications are anticipated to result in the diversion of regional and airport traffic from Dairy Road to the Airport Access Road, leaving Dairy Road to serve local traffic.

216. At full buildout, the operation of four DTCC units (eight CTs) will require approximately 44 truckloads of No. 2 diesel fuel daily, with deliveries averaging about 9,000 gallons of fuel.

217. The daily supply of diesel fuel (44 fuel trips) will be transported from Kahului Harbor in tanker trucks traveling along Hobron Avenue, Hana Highway, and Pulehu Road to the Property.

218. The DOT offered the following comments:

"Our State transportation facilities can adequately accommodate the subject project. We do not anticipate an adverse impact to our systems."

Water Service

219. No existing potable water service from the County of Maui exists near the Property. The only existing municipal well source in the Central Maui Sector is located approximately 4.5 miles northwest of the Property outside of Kahului. Potable bottled water will be delivered by truck to the proposed Waena Generating Station. Petitioner anticipates no extension of the County water delivery system.

220. Four wells are proposed to provide the non-potable water needs for the generating plant. One well will be required for each of the four DTCC units planned and consequently their construction will be phased along with the proposed installation of each DTCC unit (2006, 2010, 2014, and 2017 or later).

221. Non-potable water needs for the proposed Waena Generating Station can be met by drilling and developing wells onsite without impacting basal groundwater quality. A net loss of 0.15 mgd of irrigation recharge to the aquifer would result from the withdrawal of 65.7 acres of land from active sugarcane cultivation. Half of the groundwater withdrawn (0.44 mgd) will be returned to the aquifer by means of injection wells,

representing a net loss of approximately 0.6 mgd from the underlying aquifer.

222. The estimated water use for one DTCC unit is approximately 220,000 gallons per day ("gpd"). The projected average daily water requirements for the four DTCC units proposed for the Waena Generating Plant would be 880,000 gpd.

223. The four brackish groundwater supply wells with pump capacities of 225 gallons per minute ("gpm") will be developed on the Property to meet water requirements of 880,000 gpd for the operation of the CTs and related facilities. Well water will be desalinated or treated as required and stored onsite.

224. Firewater tanks, pumps, piping, and hydrants will be installed to store and disburse water for the sole purpose of fire control.

225. Two separate 240,000-gallon storage tanks will be constructed to meet Maui County Water Systems Standards for a fire flow requirement of 2,000 gpm for 2 hours.

226. The CWRM indicated that a Well Construction Permit and a Pump Installation Permit from the CWRM would be required before groundwater is developed as a source of water supply for the project. The CWRM further recommended coordination with the County to incorporate the project into the County's Water Use and Development Plan.

Wastewater

227. Development of the 232-MW generating station will generate an average of 440,000 to 480,000 gallons of

wastewater per day, which will be disposed of by means of injection wells.

228. The principal source of wastewater will be from a process designed to produce relatively pure water from brackish groundwater. Brackish well water will be run through a dual media filter to take out particles not removed by filtration. The water will be processed further to clean out more of the constituents. Identified as reverse osmosis, this process will produce a concentrated solution of salts and minerals.

229. The treated water will be used for nitrogen oxide control and steam generation.

230. Another source of wastewater will be from the backwashing of cation and anion resin beds used to remove minerals from process water during demineralization. Demineralization results in a fairly clean water source for use in power plant operations. The wastewater from backwashing will contain minerals removed from the water, acid and caustic solutions used for neutralization, and traces of the resin chemicals.

231. The disposal of wastewater from the generating station is not expected to have any hydrologic impact on existing wells or the basal aquifer because the Property lies makai of the DOH's Underground Injection Control ("UIC") line. Any potential impact from the use of injection wells will be mitigated by appropriate well design and testing. Further, the injection wells will be constructed and operated in full compliance with

DOH UIC regulations. The disposal of 0.44 mgd of wastewater will not negatively impact the aquifer for the following reasons:

- The rate of the wastewater injection is extremely small when compared to the rate of groundwater movement indicated by the large withdrawals of groundwater in the area;
- The quality of the wastewater is estimated to be similar to the existing groundwater quality; and
- The wastewater plume will be diluted by mixing and diffusion and is not expected to be detectable at any existing well or coastal area as the plume becomes dispersed and diluted to ambient groundwater quality.

232. The DOH commented that a National Pollutant Discharge Elimination System (NPDES) general permit is required for the following discharges to waters of the State:

a. Storm water discharges relating to construction activities, such as clearing, grading, and excavation, for projects equal to or greater than five acres;

b. Storm water discharge from industrial activities;

c. Construction dewatering activities;

d. Noncontact cooling water discharge less than one million gallons per day;

e. Treated groundwater from underground storage; and

f. Hydrotesting water.

233. The CWRM recommended that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality. A Well Construction Permit and a Pump Installation Permit from the CWRM would be required before ground water is developed as a source of supply for the project.

234. Petitioner's Groundwater Resource Assessment recommended that an onsite test well should be drilled to provide more detailed information on aquifer parameters and potential impacts.

235. There is no existing domestic sewer service from the County of Maui near the Property. Sanitary wastewater facilities will be constructed on the Property.

236. Petitioner will use a septic tank and a leach field to treat effluent from sanitary facilities. Detailed plans for the domestic wastewater treatment system will be submitted to the DOH for review and approval as part of a treatment work approval application.

237. Petitioner does not anticipate extension of the county wastewater system.

Drainage

238. Drainage in the area is generally through a series of gulches extending radially from the upper slopes of Haleakala towards the central isthmus area. Slopes on the Property are minimal at approximately one degree. The Property

is drained by Kalialinui Gulch and by Pulehu Gulch. The flow from the Property is directed to the northwest, away from both gulches.

239. The development of the Property for the installation of the first 58-MW unit of generation by the year 2006 will include full grading of the Property and the installation of necessary infrastructure, such as drainage improvements, domestic wastewater systems, and roads to support all four DTCC generating units. At full buildout, approximately 50 acres will consist of both impervious, asphalt areas, and more pervious gravel-covered areas.

240. The proposed project is anticipated to increase stormwater runoff from approximately 45.5 cubic feet per second ("cfs") to approximately 215.4 cfs. Stormwater over the developed 50 acres is anticipated to increase from approximately 34 cfs to 204 cfs.

241. To avoid project specific runoff from reaching adjoining sugarcane lands, the proposed project will include stormwater runoff and infiltration ponds to collect and contain stormwater onsite. A 15-foot landscape buffer around the facility will also aid in stormwater percolation. Runoff ponds will have special sumps with oil/water separators to remove any oil before disposal of the storm runoff into an infiltration pond. An alternative disposal method of water from the runoff ponds could be through a shallow injection well (dry well).

242. Stormwater impacts and erosion to the onsite irrigation ditch are possible during the construction phase of

the proposed generating station. However, use of best engineering practices to prevent runoff into the ditch can minimize these temporary impacts. No significant adverse impacts to the HC&S irrigation system are anticipated from construction-related activities.

243. The proposed drainage improvements will be designed to produce no adverse impacts, due to stormwater runoff, on adjacent properties. All drainage improvements will conform to County of Maui standards.

Solid Waste Disposal

244. Solid waste disposal systems on Maui consist of the Central Maui Landfill and the Hana Landfill. The Central Maui Landfill accepts commercial, industrial, and residential waste.

245. The Central Maui Landfill does not accept hazardous materials or construction materials. Construction materials and waste from the project will be disposed of by the construction contractor into the Maui Demolition and Construction Landfill. The Waena Generating Station will salvage or recycle parts, materials, and equipment to the fullest extent possible in order to reduce the anticipated minimal amount of solid waste which will be generated during operation of the plant. The remaining waste will be disposed of at the Central Maui Landfill. Solids from the sanitary septic system will be disposed of periodically at a County wastewater treatment facility.

246. Solid waste generated by the proposed Waena Generating Station will consist of the following:

- Construction waste;
- Materials associated with plant operation, administration, housekeeping, and maintenance operations; and
- Parts, material, and equipment replaced during maintenance.

247. Hazardous materials which will be stored and used on a regular basis on the Property will be the No. 2 diesel fuel, caustic soda, H_2SO_4, and cleaning solvent.

248. The fuel storage tanks will be placed on impervious surfaces which will be constructed within berms equipped with oil/water separators to remove oil before disposal and specially designed to contain fuel leakage or spills. These containment areas will have the capacity to contain the entire contents of the storage tank within its area. Each storage tank will be equipped with fuel level alarms to prevent overfills.

249. Caustic soda and H_2SO_4 will be added to the wastewater to adjust the pH level to within UIC permit limits prior to discharge to the ground via the underground injection wells.

250. Cleaning solvent is used for cleaning parts and equipment during routine maintenance and operations. The solvent is used at portable wash stations and recycled by vendors when it is spent and no longer useful.

251. If Selective Catalytic Reduction ("SCR") is required as BACT as a condition of the PSD permit, the wastewater will pass through additional steps which will remove excess

metals, adjust the pH level of the water, and air strip out the ammonia used in the SCR process.

252. Delivery of fuel, acids, and caustic materials used in production operations will be conducted through an independent contractor who will be responsible for all handling from the tanker into the bulk storage areas at the Property.

253. All transport contractors are required to file spill prevention and control and containment plans with the State which outline procedures to be carried out in the event of a spill incident.

254. Petitioner has a fuel oil pipeline operating manual that addresses fuel spills at the Kahului Harbor. The plan is required by the U.S. Coast Guard under Title 33 of the Code of Federal Register.

255. In the event of a spill, the first responders will be the transport contractor, county fire department, and Petitioner's safety personnel. Immediate priorities will include isolating the area for public safety and securing and containing the source of the spill. Qualified hazardous material clean-up organizations will immediately be contacted to restore the affected area to its previous condition.

Schools

256. The project will not directly result in any increase in school population, and therefore it will not adversely impact area school capacities.

Police and Fire Protection

257. The Maui County Police Department provides police protection for the Wailuku-Kahului, Kihei, and Upcountry areas. Development of the Property is expected to have minimal impact on any requirement for police protection.

258. Petitioner will develop onsite security procedures. Petitioner will also construct a fence around the Property, with full-time security manning, and install checkpoints at the access driveways.

259. Petitioner will install video monitoring and a remote control main gate.

260. Fire prevention, suppression, and protection services for the Wailuku-Kahului region are provided by the County Department of Fire Control. The nearest fire station to the Property is the Kahului Station, approximately 4 miles away. Other fire protection facilities in the Central Maui area include a fire station in Pa'ia and another in Wailuku.

261. Petitioner currently has fire control plans for its existing generation facilities. A fire control plan will be designed specifically for the proposed Waena Generating Station. Emergency plans detailing the procedures to be followed when there is a fire or fuel spill will be coordinated with the district fire department and health care facilities. All Federal and State regulations regarding the operation of a generating station and worker safety will be followed.

Civil Defense

262. There is no siren coverage in the area. The State Department of Civil Defense recommends that a siren simulator be purchased and installed inside the facility. Petitioner agrees with the recommendation.

Power and Communications/Electrical and Telephone Service

263. The Property is undeveloped and has no telephone or communications service.

264. Petitioner has two 69-kV transmission lines running adjacent to the Property. The first transmission line (Ma'alaea-Kealahou 69-kV) runs along Waiko Road to the intersection of Pulehu Road, then turns south and extends along Pulehu Road towards Kealahou. The second transmission line (Kanaha-Pukalani) runs from Kanaha Substation along Pulehu Road past the Property to the intersection of Waiko Road, crosses Pulehu Road diagonally and continues across cane lands towards Pukalani. In addition to Petitioner's transmission system, HC&S has some smaller distribution lines which run through cane land to service irrigation and water pumps.

Recreation Facilities and Public Access

265. Recreational and ocean-related facilities occur along the coastline from Kahului Harbor to Spreckelsville Beach. Existing facilities include Kahului Harbor Park and Kahului Beach, Kanaha Beach Park, and Spreckelsville Beach. The proposed generating plant will not have an adverse impact on the public's access and use of the shoreline area, and there will be no

adverse impact to nearshore waters from point and non-point sources of pollution.

266. The electricity generated by the proposed Waena Generating Station will provide the energy required for existing and planned recreational facilities throughout the entire island of Maui.

COMMITMENT OF STATE FUNDS AND RESOURCES

267. The proposed Waena Generating Station project will be funded through Petitioner's customer base and will not require expenditures by either the State of Hawai'i or the County of Maui.

CONFORMANCE TO URBAN DISTRICT STANDARDS

268. The proposed reclassification is in general conformance to §15-15-18 of the Commission rules regarding standards for determining "U" the Urban District boundaries. The Property will be zoned and developed for heavy industrial use and is located close to other industrial uses in the area, such as the Central Maui Landfill and the Ameron HC&D Quarry. The four-phased planned construction and operation of the proposed Waena Generating Station will be compatible with the existing and planned expansion of current heavy industrial uses in the area.

CONFORMANCE WITH THE GOALS, OBJECTIVE AND POLICIES OF THE HAWAI'I STATE PLAN; RELATIONSHIP WITH APPLICABLE PRIORITY GUIDELINES AND FUNCTIONAL PLANS

269. The proposed reclassification of the Property is in general conformance with the following objectives and policies of the State Plan:

§226-14 - Objectives and policies for facility systems-in general.

a. Planning for the State's facility systems in general shall be directed towards achievement of the objective of water, transportation, waste disposal, and energy and telecommunication systems that support statewide social, economic, and physical objectives.

b. To achieve the general facility system objective, it shall be the policy of this State to:

1. Accommodate the needs of Hawaii's people through coordination of facility systems and capital improvement priorities in consonance with state and county plans.

2. Encourage flexibility in the design and development of facility systems to promote prudent use of resources and accommodate changing public demands and priorities.

3. Ensure that required facility systems can be supported within the resource capacities and at reasonable cost to the user.

4. Pursue alternative methods of financing programs and projects and cost-saving techniques in the planning,

construction, and maintenance of facility systems.

The proposed Waena Generating Station is designed to meet the increasing demand for electricity on the island of Maui and to improve system reliability. As a result of its planned addition of generation capacity over the next 20-30 years, the Waena Generating Station can accommodate changing public demands and allow for the flexibility of future designs and technologies. Currently, a 58-MW dual-train, combined-cycle unit is the least-cost option in terms of both initial and long-term costs.

§226-18 - Objectives and policies for facility systems - energy.

a. Planning for the State's facility systems with regard to energy shall be directed towards the achievement of the following objectives:

   1. Dependable, efficient, and economical statewide energy systems capable of supporting the needs of the people;
   2. Increased self-sufficiency where the ratio of indigenous to imported energy use is increased; and
   3. Greater energy security in the face of threat to Hawaii's energy supplies and systems.

b. To achieve the energy objectives, it shall be the policy of this State to ensure the provision

of adequate, reasonably priced, and dependable energy services to accommodate demand.

c. To further achieve the energy objectives, it shall be the policy of this State to:

1. Support research and development as well as promote the use of renewable energy sources;

2. Ensure that the combination of energy supplies and energy-saving systems are sufficient to support the demands of growth;

3. Base decisions of least-cost supply-side and demand side energy resource options on a comparison of their total costs and benefits when a least-cost is determined by a reasonably comprehensive, quantitative, and qualitative accounting of their long-term, direct and indirect economic, environmental, social, cultural, and public health costs and benefits;

4. Promote all cost-effective conservation of power and fuel supplies through conservation measures including:

A. Development of cost-effective demand-side management programs;

B. Education; and

C. Adoption of energy-efficient practices and technologies; and

5. Ensure to the extent that the new supply-side resources are needed, that the development or expansion of energy systems utilizes the least-cost energy supply option and maximizes efficient technologies;

6. Support research, development, and demonstration of energy efficiency, load management, and other demand-side management programs, practices, and technologies; and

7. Promote alternate fuels and energy efficiency by encouraging diversification of transportation modes and infrastructure.

The proposed project, in the context of Petitioner's integrated approach to energy production and conservation, conforms with these objectives and policies. The purpose of the proposed Waena Generating Station is to provide a system that meets the projected electrical demand, increases system reliability, and provides dependable electrical service to its customers.

Resource limitations and environmental, public health, and safety concerns were considered in selecting the site and appropriate technology for the generating facility. During the

development of Petitioner's IRP, a comparison of costs and benefits for both alternative fuels and alternative technologies was performed. At this time, alternative fuels and technologies do not represent the least-cost energy supply option or the maximum efficient technology. Diesel-fueled dual-train, combined-cycle units currently will be used while other renewable energy projects are being developed.

Petitioner is actively participating in education and research programs to further develop alternative fuels and technologies in Hawai'i, as is evident through their cooperation with the Pacific International Center for High Technology Research, the County of Maui, and the State of Hawai'i in examining biomass to electricity applications for Hawai'i and through Petitioner's continued installation of small photovoltaic systems on public schools through Petitioner's "Sun Power for Schools" project.

State Energy Functional Plan

270. The policy of the action items of the State Energy Functional Plan pertaining to Petitioner are as follows:

Policy A(1): Promote and Stimulate Greater Energy Efficiency and Conservation in Non-Transportation Sectors

Action A(1)(a): Provide Technical Support and Assistance to the State Government, County Governments, the PUC, and The Energy Utilities in Developing the Integrated Resource Planning (IRP) Process and Carrying Out Demand-Side Management (DSM) Assessments.

Action A(1)(b): Advance the Use of Demand-Side Management (DSM) by Creating Pilot Programs and Promoting Education of Local Energy Producers and Users.

Petitioner is a participant in IRP. Through the IRP process, Petitioner has developed a long-range energy plan for the island of Maui by considering not only the traditional supply-side resources but also the customer (demand-side) resources that are available.

IRP has brought about significant changes in the way utilities conduct their business, not only by including demand-side options as a resource but also by having the public participate in the planning process through advisory groups.

As a result of the IRP process, Petitioner formed four DSM resource programs based upon the common end-uses and market segments that they address. In addition, two service programs were included in the DSM action plan.

Altogether, these programs are projected to provide peak-demand saving of 1.5 MW in their first year of implementation and 14.6 MW of energy savings by the year 2004. However, because energy efficiency and peak capacity reductions have not been comprehensively pursued by any organization in Hawai'i to date, there is considerable uncertainty about how to structure the DSM programs. Therefore, monitoring of the implementation process will be important. Programs will need to be adjusted as the implementation process moves forward. Petitioner expects to update its DSM program plans annually to optimize program implementation and energy savings.

The State is encouraging development of alternative and renewable energy sources as Hawai'i primary energy source. These resources include geothermal, OTEC, solar photovoltaic, biomass,

wind, and hydropower. Although the State has made progress in alternative energy technologies, only geothermal currently provides a potential for firm, reliable electricity. It is the only commercially mature, indigenous resource available in large quantities that can be converted to baseload (24-hour-per-day) electricity. Other alternative energy resources, such as solar and wind technologies, do not provide firm, baseload power and are not economically feasible at this time.

Petitioner has contributed to and constructed facilities for alternative and renewable energy resources, such as wind and hydroelectric power. It also has PPAs with IPPs. These PPAs are based on alternative and renewable technologies. Examples include sugarcane bagasse and biomass-fueled ST generators. While extensive dependence on such contracts can increase supply risks, Petitioner has evaluated and continues to evaluate IPP alternatives and renewable energy power supply offers.

After examining the alternative to this project (including coal, non-firm renewable energy sources such as wind or hydropower, increased DSM programs, and IPP proposals), Petitioner has determined that the proposed Waena Generating Station is the only reasonable way to meet its PUC obligations of providing high-quality, reliable service at the least cost to the customer within the necessary timeframe.

Petitioner acknowledges that, in making the decision to expand with additional oil-fired units, it is contradicting the objective of energy self-sufficiency. As the project comes on-

line, however, it will be possible to retire less fuel efficient units, and the overall ratio of fuel consumption to megawatts produced should improve. In addition, Petitioner continues to pursue long-term conservation measures and alternative fuel sources that will lessen the dependency on imported fossil fuels.

CONFORMANCE WITH COASTAL ZONE MANAGEMENT OBJECTIVES AND POLICIES

271. The proposed reclassification of the Property is in general conformance with the Coastal Zone Management Program, chapter 205A, HRS, in the areas of recreational resources, historical/cultural resources, scenic and open space resources, coastal ecosystems, economic uses, coastal hazards, managing development, public participation, beach protection, and marine resources.

CONFORMANCE WITH THE COUNTY OF MAUI GENERAL PLAN AND THE WAILUKU-KAHULUI COMMUNITY PLAN

272. The following objectives and policies of the County of Maui General Plan pertain specifically to the proposed Waena Generating Station:

B. Land Use

Objective 1 To preserve existing geographic, cultural and traditional community lifestyles by limiting and managing growth through environmentally sensitive and effective use of land.

Policy b Provide and maintain a range of land use districts sufficient to meet the social, physical, environmental and economic needs of the community.

Objective 2 To use the land within the County for the social and economic benefit of all the County's residents

Objective 3 To preserve lands that are well suited for agricultural pursuits

Policy a. Protect prime or productive agricultural lands from competing non-agricultural land use.

Policy d. Discourage the conversion of productive or potentially productive agricultural lands to non-agricultural uses.

The proposed Waena Generating Station will remove approximately 65.7 acres of prime agricultural land from active production. However, this amount represents only a small portion of the over 36,000 acres of land that HC&S has in production on the island of Maui. In selecting the Property for the proposed project, Petitioner examined several different areas which were not on prime agricultural lands. However, the results of the various environmental analyses and discussions with landowners determined that the Property was the most feasible for construction and operation of the generating station.

Conversion of the land from agricultural use to power generation will have no discernible impact upon the overall agricultural production on the island of Maui. In addition, providing the appropriate land use for the proposed project will ensure the provision of sufficient electricity to meet the social and economic needs of the community.

E. Public Utilities and Facilities

Objective 1 To anticipate and provide public utilities which will meet community needs in a timely manner.

Policy a. Maintain all power and utility systems so as to meet public health and safety standards.

Policy b. Encourage new and expanded power generation facilities to be

community planned based on sound land use and environmental planning principles.

Policy c. Assure the availability of power systems and sources that meet public health and safety standards.

Policy d. Locate energy producing plants in areas where they will not create health hazards.

The selection of the Property for the proposed Waena Generating Station was made only after careful consideration of all environmental and community concerns. Due to its distance from major sensitive receptors, the construction and operation of the proposed facility is not anticipated to have significant environmental impacts nor will it create a health hazard. In addition, all aspects of the plant's design, construction, and operation will follow applicable health and safety standards. The construction and operation of the proposed Waena Generating Station will meet the objective by allowing the timely provision of electrical power to meet community needs.

273. Because the purpose and need for the proposed Waena Generating Station is to provide for the increasing demand for energy forecast on the island of Maui, the energy the facility provides will allow the County of Maui to implement many of the objectives and recommendations of the Wailuku-Kahului Community Plan, specifically those pertaining to supporting economic growth and the provision of health and safety services.

RULING OF PROPOSED FINDINGS OF FACT

Any of the proposed findings of fact submitted by Petitioner or other parties not already ruled upon by the

Commission by adoption herein, or rejected by clearly contrary findings of fact herein, are hereby denied and rejected.

Any conclusions of law herein improperly designated as a finding of fact should be deemed or construed as a conclusion of law; any finding of fact herein improperly designated as a conclusion of law should be deemed or construed as a finding of fact.

CONCLUSIONS OF LAW

Pursuant to chapter 205, HRS, and the Hawai'i Land Use Commission Rules under chapter 15-15, HAR, and upon consideration of the Land Use Commission decision-making criteria under section 205-17, HRS, this Commission finds upon a clear preponderance of the evidence that the reclassification of the Property, consisting of approximately 65.7 acres of land in the State Land Use Agricultural District situated in the Wailuku and Makawao Districts, island of Maui, State of Hawai'i, identified as Tax Map Key No. 3-8-03: 23 and 24, into the State Land Use Urban District, is reasonable, is not violative of section 205-2, HRS, and is consistent with the policies and criteria established pursuant to sections 205-16 and 205-17, HRS.

DECISION AND ORDER

IT IS HEREBY ORDERED that the Property, which is the subject of this Docket No. A97-722 filed by Petitioner Maui Electric Company, Limited, a Hawai'i corporation, consisting of approximately 65.7 acres of land, situated in the Wailuku and Makawao Districts, island of Maui, State of Hawai'i, identified as Tax Map Key No. 3-8-03: 23 and 24, and approximately shown on

Exhibit "A" attached hereto and incorporated by reference herein, is hereby reclassified from the State Land Use Agricultural District to the State Land Use Urban District, and the State land use district boundary is hereby amended accordingly, subject to the following conditions:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the County Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner.

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan.

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station.

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, from leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property.

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan.

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui.

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugarcane cultivation areas.

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawai'i and County of Maui civil defense agencies.

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui.

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate

vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS.

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

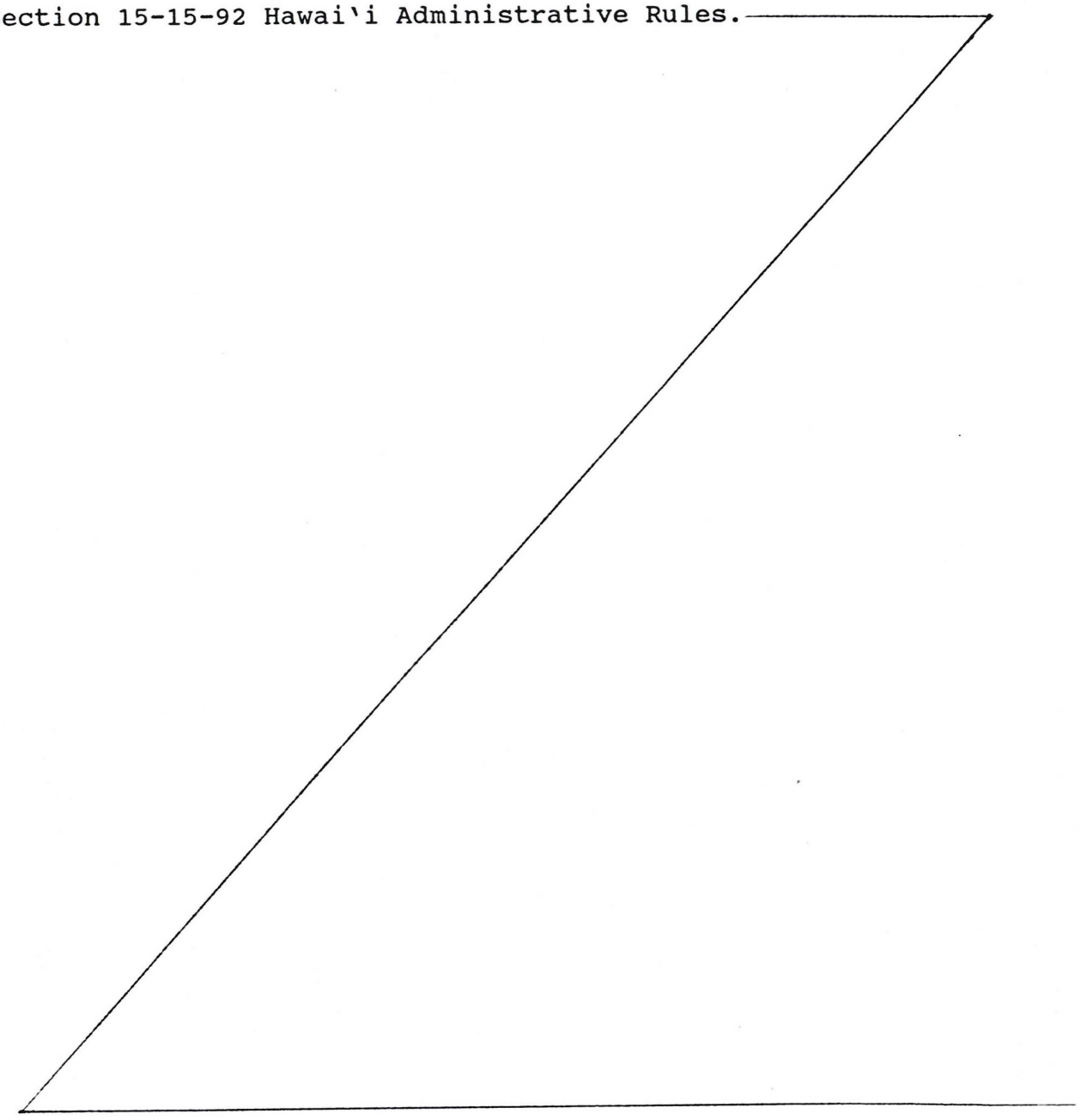
14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Land Use Commission in the reclassification of the Property, and

(b) shall file a copy of such recorded statement with the Commission.

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawai'i Administrative Rules.



Done at Honolulu, Hawai'i, this 22nd day of June 1998, per motion on June 18, 1998.

LAND USE COMMISSION
STATE OF HAWAI'I

By _____
RUPERT K. CHUN
Chairperson and Commissioner

By (opposed)
M. CASEY JARMAN
Vice Chairperson and Commissioner

By _____
LAWRENCE N.C. ING
Vice Chairperson and Commissioner

By (absent)
P. ROY CATALANI
Commissioner

By _____
ISAAC FIESTA, JR.
Commissioner

By (absent)
HERBERT S.K. KAOPUA, SR.
Commissioner

By _____
MERLE A. K. KELAI
Commissioner

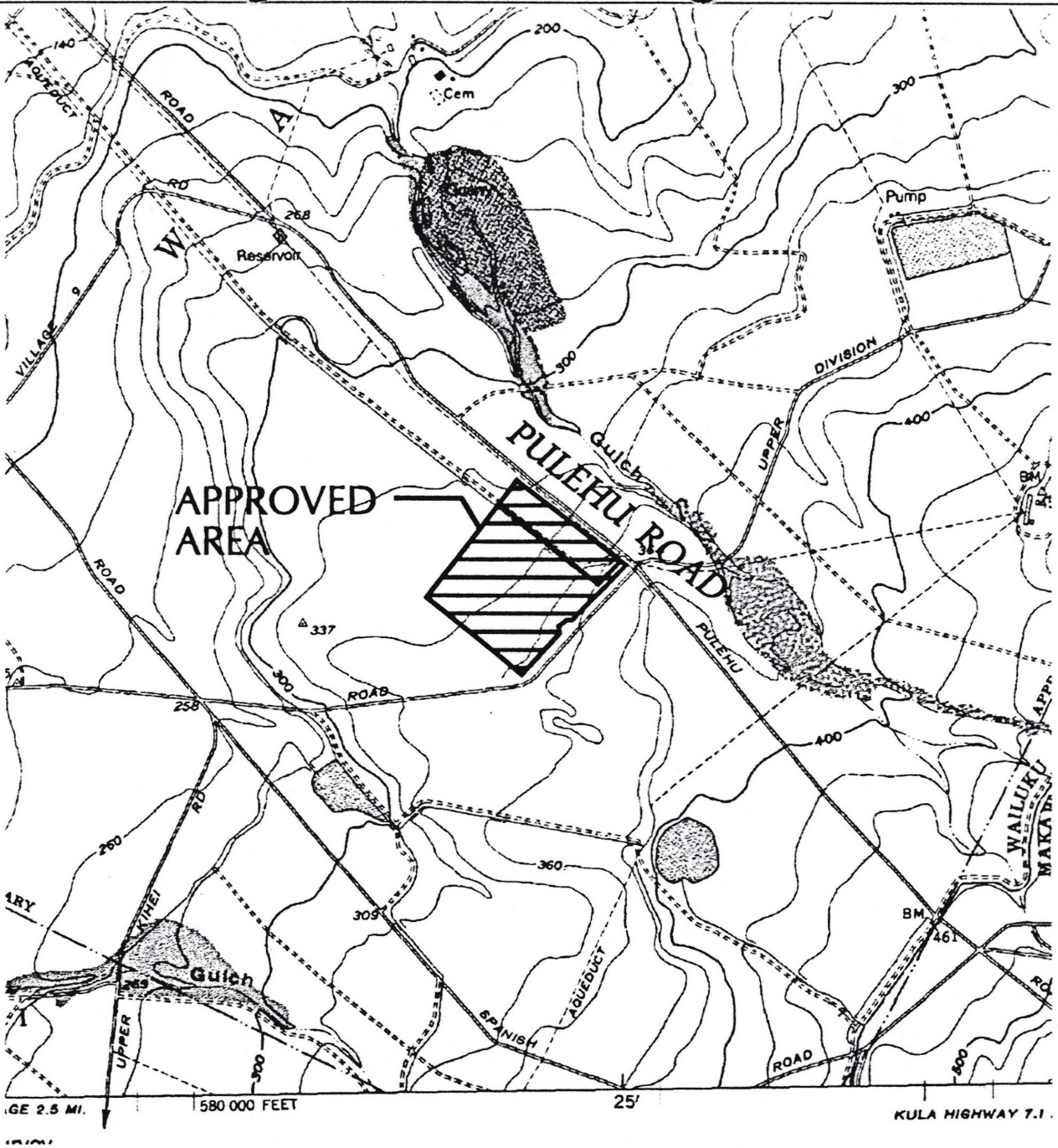
Filed and effective on
June 22, 1998

Certified by:

_____
Executive Officer

By _____
JOANN N. MATTSON
Commissioner

By _____
PETER YUKIMURA
Commissioner

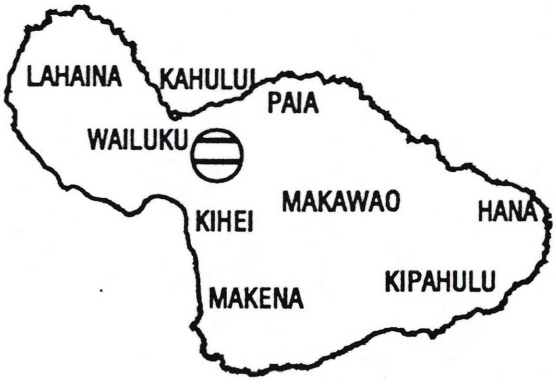


A97-722 / MAUI ELECTRIC COMPANY, LTD., a Hawai`i Corporation

LOCATION MAP

TAX MAP KEY NO.: 3-8-03: 23 & 24
WAILUKU AND MAKAWAO DISTRICTS, ISLAND OF MAUI, STATE OF HAWAI`I

EXHIBIT "A"



BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAI'I

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawai'i corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 Acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawai'i, Tax Map Key No. 3-8-03: 23 and 24	DOCKET NO. A97-722 CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Findings of Fact, Conclusions of Law, and Decision and Order was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

DEL. RICK EGGED, Director
Office of Planning
P. O. Box 2359
Honolulu, Hawaii 96804-2359

CERT. DAVID W. BLANE, Director of Planning
Planning Department, County of Maui
250 South High Street
Wailuku, Hawaii 96793

CERT. JEFFREY SCHMIDT, ESQ.
Corporation Counsel
Office of the Corporation Counsel
County of Maui
200 South High Street
Wailuku, Hawaii 96793

CERT. B. MARTIN LUNA, ESQ., Attorney for Petitioner
Carlsmith Ball Wichman Case & Ichiki
One Main Plaza, Suite 400
2200 Main Street
Wailuku, Hawaii 96793-1086

CERT. MARK SHEEHAN, Representing Intervenor
President, Maui Tomorrow
P. O. Box 429
Makawao, Hawaii 96768

DATED: Honolulu, Hawaii, this 22nd day of June 1998.

ESTHER UEDA
Executive Officer

Is your RETURN ADDRESS completed on the reverse side?

SENDER: A97-722/Maui Electric Company

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write *"Return Receipt Requested"* on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

David W. Blane
Director of Planning
Maui County Planning Dept.
250 South High Street
Wailuku, HI 96793

4a. Article Number: Z 445 897 926

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery: 6/23/98

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X

Thank you for using Return Receipt Service.

PS Form **3811**, December 1994 102595-97-B-0179 Domestic Return Receipt

Z 445 897 926

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail *(See reverse)*

Sent to: David W. Blane	
Street & Number: 250 South High Street	
Post Office, State, & ZIP Code: Wailuku, 96793	
Postage	$ 3.00
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	$ 5.45
Postmark or Date	

WAILUKU TOWN STATION JUN 22 1998 USPS

PS Form **3800**, April 1995

A97-722/Maui Electric Company

Is your RETURN ADDRESS completed on the reverse side?

SENDER: A97-722/Maui Electric Company

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "*Return Receipt Requested*" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Jeffrey Schmidt, Esq.
Corporation Counsel
Office of the Corporation Counsel
County of Maui
200 South High Street
Wailuku, HI 96793

4a. Article Number

Z 445 897 928

4b. Service Type

☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

6/23/98

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*

X

PS Form **3811**, December 1994 102595-97-B-0179 Domestic Return Receipt

Thank you for using Return Receipt Service.

Z 445 897 928

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail *(See reverse)*

Sent to: Jeffrey Schmidt, Esq.	
Street & Number: 200 South High Street	
Post Office, State, & ZIP Code: Wailuku 96793	
Postage	$ 3.00
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	$ 5.45
Postmark or Date	JUN 22 1998 USPS

PS Form **3800**, April 1995

A97-722/Maui Electric Company

Is your RETURN ADDRESS completed on the reverse side?

SENDER: A97-722/Maui Electric Company

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write *"Return Receipt Requested"* on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

B. Martin Luna, Esq.
Carlsmith Ball Wichman
Case & Ichiki
One Main Plaza, Suite 400
2200 Main Street
Wailuku, HI 96793-1086

4a. Article Number
Z 445 897 929

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
6-23-98

5. Received By: *(Print Name)*
Mercedes M. Obregon

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X Mercedes M. Obregon

Thank you for using Return Receipt Service.

PS Form **3811**, December 1994 102595-97-B-0179 Domestic Return Receipt

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Z 445 897 929

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail *(See reverse)*

Sent to B. Martin Luna, Esq.	
Street & Number 2200 Main St., Ste. 400	
Post Office, State, & ZIP Code Wailuku 96793-1086	
Postage	$ 3.00
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	$ 5.45
Postmark or Date	

PS Form **3800**, April 1995

A97-722/Maui Electric Company

Is your RETURN ADDRESS completed on the reverse side?

SENDER: A97-722/Maui Electric Company

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write *"Return Receipt Requested"* on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mr. Mark Sheehan
Maui Tomorrow
P. O. Box 429
Makawao, HI 96768

4a. Article Number

Z 445 897 930

4b. Service Type

☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

MAKAWAO HI JUN 23 1998 96768

5. Received By: *(Print Name)* Keoni Cabanting

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*

X Keoni Cabanting

Thank you for using Return Receipt Service.

PS Form **3811,** December 1994 102595-97-B-0179 Domestic Return Receipt

---

Z 445 897 930

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail *(See reverse)*

Sent to: Mr. Mark Sheehan	
Street & Number: P. O. Box 429	
Post Office, State, & ZIP Code: Makawao 96768	
Postage	$ 3.00
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	$ 5.45
Postmark or Date	

HONOLULU HI DOWNTOWN STATION JUN 22 1998

PS Form **3800,** April 1995

A97-722/Maui Electric Company

facsimile

TRANSMITTAL

MEMO: 6/12/98
From: Mark
To: Ester Ueada
Land Use Commission

Herewith is a copy of our Maui Tomorrow's response to Findings of Fact and Conclusions of Law and Order signed by Ms. Mattson.

We are faxing it to you to meet the 3-day reply requested. I will bring 15 copies with me to the meeting on Thursday.

Sincerely,

Mark Sheehan

Mark Sheehan

Landmark Maui Properties
Post Office Box 429
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LAND USE COMMISSION
STATE OF HAWAII
JUN 16 11 08 AM '98

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAI'I

In the matter of the petition of	]	DOCKET NO. A97-722
MAUI ELECTRIC COMPANY, LIMITED	]	
To Amend the Land Use District Boundary of Certain Lands Situated at Wailuku and Makawao Districts, Island of Maui, State of Hawai'i, Consisting of 65.7 Acres from The Agricultural to the Urban District	]	Maui Tomorrow's Response to the Proposed Findings of Fact and Conclusions of Law and Order

LAND USE COMMISSION
STATE OF HAWAII
JUN 16 11 08 AM '98

MAUI TOMORROW

Maui Tomorrow's Response to the Proposed Findings of Fact and Conclusions of Law and Order

Dated Makawao, Hawai'i this 15th day of June, 1998

Mark Sheehan, Pres. Maui Tomorrow

Maui Tomorrow wishes to thank the Land Use Commission for allowing us to intervene in this Petition. Maui Tomorrow feels that we have been able to raise a number of important issues. Unfortunately Maui Tomorrow, as would be the case for most non-profit community-based organizations, is unable to hire, at consumer expense, the enormous legal and technical resources available to a Petitioner such as MECO.

Maui Tomorrow begs the forgiveness of the Land Use Commission, if we have not always followed the exact legal protocols; Maui Tomorrow does thank the Commission for giving the citizens of Maui a chance to be heard. Maui Tomorrow hopes our objections to the Petition are appreciated and approved.

Maui Tomorrow is very disappointed with and is strongly opposed to the PROPOSED FINDINGS OF FACT, AND CONCLUSIONS OF LAW, AND DECISION AND ORDER proposed by Commissioner Joann Matson (henceforth referred to as "PROPOSED DECISION AND ORDER").

While many of the Findings of Fact are correct (Especially those Facts describing the chronology of the Petition and the hearing process), there are numerous substantive Findings of Fact that have been omitted or incompletely or inaccurately described. In addition, Maui Tomorrow believes that the Findings of Fact do not support the "Decision and Order". Finally, Maui Tomorrow believes that if the PROPOSED DECISION AND ORDER is adopted, the interests of Maui's community and residents will be compromised and Maui's Prime agricultural land will be unnecessarily diminished.

Many of the Findings of Fact have been ignored or incompletely or inaccurately described. Some examples follow:

1. People's sustenance depends more on a good food supply than on a high energy supply. Hawai'i currently imports approximately 86 percent of its food

supply. Currently, the Island of Maui is unable to provide all of its own food; most food is imported. Other food producing areas on which Hawai'i is dependent are being degraded, and rising, and world population is becoming a factor.

Approximately half an acre of agricultural land is required per person for sustainable agriculture, to produce food on a continuous basis for a long duration. The amount of prime agricultural land required to feed the resident population of Maui is slightly more than the amount of prime agricultural land currently available. The irreversible loss of 65.7 acres of Prime Agricultural land would be a significantly adverse impact.

2. The F.E.I.S. analysis failed to consider and the PROPOSED DECISION AND ORDER does not point out MECO's inadequate evaluation of future increases in oil prices resulting from the depletion of oil reserves globally. If this analysis of future oil prices were properly explored, it would become clear that an oil-burning power plant is not a wise use of this Prime Agricultural land.

3. The PROPOSED DECISION AND ORDER correctly points out MECO's inexpensive estimate of wind power costs (See Page 30, # 108). However, the Findings of Fact fails to compare the low capital cost of wind power with the higher capital cost of an oil-burning plant. This failure in making an explicit comparison may lead the L.U.C. to the false conclusion that the proposed oil-burning plant will be a less expensive solution to meeting Maui's energy demand.

4. MECO's petition and the Findings of Fact contained in the PROPOSED DECISION AND ORDER fail to analyze the difference between the need for base load as opposed to peak load. Such a distinction would greatly clarify the role of renewable technologies.

5. The Findings of Fact contained in the PROPOSED DECISION AND ORDER incorrectly assumes that a single energy alternative must entirely (100%) replace

an oil-burning plant. No Findings of Fact are presented to show why 100% oil-burning is necessary. Maui Tomorrow showed that there is a possibility of a mix of technologies. (For example, a feasible approach might be to utilize wind for 25%, photovoltaic for 25%, biomass for 25% and, oil-burning for 25%). Use of a mixture of technologies would reduce the need to convert Prime Agricultural land.

6. The Findings of Fact contained in the PROPOSED DECISION AND ORDER contains a major omission that seriously flaws the decision-making process.

The total real costs of the current MECO plan are inaccurately portrayed and calculated. One of the significant real costs, fuel costs, is ignored. The following calculations, utilizing the numbers given in the F.E.I.S., give a more accurate picture of the total real costs of this plant:

$417.6 million for the capital costs

Plus annual fuel costs:

44 trucks per day * 9,000 gallons/truck ==> 396,00 gallons / day

396,000 gallons * 365 days ==> 144,500,000 gallons of oil / year

144,500,000 gallons/year * $0.60/gallon ==> $86.7 MILLION/YEAR

If oil prices rise as predicted, then these fuel costs will rise, and therefore, the cost per year will increase. The customers (residents and businesses) will surely be forced to bear the burden of these hidden cost increases.

Other major operating costs that are conveniently ignored: road maintenance costs, potential spill clean-up costs, safety costs, pollution monitoring costs, future agricultural opportunity costs (due to the permanent loss of 65.7 acres of "Class A" land), and health costs to residents resulting from fuel oil burning.

7. This project does <u>not</u> yet have I.R.P. approval by the P.U.C. To-date the P.U.C. has only given permission to purchase the 65.7 acres.

A power plant, such as the one being proposed by MECO, should be part of an approved Integrated Resource Plan (I.R.P.). Approval for a power plant

should come from the Public Utilities Commission (P.U.C.), PRIOR to approval by the L.U.C.

8. Demand figures are presented only for years up to 1996. Available 1997 and 1998 electricity demand figure show a much lower rate of growth and a potential to delay the construction of this oil-burning power plant until the I.R.P. process can thoroughly review the alternatives.

9. MECO asserted that "The County of Maui supports the petition for District Boundary Amendment." The error lies in the fact that approval of such an amendment must be made by the County Council upon the advice of the Maui County Planning Commission. Clearly, the Planning Commission has given no such advice, and more importantly the County Council of Maui County has given no such approval.

The County Planning Department has given a recommendation; however and very significantly, the County Planning Department's role is much like the staff of the Land Use Commission. They can make recommendations, but they certainly do not approve land use changes.

10. MECO asserted that an IRP Advisory Committee has been involved in the IRP process. It should have been made clearer by MECO that the Advisory Committee has never voted to approve of this power plant nor has the IRP Advisory Committee ever voted to recommend that such a power plant be constructed.

Maui Tomorrow believes that the Findings of Fact do not support the "Decision and Order". Some examples follow:

1. The "PROPOSED DECISION AND ORDER" accurately reported that the Maui

County Planning Commission held a hearing on this petition on March 10, 1998 and that the Maui County Planning Commission did not recommend approval or denial of this petition. At that time, the commissioners raised a number of serious concerns, among these concerns are:

(a)"support more aggressive demand-side management"

(b)"review growth and demand projections"

(c)"consider rate control to protect consumers from rising oil costs"

(d)"make firm commitment to renewable energy with SPECIFIC goals and dates for implementation."

However the "PROPOSED DECISION AND ORDER" ignores those serious concerns of the Maui County Planning Commission. (The concerns will have to be addressed by the Maui County Council; however if the Council is unable to resolve these issues. there should be a condition inserted to have the land revert back to the Agricultural Land Use District.)

2. The "Order" contained in the "Decision and Order" ignores the Findings of Fact contained in the PROPOSED DECISION AND ORDER which states that wind-power is actually much cheaper for Maui than MECO's proposed, oil-burning power plant. See specifically Page 30, Finding of Fact #108, which states that the capital cost for wind generation will be only $13.3 million /10 MW. This cost for a wind facility compares to a higher cost of $17.8 million/10 MW for the oil-burning power plant. (Note: the $17.8 million figure for the oil-burning power plant is derived from a total cost of $417.6 million for a 232 MW facility.)

Not only will the capital cost, the fuel costs, and the fuel-trucking costs of the wind facility be cheaper than the MECO-proposed, oil-burning power plant, but there would be no fuel cost, no fuel-trucking cost, no air pollution, and, finally, no loss of prime agricultural land from a wind plant.

MECO's witnesses misled the L.U.C. by stating that wind power is not economical, "because of the high cost ... (of wind power which) cannot be

considered a feasible alternative to the proposed project." This statement is simply inaccurate, and MECO's own numbers prove it.

If the PROPOSED DECISION AND ORDER is adopted the interests of Hawaii's residents will be compromised and our precious Prime Agricultural land will be unnecessarily diminished. Some examples follow:

1. The proposed power plant plan is in direct contradiction to the State of Hawai'i's "Hawai'i Energy Strategy Program". In 1992, the Energy Policy Advisory Committee declared the following as part of the State of Hawai'i's "Hawai'i Energy Policy Plan";

(a)"Hawai'i's current over-dependence upon petroleum is of major concern. Aggressive implementation of cost-effective energy efficiency measures and diversification of energy supplies shall be given priority consideration in reducing this over-dependence and increasing energy security."

(b)"The state shall encourage the development of its renewable energy resources in a socially and environmentally sensitive and cost-effective manner."

(c)"Hawai'i's utility sector, whose dependence upon petroleum as its source of fuel far exceeds the national average, is significant because it presently has the greatest potential for improvement in the efficiency of energy use as well as for a major shift from oil to other sources in the near term."

(d)"World oil supplies are finite and prices are subject to sudden, extreme fluctuations which can threaten our economy's health. Oil endangers Hawai'i's fragile environment more than most other fuels."

(e)"Hawai'i businesses face high energy prices which reduce profitability and competitiveness, limiting funds available for expansion and job creation. Dollars spent for imported energy leave the islands and are not

available to the local economy. The state has long recognized its dependence on oil and the need to diversify its energy base."

2. The employment figures used in MECO's petition are very one-sided. They merely mention the added employment resulting from the construction and operation of the oil-burning power plant; MECO then argues that this will be a help to Maui's economy and development. The deception lies in the fact that there will be greater employment and more development from alternatives technologies.

3. This oil-burning plant will affect Maui's business climate.
The economy of the State of Hawai'i has been suffering for many years. The effects are well known and were aggressively addressed at the state legislature. But many of the causes of the slow-down result from reasons beyond the range of actions which the legislature can take. These primarily lie in the high costs of doing business in Hawai'i. For example, there are high costs of shipping goods to Hawai'i, as well as the high cost of gasoline which results in massive flows of dollars out of the state to non-Hawai'i oil companies.

If this power plant is approved the costs for businesses on Maui may unnecessarily rise to levels that will raise business expenses, may kill all profits, and probably will force businesses now having difficulties into bankruptcy. This will all be the result of rising fuel oil costs which will be passed on directly to businesses. Several alternative energy sources have NO fuel costs.

Other areas of the nation which do use alternative energy technologies will NOT be forced to incur business costs resulting from rising fuel expenses. Maui and all of Hawai'i will be at a competitive disadvantage, if we do not wean ourselves from reliance on burning oil.

4. Some sense of how the average Maui household's finances would be affected by this power plant can be seen in the following calculations:

MECO's petition shows 1.76 cents per KWH increase just for the capital cost construction of the power plant:

For an average household using 6,500 kWh year ==> +$114 / yr. /household

There will be additional costs:

Total trucking costs in present prices.

$9 million / 100, 000 households ==> +$90 / yr. / household

Fuel costs in 1998 prices

$86.7 million / 100, 000 households ==> +$867 / yr. / household

5. Dependance on an oil-burning power supply will mean that maui will be subject to potential disruptions to the island's oil supply security (e.g. wars, shipping strikes, oil boycotts). Alternative, indigenous energy production facilities would not be subject to those threats.

6. The effects on traffic are understated because only intersections were discussed. Road traffic has been ignored despite the fact that there will be 6 trucks per hour during peak traffic ==> one big, heavy, slow-moving truck every 10 minutes going up-hill on a highway that is seeing increased traffic use. There is little opportunity to pass on this narrow highway.

7. The higher road costs to support the heavy, 9,000 gallon tanker trucks are not shown. The PROPOSED DECISION AND ORDER indicates that added costs to maintain State and County roads will be paid for by Maui's customers.

8. MECO's Motivation to build a costly fuel-burning power plant is against the interests of the general public. Because of the way the P.U.C. allows utilities to set rates, it is MORE advantageous (PROFITABLE) for MECO to build a costly fuel-burning power plant than a less expensive alternative energy facility. This is because the P.U.C. allows the utility to get a certain rate of return on its capital costs. The bigger the plant; the higher the profits.

Furthermore, fuel costs can be directly passed on to the customers (the residents and businesses of Maui). Therefore, from MECO's point of view, there is little incentive to get away from an oil-burning power plant, and a considerable advantage to propose, construct and operate such an oil-burning power plant

It seems that MECO wants this oil-burning power plant as long as the people and businesses of Maui pay for the rising fuel costs and all the other hidden, but real, costs incurred. If MECO were forced to absorb the additional fuel and other real costs over the next thirty years, MECO would probably initiate more effective demand-side management programs, put in wind mills, and/or develop some other alternative energy technology.

9. MECO argued that "incremental districting is not required because full development of the subject property can substantially be completed within ten years after the date of the Land Use Commission's approval." This statement is untrue. The power plant is proposed to be constructed over several decades and in several phases. Consequentially, "incremental districting" should be required.

Just as Maui Tomorrow requested in its previous submissions of "Findings of Facts and Conclusions of Law", it again asks that the following Order be issued by the Land Use Commission.

PROPOSED ORDER

Whereas the Land Use Commission is unable to find adequate justification at this time for a boundary amendment re-classification from the agricultural to the urban district, this petition is hereby denied.

IN THE ALTERNATIVE,

(WHICH INTERVENORS BELIEVE SHOULD BE INAPPLICABLE)

CONDITIONS

1. No further re-zoning or re-classification permits or amendments should be applied for by Maui Electric Company, Limited until the Public Utilities Commission approves an Integrated Resource Plan which would allow for an oil-burning power plant at the proposed Waena site.

2. No power plant should be constructed or applied for by Maui Electric Company, Limited without first being in compliance with the State of Hawai'i General Plan, County of Maui General Plan, and the Wailuku-Kahului Community Plan which variously include the following objectives:

1. Dependable, efficient and economical energy systems

2. Increased self-sufficiency where the ratio of indigenous to imported energy use is increased

3. Greater energy security in the face of threats to Hawai'i's energy and supply systems

4. Promote the use of alternative energy sources, such as wind, biomass, and solar

5. Make Maui County more self-sufficient in its use of non-renewable energy and more efficient in its use of energy

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAI'I

In the matter of the petition of	]	DOCKET NO. A97-722
	]	
MAUI ELECTRIC COMPANY, LIMITED	]	
	]	
To Amend the Land Use District Boundary of Certain Lands Situated at Wailuku and Makawao Districts, Island of Maui, State of Hawai'i, Consisting of 65.7 Acres from The Agricultural to the Urban District	]	CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I hereby certify that a copy of Maui Tomorrow's Response to the Proposed Findings of Fact and Conclusions of Law and Order was served upon the following by U.S. Postal Service certified mail:

LAND USE COMMISSION
P.O. Box 2359
Honolulu, HI 96804-2359
Telephone: 808-587-3822
Fax: 808-587-3827

June 9, 1998

VIA CERTIFIED MAIL

Ms. Lisa Nuyen
Director of Planning
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250 South High Street
Wailuku, Hawaii 96793

B. Martin Luna, Esq.
Carlsmith, Ball, Wichman,
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Wailuku, Hawaii 96793-1086

Mr. Mark Sheehan, President
Maui Tomorrow
P. O. Box 429
Makawao, Hawaii 96768

Mr. Rick Egged, Director
Office of Planning
Department of Business,
Economic Development & Tourism
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dated Makawao, Hawai'i this 15th day of June, 1998

Mark Sheehan

Mark Sheehan, Pres. Maui Tomorrow

CARLSMITH BALL WICHMAN
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B. MARTIN LUNA 865-0
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Attorneys for Petitioner
MAUI ELECTRIC COMPANY, LIMITED

ORIGINAL

LAND USE COMMISSION
STATE OF HAWAII
JUN 15 3 43 PM '98

BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 Acres of Land at Wailuku and Makawao Districts, Maui, Hawaii, TMK 3-8-03:23 and 24	DOCKET NO. A97-722 MAUI ELECTRIC COMPANY, LIMITED'S STATEMENT OF SUPPORT FOR COMMISSIONER JOANN MATTSON'S PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER; CERTIFICATE OF SERVICE

MAUI ELECTRIC COMPANY, LIMITED'S STATEMENT OF SUPPORT FOR COMMISSIONER JOANN MATTSON'S PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER

I. INTRODUCTION

Pursuant to Section 15-15-82(c) of the Hawaii Administrative Rules ("HAR"), Maui Electric Company, Limited ("MECO") hereby submits this statement of support for Commissioner Joann Mattson's proposed Findings of Fact, Conclusions of Law , and Decision and Order ("Proposed FFCL"). The Proposed FFCL were prepared by Commissioner Mattson pursuant to Section 15-15-82(b), HAR, and they were subsequently served upon MECO.

MECO strongly supports the proposed FFCL. Each element is thorough, well reasoned, and consistently references the record of this proceeding. MECO has only a few comments regarding the Proposed FFCL, each of which relates exclusively to administrative details contained within the Proposed FFCL. MECO respectfully submits these proposed changes for consideration by the Commission in possible correction or clarification of Commissioner Mattson's Proposed FFCL.

II. COMMENTS

Proposed Finding no. 53, at p. 17, cites the Transcript of Proceedings for February 26, 1998, at p. 95. Petitioner respectfully submits that the citation should instead refer to p. 90 of the Transcript of Proceedings for February 26, 1998.

Proposed Finding no. 141, at p. 40, contains a typographical error where "sulfur dioxide" has been spelled "sulfer dioxide".

Proposed Finding nos. 206 and 207, at p. 60, refer to noise events that occur during the process of steam venting. Petitioner respectfully submits that these two Findings, which are currently located at the conclusion of the section discussing air quality, would more

appropriately be located with Proposed Finding nos. 178 through 193, which address the noise impacts of the proposed Waena Generating Station.

Proposed Finding no. 239, at pp. 69-70, recites that "the development of the Property for installation of the first unit of generation *by the year 2006* ..." (emphasis added). Petitioner respectfully submits that Proposed Finding no. 239 should instead state that: "the development of the Property for the installation of the first unit of generation *by the year 2004* ..." (emphasis added) or, alternatively, "installation of the first *58-MW* unit of generation by the year 2006" (emphasis added).

III. CONCLUSION

MECO wishes to state its firm support for the Proposed FFCL. The Proposed FFCL reflect a thoroughness and attention to detail, appropriately referenced to the record, which will ensure that the Commission's FFCL are reasonable, proper, and based upon a clear preponderance of the evidence before the Commission. MECO urges all Commissioners to approve Commissioner Mattson's Proposed FFCL, with or without the changes recommended by MECO. MECO believes, however, that incorporation of the aforementioned proposed changes will further strengthen the Commission's ruling in this case.

DATED: Honolulu, Hawaii, June 15, 1998.

B. MARTIN LUNA
ALLEN R. WOLFF
RANDALL H. ENDO
Attorneys for Petitioner
MAUI ELECTRIC COMPANY, LIMITED

BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A97-722
	)	
MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation,	)	CERTIFICATE OF SERVICE
	)	
To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 Acres of Land at Wailuku and Makawao Districts, Maui, Hawaii, TMK 3-8-03:23 and 24	)	

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document was duly served upon the following, at their last known address, by U.S. **certified** mail, postage prepaid, on the date indicated below:

J.P. SCHMIDT
Corporation Counsel
KELLY A. CAIRNS
Deputy Corporation Counsel
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MARK SHEEHAN, Representing Intervenor
President, Maui Tomorrow
P.O. Box 429
Makawao, Hawaii 96768

DATED: Honolulu, Hawaii, June 15, 1998.

B. MARTIN LUNA
ALLEN R. WOLFF
RANDALL H. ENDO

Attorneys for Petitioner
MAUI ELECTRIC COMPANY, LIMITED

BENJAMIN J. CAYETANO
GOVERNOR

ESTHER UEDA
EXECUTIVE OFFICER

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DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
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Fax: 808-587-3827

June 9, 1998

VIA CERTIFIED MAIL

Ms. Lisa Nuyen
Director of Planning
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250 South High Street
Wailuku, Hawaii 96793

Mr. Mark Sheehan, President
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Wailuku, Hawaii 96793-1086

Mr. Rick Egged, Director
Office of Planning
Department of Business,
Economic Development & Tourism
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Parties:

Subject: LUC Docket No. A97-722/Maui Electric Company, Limited

Pursuant to §15-15-82(b), Hawaii Administrative Rules (HAR), please find enclosed a copy of Commissioner JoAnn Mattson's proposed findings of fact and conclusions of law for the subject docket.

Pursuant to §15-15-82(c), HAR, each party may provide its position on the enclosed proposed findings of fact and conclusions of law within three (3) days of the date of service.

For your information, the action meeting on the subject docket has been tentatively scheduled for June 18, 1998.

Should you have any questions, please feel free to call me or Bert Saruwatari of our office at 587-3822.

Sincerely,

ESTHER UEDA
Executive Officer

EU:th

enclosure

cc: LUC (w/enclosure)
Ann Ogata Deal, Esq. (w/enclosure)

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Ms. Lisa Nuyen
Director of Planning
County of Maui
250 South High Street
Wailuku, HI 96793

4a. Article Number
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4b. Service Type
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US Postal Service
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Postage	$ 3.00
Certified Fee	1.35
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Restricted Delivery Fee	
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Return Receipt Showing to Whom, Date, & Addressee's Address	
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HI DOWNTOWN STA 96793

PS Form 3800, April 1995

A97-722/Maui Electric Company

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B. Martin Luna, Esq.
Carlsmith, Ball, Wichman,
Case & Ichiki
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Wailuku, HI 96793-1086

4a. Article Number
Z 445 897 932

4b. Service Type
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US Postal Service
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Street & Number 2200 Main St., Ste 400	
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Postage	$ 3.00
Certified Fee	1.35
Special Delivery Fee	
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TOTAL Postage & Fees	$ 5.45
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PS Form **3800**, April 1995

A97-722/Maui Electric Company

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3. Article Addressed to:

Mr. Mark Sheehan, President
Maui Tomorrow
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4a. Article Number: Z 445 897 933

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
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A97-722/Maui Electric Company

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAI'I

In the Matter of the Petition of MAUI ELECTRIC COMPANY, LIMITED, a Hawai'i corporation To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for Approximately 65.7 Acres of Land at Wailuku and Makawao Districts, Island of Maui, State of Hawai'i, Tax Map Key No. 3-8-03: 23 and 24	DOCKET NO. A97-722 PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER Proposed By: JOANN MATTSON Commissioner

PROPOSED FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND DECISION AND ORDER

Maui Electric Company, Limited, a Hawai'i corporation ("Petitioner"), filed a Petition for Land Use District Boundary Amendment on October 24, 1997, pursuant to chapter 205, Hawai'i Revised Statutes ("HRS"), and chapter 15-15, Hawai'i Administrative Rules ("HAR"), to amend the State land use district boundary by reclassifying approximately 65.7 acres of land situated in the Wailuku and Makawao Districts, island of Maui, State of Hawai'i, Tax Map Key No. 3-8-03: 23 and 24 ("Property"), from the State Land Use Agricultural District to the State Land Use Urban District to permit the construction of the Waena Generating Station.

The Land Use Commission ("Commission"), having heard and examined the testimony and evidence presented during the hearing; the Proposed Findings of Fact, Conclusions of Law, and Decision and Order of Petitioner, the Office of Planning ("OP"),

and Maui Tomorrow ("Intervenor"); and the responses filed by Petitioner, the County of Maui Planning Department ("Planning Department"), and Intervenor, hereby makes the following findings of fact, conclusions of law, and decision and order:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. On October 24, 1997, Petitioner filed a Petition for Land Use District Boundary Amendment ("Petition"). (OP 1, as mod.)

2. Petitioner Maui Electric Company, Limited, is a Hawai'i corporation whose business and mailing address is P.O. Box 398, Kahului, Maui, Hawai'i, 96733-6898. (New Finding)

3. By letter dated November 3, 1997, the Executive Officer of the Commission ("Executive Officer") deemed the Petition defective pursuant to section 15-15-50(f), HAR. (OP 2, as mod.)

4. By letter dated November 18, 1997, the Executive Officer deemed the Petition a proper filing as of November 7, 1997, upon review of the additional information submitted by Petitioner. (OP 3, as mod.)

5. On December 4, 1997, the County of Maui filed the Position of the Maui Planning Department in support of the Petition. (OP 6, as mod.)

6. On December 8, 1997, OP filed a Statement of Position of the Office of Planning in Support of the Petition. (OP 7, as mod.)

7. On December 22, 1997, Mr. Mark Sheehan, President, Maui Tomorrow, filed an application for leave to intervene ("Petition for Intervention"). (OP 8, as mod.)

8. On January 22, 1998, and by a written Order dated March 3, 1998, the Commission granted Maui Tomorrow's Petition for Intervention, provided that the scope of its intervention be limited to (i) air quality impacts of the proposed project; (ii) alternative sources, fuels, and processes; (iii) the cumulative impact of industrialization of the central valley area of Maui; and (iv) visual/aesthetic impacts of the proposed project from the surrounding roads. (OP 9, as mod.)

9. On February 3, 1998, the Commission held a prehearing conference on the Petition which was attended by all parties. (OP 10, as mod.)

10. On February 4, 1998, the Commission issued a Prehearing Order pursuant to section 15-15-57, HAR, which set forth the dates by which the parties were to file amended exhibit lists, exhibits, witness lists, memoranda, or other documentary information with the Commission. (New Finding)

11. On February 20, 1998, the Planning Department filed Objections of the Maui Planning Department to Intervenor Maui Tomorrow's Witness and Exhibit List. (New Finding)

12. On February 20, 1998, the parties filed a stipulation regarding Petitioner's witnesses. That stipulation set forth that all the witnesses for Petitioner listed on its witness list were accepted as expert witnesses and were deemed qualified to provide expert opinions in their respective fields.

(Stipulation Regarding Applicant Maui Electric Company, Limited's Witnesses, filed February 20, 1998.) (PET 8, as mod.)

13. On February 20, 1998, the parties filed a stipulation regarding non-contested issues. That stipulation set forth that Intervenor Maui Tomorrow did not contest the testimony of Petitioner's following expert witnesses, and that the testimony of such experts could be submitted in written testimony/reports that would be accepted into evidence: Glen Lau on geotechnical resources, natural hazards, geology, and soils; Amy Dunn on archaeological and cultural resources; Dr. Evangeline Funk on biological resources; and J. Michael Silva on electric and magnetic field analysis. Each of the foregoing individuals was later made available by Petitioner for examination at the hearings before the Commission. (Stipulation Regarding Non-Contested Issues, filed February 20, 1998. TR. 2/26/98, p. 111, ln. 11 to p. 114, ln. 22; TR. 4/8/98, p. 11, ln. 5 to p. 12, ln. 19; Petitioner's Exhibit Nos. D-11, D-13, D-14, and D-17) (PET 9, as mod.)

14. On February 24, 1998, Petitioner filed a Statement of Objections and Joinder in the Objections of the Maui Planning Department to Intervenor Maui Tomorrow's Witness and Exhibit List Dated February 18, 1998. (New Finding)

15. On February 26 and 27, 1998, the Commission conducted a hearing on the Petition pursuant to public notices published on December 5, 1997, in the Maui News and the Honolulu Star-Bulletin. (OP 11, as mod.)

16. At the February 26, 1998, hearing, the following individuals provided written public testimonies, which were admitted into evidence: G. Stephen Holaday; Harry H.K. Kameenui; Clyde Murashige; Terryl Vencl; Michael H. Lyons, II, and Robert T. Johnson; Lynne Woods; Warren Watanabe and Kenneth Okamura; and Richard Heede. The Commission also admitted into evidence as LUC Exhibit No. 1 a memorandum dated December 10, 1997, from Rae M. Loui, Deputy Director, Commission on Water Resource Management ("CWRM"), to Richard Egged, Jr., Director, OP. (TR. 2/26/98, p. 10, lns. 20-25, p. 11, lns. 10-25 to p. 12, ln. 1) (New Finding)

17. At the February 26, 1998, hearing, the following individuals appeared and testified as public witnesses and submitted written testimonies: Jeffrey Parker, Lucienne de Naie, and Daniel Grantham. In addition, the following individuals appeared and testified as public witnesses: Madelyn D'Enbeau, Diana Dahl, Glen Shepherd, David Patton, Tom Ulick, Scott Crawford, Marc Drehsen, and Constance Palmore. (TR. 2/26/98, pp. 16-69, 71-73) (New Finding)

18. On February 26, 1998, the Commission took a field trip to the Property in the afternoon. (New Finding)

19. On March 25, 1998, Petitioner filed a Motion to: (1) Preclude Intervenor Maui Tomorrow From Submitting Exhibits or Presenting Witnesses Not Identified by the Deadlines Established in the Commission's Prehearing Order (Filed February 4, 1998); (2) Limit the Testimony of Intervenor Maui Tomorrow's Expert Witnesses to the Subject Matter and Material Disclosed Pursuant

to the Commission's Prehearing Order; and 3) Restrict Intervenor Maui Tomorrow From Engaging in Repetitious and Duplicative Cross-Examination ("Motion"). On April 23, 1998, the Commission denied Petitioner's Motion. (TR. 4/23/98, p. 14, lns. 20-23) (New Finding)

20. The Commission continued the hearing on the Petition on April 8 and 9, and 23 and 24, 1998. The hearing on the Petition was completed on April 24, 1998. (New Finding)

21. At the April 8, 1998, hearing, the Commission admitted into evidence as LUC Exhibit No. 2 a memorandum from Don Hibbard, Administrator, Department of Land and Natural Resources, State Historic Preservation Division ("DLNR-SHPD"), to Esther Ueda, Executive Officer, Commission, dated February 9, 1998. At the April 9, 1998, hearing, the Commission admitted into evidence a letter from Rory Frampton, dated April 3, 1998. (TR. 4/9/98, p. 5, lns. 12-18) (New Finding)

22. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #1: To Preclude Admission of Maui Tomorrow's Exhibits 4 & 5 ("Motion in Limine #1"). On April 23, 1998, the Commission denied Petitioner's Motion in Limine #1. (TR. 4/23/98, p. 17, lns. 15-18) (New Finding)

23. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #2: To Preclude Testimony of Roy Smith and Erik Frye as Experts in Air Quality and Air Impacts ("Motion in Limine #2"). Petitioner orally moved to withdraw its Motion in Limine #2 on April 24, 1998, at which time the Commission granted

Petitioner's oral motion. (TR. 4/24/98, p. 5, lns. 14-25 to p. 6, lns. 1-7; p. 6, ln. 25 to p. 7, lns. 1-9) (New Finding)

24. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #3: To Preclude Testimony of Steven Moser as an Expert in Air Quality and Air Impacts ("Motion in Limine #3"). On April 23, 1998, the Commission granted Petitioner's Motion in Limine #3. (TR. 4/23/98, p. 106, ln. 25 to p. 107, lns. 1-11) (New Finding)

25. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #4: To Preclude Testimony of James Williamson as an Expert ("Motion in Limine #4"). Petitioner orally moved to withdraw its Motion in Limine #4 on April 24, 1998, at which time the Commission granted Petitioner's oral motion. (TR. 4/24/98, p. 5, lns. 14-25 to p. 6, lns. 1-7; p. 6, ln. 25 to p. 7, lns. 1-9) (New Finding)

26. On April 20, 1998, Petitioner filed Applicant's Motion in Limine #5: To Preclude Testimony of Dick Mayer and Ian Chan-Hodges as Experts ("Motion in Limine #5"). Petitioner orally moved to withdraw its Motion in Limine #5 on April 24, 1998, at which time the Commission granted Petitioner's oral motion. (TR. 4/24/98, p. 5, lns. 14-25 to p. 6, lns. 1-7; p. 6, ln. 25 to p. 7, lns. 1-9) (New Finding)

27. On April 23, 1998, Petitioner filed Applicant's Motion in Limine to Preclude Admission of Maui Tomorrow's Exhibits 2, 3 & 12 ("Motion in Limine"). On April 23, 1998, the Commission denied Petitioner's Motion in Limine. (TR. 4/23/98, p. 22, lns. 12-19) (New Finding)

28. At the April 23, 1998, hearing, the Commission admitted into evidence letters from Julie Higa, dated March 4, 1998; Mike Trotto, dated April 15, 1998; Tom C. Leuteneker, dated April 15, 1998; Michael J. Singlehurst, dated April 16, 1998; Fernando Ribao, Jr., dated April 16, 1998; and Tom Reed, dated April 20, 1998. (TR. 4/23/98, p. 4, lns. 10-25 to p. 5, ln. 1) (New Finding)

29. On April 24, 1998, Petitioner requested the Commission to strike any and all references to Mr. Paull and Mr. Schroeder's positions with the University of Hawai'i contained in the record, including Petitioner's witness lists. On April 24, 1998, the Commission granted Petitioner's request. (TR. 4/24/98, p. 6, lns. 8-25 to p. 7, lns. 1-9) (New Finding)

30. On May 1, 1998, the Commission filed:

- An Order Granting Request To Strike Any and All References To Mr. Paull and Mr. Schroeder's Positions with the University of Hawai'i Contained in the Record, Including MECO's Witness Lists;

- An Order Denying Maui Electric Company, Limited's Motion To:

    1) Preclude Intervenor Maui Tomorrow From Submitting Exhibits or Presenting Witnesses Not Identified by the Deadlines Established in the Commission's Prehearing Order (Filed February 4, 1998);

    2) Limit the Testimony of Intervenor Maui Tomorrow's Expert Witnesses to the Subject

Matter and Material Disclosed Pursuant to the Commission's Prehearing Order; and

3) Restrict Intervenor Maui Tomorrow From Engaging in Repetitious and Duplicative Cross-Examination.

- An Order Denying Applicant's Motion in Limine to Preclude Admission of Maui Tomorrow's Exhibits 2, 3 & 12;
- An Order Denying Applicant's Motion in Limine #1: To Preclude Admission of Maui Tomorrow's Exhibits 4 & 5;
- An Order Granting Oral Motion to Withdraw Applicant's Motion in Limine #2: To Preclude Testimony of Roy Smith and Erik Frye as Experts in Air Quality and Air Impacts;
- An Order Granting Applicant's Motion in Limine #3: To Preclude Testimony of Steven Moser as an Expert in Air Quality and Air Impacts;
- An Order Granting Oral Motion to Withdraw Applicant's Motion in Limine #4: To Preclude Testimony of James Williamson as an Expert; and
- An Order Granting Oral Motion to Withdraw Applicant's Motion in Limine #5: To Preclude Testimony of Dick Mayer and Ian Chan-Hodges as Experts. (OP 15, as mod.)

DESCRIPTION OF THE PROPERTY

31. The Property encompasses lands owned in fee by Petitioner, a subsidiary of Hawaiian Electric Company ("HECO"), which in turn is a wholly owned subsidiary of Hawaiian Electric Industries ("HEI"), a holding company with publicly traded stock. Petitioner is regulated by the Public Utilities Commission

("PUC"). (OP's Exhibit No. 1, p. 1; Petitioner's Exhibit No. A, pp. 5, 24) (OP 16, as mod.)

32. The Property is situated in the Wailuku and Makawao Districts, north of Waiko Road at its intersection with Pulehu Road, approximately one quarter mile above the Central Maui Sanitary Landfill and the Ameron HC&D Quarry on the island of Maui, State of Hawai'i. (Petitioner's Exhibit No. A, p. 2; TR. 2/26/98, p. 89, lns. 16-23) (OP 17, as mod.)

33. The Property is identified by Tax Map Key No. 3-8-03:23 and 24, consisting of 65.7 acres, inclusive of all existing easements identified as Easements 1-11. (Petitioner's Exhibit No. A, p. 2) (OP 18, as mod.)

34. The Property encompasses two adjacent parcels totaling approximately 65.7 acres. Parcel 23 is the smaller of the two parcels with a total acreage of 15.127 acres. Parcel 24 encompasses approximately 50.573 acres. (Petitioner's Exhibit No. A, p. 2; Petitioner's Exhibit No. 1 & 2, attachments; OP's Exhibit No. 1, p. 2) (OP 19)

35. The Property has 11 easements. Hawaiian Commercial & Sugar Company ("HC&S") holds 4 easements, identified as easements 1-4, within the Property for the maintenance and use of its irrigation ditch. Petitioner holds easements 5-11 for transmission line use. (OP's Exhibit No. 1, p.2; Petitioner's Exhibit No. A, Exhibit No. 2, Exhibit A, Exhibit B) (OP 20, as mod.)

36. The Property is currently leased to HC&S for sugarcane cultivation. The Property has been in sugarcane

cultivation for the past 2 years. (Petitioner's Exhibit No. A, pp. 2-3; Exhibit No. 2, Exhibit C) (OP 21, as mod.)

37. According to the letter of agreement, Petitioner agreed to lease the Property to HC&S on a month-to-month basis at no rent for sugarcane cultivation until the Property is required for development by Petitioner for utility purposes or until December 31, 2004, whichever comes first, or if cultivation of crops on the premises is no longer permissible by law. HC&S must use the Property solely for crop cultivation and ancillary agricultural activities. (OP's Exhibit No. 1, p. 2; Petitioner's Exhibit No. A, pp. 2-3; Exhibit No. 2-C) (OP 22, as mod.)

38. Lands immediately surrounding the site are owned by Alexander & Baldwin-Hawaii and are used for sugarcane cultivation. (OP's Exhibit No. 1, p. 4) (OP 24, as mod.)

39. Elevations on the Property range from approximately 335 feet above mean sea level ("MSL") on the western side nearer Pu'unene to approximately 365 feet above MSL on the eastern side near the intersection of Waiko and Pulehu Roads. The Property has a gently sloping topography, with an average slope from the southeast to northwest across the site of about one degree. (OP's Exhibit No. 1, p. 2; Petitioner's Exhibit No. A-4, p. 4-20) (OP 27, as mod.)

40. Surface water in the area is comprised of reservoirs, irrigation ditches, and intermittent natural streams within Kalialinui Gulch and Pulehu Gulch. Surface water runoff generated from the Property and adjacent areas is generally through a series of gulches extending from the upper slopes of

Haleakala towards the central isthmus area. The Property is drained by Kalialinui Gulch, located a quarter mile to the north, and by Pulehu Gulch, located a mile to the south of the Property. The proposed Waena Generating Station will be located approximately 1,000 feet from Kalialinui Gulch and 5,000 feet from Pulehu Gulch. (OP's Exhibit No. 1, pp. 3-4; Petitioner's Exhibit No. A-4, p. 4-33) (OP 28, as mod.)

41. The mountainous topography of both east Maui (Haleakala) and west Maui tend to channel prevailing winds through the central valley area. The sloping terrain from the shoreline to the higher elevation at the Property also tends to escalate the wind speeds. (Petitioner's Exhibit No. A-4, p. 4-24) (OP 29, as mod.)

42. The Property is underlain by a thin cover of topsoil lying on top of andesitic lava flows of the Kula Volcanic Series, which in turn overlie the main shield-building, predominantly tholeiitic lavas of the Honomanu Volcanic Series. These series erupted from Haleakala Volcano. (OP's Exhibit No. 1, p. 27; Petitioner's Exhibit No. A-4, pp. 4-20, 4-22) (OP 30, as mod.)

43. Subsurface conditions along the preferred and alternative line corridors are anticipated to generally consist of clays and clayey silts underlain by hard andesitic bedrock. The corridor along most of Pulehu Road extends across the youngest lava a'a flows in the study area and hard bedrock is anticipated to be present within about 3 feet below the existing ground surface. The remainder of the corridors cross over soils

consisting of alluvium derived from surrounding a'a flows and weathered volcanic ash. Hard bedrock is anticipated to be present at depths greater than 5 to 6 feet below the existing ground surface. (OP's Exhibit No. 1, p. 27; Petitioner's Exhibit No. A-4, Appendix D, p. 11) (OP 31, as mod.)

44. The Property is located in a dry area, with the median rainfall amounting to only 17 to 20 inches a year. Rainfall in the central Maui isthmus is evenly distributed, averaging approximately 28 inches a year over an area of approximately 200 square miles. The dry and windy conditions allow only a small percentage of rainfall to percolate deep enough below the ground surface to become groundwater recharge. (Petitioner's Exhibit No. A-4, pp. 4-1, 4-25) (OP 32)

45. The U.S. Department of Agriculture, Soil Conservation Service, Soil Survey of Islands of Kauai, Oahu, Maui, Molokai and Lanai, State of Hawaii, identifies the soils within the Property as belonging to the Waiakoa Series, silty clay loam occurring on 3 to 7 percent slopes. Waiakoa Series, silty clay loam is composed of generally stony soil, grading to hard bedrock within a depth of approximately 5 feet. Lava flows over the Property are a'a. Due to the undulating nature of the surface a'a flows, the depth of a'a bedrock will vary across the site and can range from 25 to 35 feet thick and consist of clinker zones above and below a massive, highly to moderately fractured a'a core. Runoff potential of this type of soil is slow to medium and the erosion hazard is slight to medium. (OP's Exhibit No. 1, p. 3;

Petitioner's Exhibit No. A-4, pp. 4-20, 4-23; Appendix D, p. 7; Petitioner's Exhibit No. A, p. 8) (OP 33, as mod.)

46. Surface soils along the preferred and alternate transmission line corridors have been classified as the Molokai Series (M), Paia Series (Pc), Waiakoa Series (W), Ewa Series (E), Iao Series (I), Alae Series (A), Pulehu Series (Ps), and Rockland (R). The Molokai and Paia soils evolved from weathered a'a lavas and volcanic ash. At the ground surface, they consist of silty clay loam, grading to saprolite then to soft, highly weathered rock at a depth of approximately six feet. The Ewa, Iao, Alae, and Pulehu Series consist of alluvial soils derived from the weathered a'a flows. The soils reach depths of greater than 5 feet, and range from loams to clays with varying amounts of sands, stones, and cobbles. The Alae soils also contain weathered volcanic ash. (OP's Exhibit No. 1, p. 3; Petitioner's Exhibit No. A-4, p. 4-22; Appendix D, pp. 7-8) (OP 34, as mod.)

47. The University of Hawai'i Land Study Bureau's Detailed Land Classification rates the productivity rating of soils. Productivity ratings range from "A" lands which are very productive to "E" lands which are considered unproductive for cultivated agriculture. The Land Study Bureau Detailed Land Classification (productivity rating) for the Property is "A." A rating of "A" means that the condition of the soil is very good for agricultural operations. (OP's Exhibit No. 1, p. 3; Petitioner's Exhibit No. A-4, p. 4-64; Petitioner's Exhibit No. A, p. 9) (OP 35, as mod.)

48. The Property contains land classified as Prime Agricultural Land according to the Agricultural Lands of Importance to the State of Hawaii map. (OP's Exhibit No. 1, p. 3; Petitioner's Exhibit No. A-4, p. 4-64; Petitioner's Exhibit No. A, pp. 9, 26) (OP 36, as mod.)

49. According to the Flood Insurance Rate Map, the Property has been classified as Zone C, indicating areas that experience minimal flooding, and not considered to be in a flood plain area. (OP's Exhibit No. 1, p. 3; Petitioner's Exhibit No. A-4, p. 4-25; Petitioner's Exhibit No. A, pp. 8, 21) (OP 37)

PROPOSAL FOR RECLASSIFICATION

50. The proposed reclassification will allow Petitioner to construct a new power generating facility in Central Maui which will: maintain an adequate system margin-of-reserve generating capacity; increase overall system reliability; replace older generation facilities scheduled for retirement; and provide additional capacity to meet projected demand for electric service. Petitioner proposes to develop the 232-megawatt ("MW") electrical generating station in four 58-MW phases. (Petitioner's Exhibit No. A-4, pp. ES-2, 2-5) (OP 38, as mod.)

51. At full buildout, the major components required to operate a 232-MW electrical generating station will include:

- Four diesel oil-fired 58-MW dual-train combined-cycle ("DTCC") units, exhausted to four two-flue 150-foot-tall stacks
- Four steam turbines ("STs")
- Four steam condensers

- Four control houses
- A control room, including control equipment, offices, file room, kitchen, restrooms, showers, lockers, and meeting room.
- Fire protection system
- Supply wells
- Water treatment facility
- Injection wells
- Water and air laboratory
- Maintenance shop
- Warehouse and storage areas
- Relay building
- Switch yard
- Fuel storage tanks
- Fuel storage tank berms
- Fuel unloading area
- Administration building
- Leach field
- Related 69-kilovolt ("kV") transmission line corridors
- Possible 12-kV distribution line corridors
- Possible gasoline storage area
- Possible transmission and distribution warehouse offices
- Possible transmission and distribution storage and parking area

(Petitioner's Exhibit No. A-4, pp. 3-1 through 3-5.) (OP 39, as mod.)

52. In each of the station's four 58-MW phases, a DTCC unit would be added to the station. Each DTCC unit would consist of two 20-MW combustion turbine ("CT") generators fitted with two heat recovery steam generators ("HRSGs") and one 18-MW ST generator. (Petitioner's Exhibit No. A-4, pp. ES-2, 3-5 to 3-6; TR. 2/26/98, p. 94, lns. 19-25 to p. 95, lns. 1 to 4; Petitioner's Exhibit No. C-7) (OP 40, as mod.)

53. The first of two 20-MW CT generators is planned to be installed at the Waena Generating Station in calendar year 2004. (TR. 2/26/98, p. 95, lns. 12 to 14; Petitioner's Exhibit No. A-4, p. 3-1; Petitioner's Exhibit No. C-6) (OP 41, as mod.)

54. The second CT unit will be installed in 2005. The HRSGs and an 18-MW ST generator will be added to the station in calendar year 2006 to complete the Phase I installation of the first of three DTCC units. The three remaining DTCC units to be installed, each comprised of similar CT, HRSG, and ST modules, are planned to be added to the station in the calendar years 2010 (Phase II) and 2016 (Phase III), and beyond 2020 (Phase IV). (Petitioner's Exhibit No. A, pp. 3-4; TR. 2/26/98, p. 89, ln. 19 to p. 90, ln. 13; Petitioner's Exhibit No. C-6, C-7, C-8, C-17; Petitioner's Exhibit No. A-4, pp. 2-7, 3-14) (OP 42, as mod.)

55. The existing Ma'alaea-Kealahou and Kanaha-Pukalani 69-kV transmission lines will be reconfigured through the proposed Waena Switchyard. As demand for more power increases, two new 69-kV transmission lines from the Property will be constructed to

connect with the Pu'unene and Pa'ia Sugar Mill substations to support any growth in demand for additional electricity. Pending demand requirements, two proposed 12-kV distribution lines from the Property to the Pu'unene area may also be added to these corridors. (Petitioner's Exhibit No. A-4, pp. 3-1, 3-6; Petitioner's Exhibit No. A, p. 3) (OP 43, as mod.)

56. In Petitioner's Application and Certificate of Service submitted to the PUC in February 1996, Petitioner requested approval to commit funds in excess of $500,000 to purchase the Property for the construction of the proposed Waena Generating Station. (OP's Exhibit No. 1, p. 11; TR. 2/26/98, p. 97, lns. 9-15; Petitioner's Exhibit No. A-4, p. 2-9; Petitioner's Exhibit No. C-115) (OP 54, as mod.)

57. In its Decision and Order No. 14674, the PUC approved Petitioner's request to commit funds for the acquisition of the Property and related easements and determined that said acquisition was reasonable and in the public interest. (OP's Exhibit No. 1, pp. 13-14; Petitioner's Exhibit No. C-115) (OP 55, as mod.)

58. Petitioner purchased the site in November 1996, at a cost of $1,847,648. The estimated cost for construction of the initial Phase I is approximately $105,370,000. Construction cost for the entire Waena Generation Station is estimated at approximately $417,559,668. Petitioner has estimated that the cost to rate payers will be an additional 1.76 cents per kilowatt-hour in 1997 dollars for the first DTCC unit. (Petitioner's

Exhibit No. A-4, pp. 3-14 to 3-15; TR. 2/26/98, p. 76, lns. 13 to 16; Petitioner's Exhibit No. A, Exhibit 2) (OP 56, as mod.)

59. The following table describes development timetable and costs for the project.

Project Cost and Schedule (1997 Dollars)

Project Component	Acreage	Cost	Construction Start	Operation Date
Land Costs	65.7	$1,847,648	n/a	1997
DTCC 1/				
Site Development	65.7	$105,370,000	2002	2006
DTCC 2	0	$96,857,000	2005	2010
Transmission Lines	n/a	$10,419,000	2003	2004-2020
Transmission & Distribution Facility	0	$5,900,000	2014	2016
DTCC 3	0	$100,318,000	2009	2016
DTCC 4	0	$96,848,000	2013	2020
Total Project Cost		**$417,559,668**		

(Petitioner's Exhibit No. A-4, p. 3-15; Petitioner's Exhibit No. C-8; Petitioner's Exhibit No. A, p. 4) (OP 57, as mod.)

60. The costs for the project do not include the costs for obtaining the diesel fuel, trucking the diesel fuel, and operating the Waena Generating Station. (Petitioner's Exhibit No. A-4, pp. 3-14 to 3-15; TR. 4/24/98, p. 156, ln. 19 to p. 160, ln. 23) (New Finding)

PETITIONER'S FINANCIAL CAPABILITY TO UNDERTAKE THE PROPOSED DEVELOPMENT

61. As a subsidiary of HECO which itself is a subsidiary of HEI, a publicly traded company, Petitioner has access to sufficient economic resources required to develop the

project. Petitioner is also able to issue bonds and stock to finance the project. (OP's Exhibit No. 1, p. 10; Petitioner's Exhibit No. A, pp. 5, 24) (OP 62, as mod.)

62. Petitioner's net income for the month of August 1997 was $1,525,414, with an accumulated year to date net income of $9,213,872. Petitioner's accumulated net income for the 12 months from August 1996 to August 1997 was $15,016,036. (Petitioner's Exhibit No. A, p. 5; Exhibit No. 5, p. 1-2; OP's Exhibit No. 1, p. 11) (OP 58, as mod.)

63. Petitioner must request authority from the PUC to make expenditures for construction of the proposed generating station and recapture costs through the electricity rate paid by Petitioner's customers. (OP's Exhibit No. 1, pp. 10-11; Petitioner's Exhibit No. A, p. 5) (OP 60, as mod.)

64. The proposed Waena Generating Station project will be funded through Petitioner's customer base and will not require expenditures by either the State of Hawai'i or the County of Maui. (OP's Exhibit No. 1, p. 10; Petitioner's Exhibit No. A, p. 5) (OP 59, as mod.)

STATE AND COUNTY PLANS AND PROGRAMS

65. The Property is designated within the State Land Use Agricultural District, as reflected on the Commission's official map, M-7 (Pa'ia). (New Finding)

66. The Property is currently designated as "Interim" under Maui County's Zoning Code. Use of the Property for the proposed generating station project will require a change in the current County zoning classification from "Interim" to "Heavy

Industrial." On November 20, 1997, Petitioner filed an application with the Planning Department for a change in zoning. (OP's Exhibit No. 1, p. 25; Petitioner's Exhibit No. A-4, p. 5-23; Planning Department Exhibit No. 1, p. 13) (OP 65, as mod.)

67. The Wailuku-Kahului Community Plan designation for the Property is "Agricultural." The proposal to construct and operate a generating facility will require a change in the existing Community Plan designation to "Heavy Industrial." On November 20, 1997, Petitioner filed an application with the Planning Department for a Community Plan Amendment. (OP's Exhibit No. 1, p. 25; Petitioner's Exhibit No. A-4, p. 5-20; Planning Department Exhibit No. 1, p. 11) (OP 66, as mod.)

68. Petitioner prepared and submitted a Final Environmental Impact Statement ("FEIS") for the proposed project as a requirement for the Community Plan Amendment for the County of Maui. (TR. 4/8/98, p. 172, lns. 14-17) (PET 43, as mod.)

69. The project's FEIS was accepted by the Planning Department on November 24, 1997. (TR. 4/8/98, p. 189, ln. 24 to p. 190, ln. 3; Petitioner's Exhibit Nos. C-103 and C-104) (PET 45, as mod.)

70. Although the Planning Department recommended approval of Petitioner's Community Plan Amendment and Change in Zoning request, the Planning Commission on March 10, 1998, voted to make no recommendation to the Maui County Council. (TR. 4/23/98, p. 73, lns. 10-25 to p. 74, lns. 1-8, p. 74, ln. 25 to p. 75, lns. 1-3) (OP 68, as mod.)

71. The County Planning Commission raised the following nine concerns that they wanted the County Council to consider.

- Address greater demand-side management and make efforts to cut demand through conservation.
- Re-review growth demand estimates and projections.
- Address rate control as an incentive to diversify from dependency on fossil fuels.
- Close the Ma'alaea and Kahului generating plants.
- Adhere to lighting standards by "night skies."
- Commit to renewable fuel technology or other alternatives by a certain time frame.
- Establish emission control monitoring so public has 24-hour access to inform authorities, especially Department of Health ("DOH").
- Further investigate Best Management Practices of Ammonia, sludge, and other potentially hazardous materials and wastes.
- Get involved in a county-wide energy symposium in order to get feedback from the public on energy resources.

(TR. 4/23/98, p. 75, lns. 3-25 to p. 76, ln. 1) (OP 69, as mod.)

72. The Property is not located within the County of Maui Special Management Area. (Planning Department Exhibit No. 1, p. 14) (New Finding)

NEED FOR THE PROPOSED DEVELOPMENT

Petitioner's Existing Service Area

73. Petitioner provides nearly all the electrical service to the residents and businesses of the County of Maui. The islands of Maui, Moloka'i, and Lana'i each have their own generation and transmission systems. (OP's Exhibit No. 1, p. 5; Petitioner's Exhibit No. A-4, p. 2-1) (OP 112, as mod.)

74. On the island of Maui, Petitioner serves over 91,000 residents with approximately 43,940 metered accounts. Maui County is the fastest growing County in the State. (OP's Exhibit No. 1, p. 5; Petitioner's Exhibit No. A-4, p. 2-1) (OP 113, as mod.)

75. From 1970 to 1980, Maui's population grew by 62.4 percent and increased by 45.4 percent during the period from 1980 to 1990. (Petitioner's Exhibit No. A-4, p. 2-1) (OP 92)

Petitioner's Existing Generating Resources

76. Petitioner operates and maintains a diverse variety of generating units of various capacities from 2.2 MW to 28 MW on Maui. These include ST generators, diesel engine generators, and CT generators. (TR. 4/8/98, p. 17, lns. 16-20) (OP 115, as mod.)

77. Petitioner presently owns and operates 22 generating units on Maui: 4 at Kahului and 18 at Ma'alaea. (OP's Exhibit No. 1, p. 5; Petitioner's Exhibit No. A-4, p. 2-1) (OP 116, as mod.)

Transmission and Distribution Resources

78. As power is generated on Maui, transformers boost the voltage to either 23 kV or 69 kV. The power is then transmitted through the 23-kV and 69-kV transmissions grids. When the power reaches the substations, the voltage is reduced from 69 kV and 23 kV to Petitioner's 12-kV and 4-kV. The power proceeds from the substations along streets and roads through overhead, or where necessary, underground distribution feeders, to small step-down distribution transformers. These transformers are located on poles or pads near the facilities they serve and are sized for the particular load and voltage required by the customer. The 69-kV system consists of approximately 96 miles of overhead lines, and the 23-kV system consists of approximately 137 circuit miles of overhead lines. (OP's Exhibit No. 1, p. 6; Petitioner's Exhibit No. A-4, p. 2-4) (OP 119, as mod.)

79. The proposed Waena Generating Station is required as a facility to: maintain an adequate system margin-of-reserve generating capacity; provide a system that meets the projected electrical demand; increase system reliability; replace older generation facilities scheduled for retirement; and provide dependable electrical service to its customers. (Petitioner's Exhibit No. A-4, pp. ES-2, 2-5; TR. 2/26/98, p. 90, lns. 13-25 to p. 91, lns. 1 to 5) (OP 84, as mod.)

80. The need for additional generating capacity was identified by Petitioner through the integrated resource planning ("IRP") process. (Petitioner's Exhibit No. A-4, p. 2-5) (OP 85, as mod.)

81. IRP is a PUC process, adopted in 1992, that governs all of the energy utilities in the State of Hawai'i. IRP is an ongoing process which results in a 20-year master plan for the near and long-term energy needs of all the utilities on all of the islands. (TR. 2/27/98, p. 149, lns. 23-25 to p. 150, lns. 1-7) (OP 86, as mod.)

82. IRP is intended to bring together representatives from Petitioner, government agencies, public groups, and individuals concerned with the environment, culture, businesses, and communities to participate in the energy planning process. (Petitioner's Exhibit C-13, p. 1-1) (OP 87, as mod.)

83. Petitioner's goal in the IRP process is to identify the resources or the mix of resources needed to meet near and long-term consumer energy needs in an efficient and reliable manner at the lowest reasonable cost. (Petitioner's Exhibit No. C-13, p. 2-1) (OP 88, as mod.)

84. IRP revolves around a three-year cycle to allow for resubmissions of the comprehensive plan with annual and updates such as status reports every year. (TR. 2/27/98, p. 150, lns. 8-11) (OP 89, as mod.)

85. Petitioner's IRP was a very comprehensive process. (TR. 2/27/98, p. 150, lns. 18-20) (OP 90, as mod.)

86. The IRP process evaluated the following issues:

- existing and forecasted demand for energy and capacity;
- existing and forecasted fuel prices;

- impacts of Demand-Side Management ("DSM") and conservation and energy efficiency programs on the demand for energy;
- existing firm capacity;
- maintenance and retirement schedules of generating units;
- existing Purchase Power Agreements ("PPAs") from independent power producers ("IPPs");
- proposals for future PPAs from IPPs.

(Petitioner's Exhibit No. A-4, pp. 2-5 to 2-6) (OP 91, as mod.)

87. Peak power demand by Petitioner's customers has increased an average of 5 percent per year between 1983 and 1996, from 95.4 MW to 174.8 MW. Peak power demand on the island of Maui is forecasted to increase steadily over the next 20 years at approximately 2.6 percent per year. It is anticipated that there will be a shortfall in Petitioner's system reserve margin by the year 2004, and that additional generation will be required through the year 2016. (Petitioner's Exhibit No. A-4, pp. ES-2, 2-5) (OP 93, as mod.)

88. DSM programs, which are a component of the IRP, were designed to influence customer consumption of electricity in a manner that will produce changes in the utility's demand. (OP's Exhibit No. 1, p. 24; Petitioner's Exhibit No. C-13) (OP 181, as mod.)

89. DSM is energy conservation to which Petitioner gives strong preference to energy conservation as a first resource

option to meet energy needs of its customers. (TR. 2/27/98, p. 153, lns. 20-25 to p. 154, lns. 1-3) (OP 182, as mod.)

90. Petitioner formed four DSM resource programs based upon the common end-uses and market segments that they address. These programs include the: Commercial and Industrial Energy Efficiency Program, Commercial and Industrial Customized Rebate Program, Commercial and Industrial New Construction Program, and Residential Efficient Water Heating Program. Potential programs include conservation, energy efficiency, load management, and fuel substitution. (OP's Exhibit No. 1, p. 24; TR. 2/27/98; p. 154, lns. 23-25 to p. 155, lns. 1-16) (OP 183, as mod.)

91. Petitioner's total firm capacity for the island of Maui, after completion of its second 58-MW expansion at Ma'alaea in the year 2001, will be 254 MW from Petitioner-owned plants and will enable Petitioner to meet demand forecasted through 2003. (OP's Exhibit No. 1, p. 12; Petitioner's Exhibit No. A-4, pp. 2-4, 2-6) (OP 94, as mod.)

92. After completion of the three additional units at Ma'alaea, the plant will have expanded to its full land capacity. The Kahului plant is also built to land capacity. (Petitioner's Exhibit No. A-4, p. 2-6; TR. 2/26/98, p. 91, lns. 6-14) (OP 95, as mod.)

93. Replacing or repowering existing units at the Kahului and Ma'alaea Power Plant is not feasible due to the high costs involved. (Petitioner's Exhibit No. A-4, p. 2-6; TR. 2/26/98, p. 91, lns. 6-9) (OP 96, as mod.)

94. Petitioner considers unit retirement dates as the unit approaches the end of a normal life expectancy. For different technologies, there are different retirement life expectancies. For STs, the life expectancy is 50 years; CTs, 35 years; and depending upon the size of the unit and operating speed, the life expectancy for diesel engines is 25 to 30 years. (TR. 04/8/98, p. 19, lns. 5-11.) (OP 97, as mod.)

95. Petitioner considers three major factors when making unit retirement determinations: availability of parts for the units, service reliability, and operating and maintenance costs. (TR. 04/8/98, p. 19, lns. 19-21) (OP 98, as mod.)

96. Petitioner's resource plan identifies the retirement of 17 older generating units producing a gross 112.64 MW of power over the next 20 years. (Petitioner's Exhibit No. A-4, pp. 2-6 to 2-7) (OP 99, as mod.)

97. Power produced by IPP is classified as either firm capacity or as-available capacity. Petitioner's resource planning can only evaluate producers of firm capacity. (Petitioner's Exhibit No. A-4, p. 2-6) (OP 100, as mod.)

98. The power provided by HC&S is classified firm capacity. The firm power contract with HC&S expires at the end of 1999 and its renewal is uncertain. Beginning in 2000, Petitioner has removed the 16 MW provided by HC&S from Petitioner's resource plan since Petitioner needs to pursue parallel planning in the event the PPA with HC&S is not renewed. (Petitioner's Exhibit No. A-4, pp. 2-8, 3-15) (OP 101, as mod.)

99. The power provided by Pioneer Mill Company is classified as-available capacity. Petitioner cannot rely on this source of power since the power is available only when the mill is producing electricity in excess of its own needs. Therefore, as-available capacity power is not included in Petitioner's resource plan. (Petitioner's Exhibit No. A-4, pp. 2-1, 2-6, 2-8) (OP 103, as mod.)

100. Petitioner is an isolated utility; therefore planning criteria requires higher levels of reliability than would mainland utilities that have interconnected grids and can rely on their neighbors to support those contingencies. (TR. 2/27/98. p. 167, lns. 4 - 7; p. 211, lns. 16-21) (OP 105, as mod.)

101. The proposed Waena Generating Station is designed to meet the increasing demand for electricity on the island of Maui and to improve system reliability. Based upon Petitioner's existing generation resources, resource planning, and planned addition of generation capacity over the next 20-30 years, the Waena Generation Station can accommodate changing public demands and allow for the flexibility of future designs and technologies. (Petitioner's Exhibit No. A, p. 12) (OP 106, as mod.)

102. Resources Planning has identified the need for additional units to the system beginning in the year 2004. (Petitioner's Exhibit No. A-4, p. 3-15) (OP 107)

103. Development of DSM energy programs will not offset the need for unit additions beginning in the year 2004. (TR. 2/27/98, p. 183, lns. 15-19; Petitioner's Exhibit No. A, p. 3-15) (OP 108, as mod.)

104. The scheduled retirement of older generation equipment can be deferred for a short time in order to accommodate permitting delays; however, this action does not ensure continued operating reliability nor offset the identified need for additional units beginning in the year 2004. (Petitioner's Exhibit No. A-4, p. 3-15) (OP 110, as mod.)

Alternate Energy Resources

105. Petitioner examined and evaluated the feasibility of employing biomass conversion, geothermal, hydroelectric, solar, wind, ocean thermal energy conversion ("OTEC"), and coal as alternatives to diesel fuel, and determined that these technologies had not reached a stage in either their development or commercial availability to provide cost-efficient firm generating capacity for the island of Maui. (TR. 4/23/98, p. 133, lns. 24-25 to p. 134, lns. 1-7; OP's Exhibit No. 1, p. 14; Petitioner's Exhibit No. A-4, pp. 3-19 to 3-27) (OP 121, as mod.)

106. Petitioner will continue to monitor these technologies for possible use should they become cost-effective. (Petitioner's Exhibit No. A-4, p. 3-41) (New Finding)

107. Petitioner is currently negotiating with a wind developer for a large MW-scale wind farm installation on Maui. ((Petitioner's Exhibit No. A-4, p. 3-24) (OP 137, as mod.)

108. As a part of the IRP process, Petitioner fully evaluated the alternative of a 10-MW wind farm in the Central Maui region near Ma'alaea. Cost of the 10-MW system was estimated at approximately $13.3 million. (Petitioner's Exhibit NO. A-4, p. 3-24) (New Finding)

Alternative Fuels

109. The CTs will be fueled by No. 2 diesel fuel. Petitioner, through its IRP process, also examined the feasibility of using alternative fuels other than diesel and coal for use with its conventional generation resources, such as propane, ethanol, methanol, orimulsion, coal slurries, municipal solid waste, naphtha, A-21, and landfill gas and digester gas. These alternative fuels are not feasible at this time for several reasons, including but not limited to, high costs, availability, and safety and design concerns. (OP's Exhibit No. 1, p. 17; Petitioner's Exhibit No. A-4, pp. 3-27 to 3-33) (OP 142, as mod.)

110. The generating units planned for the Waena Generating Station will have the capability to burn not only diesel fuel, but other gaseous fuels as well, should the technical feasibility and economics of alternative fuels be demonstrated in the future. The planned installation of units over a 30-year span will also allow Petitioner to take advantage of new technologies for power generation at such times as they may be appropriate. (TR. 4/23/98, p. 47, ln. 22 to p. 48, ln. 15; p. 64, lns. 3-11) (PET 103, as mod.)

Site Selection

111. To determine the optimal location for the proposed Waena Generating Station, several siting studies and site assessments were conducted between 1989 and 1995. The first island-wide study, Site Selection Study, Maui Electric Company, Ltd. (Stone & Webster, 1989), assessed ten candidate sites and identified three viable sites out of the ten for future generation

expansion. These three were the Kahului Power Plant, Pu'unene Sugar Mill, and the Ma'alaea Power Plant. (OP's Exhibit No. 1, p. 20; Petitioner's Exhibit No. A-4, p. 3-34) (OP 158, as mod.)

112. The second study, Candidate Sites Report and Preferred Alternative Site/Technology Report (Black & Veatch, 1991), screened the island of Maui for areas suitable for power plant development and identified the Central Maui isthmus as the most appropriate location for a new, stand-alone electrical generation facility. The assessment was based on compatible land uses, topographic slope, suitable land area, water availability, air shed availability, fuels logistics, transmission line integration, land uses, permitability, community acceptance, socioeconomics, and archaeology. (OP's Exhibit No. 1, p. 20; Petitioner's Exhibit No. A-4, p. 3-34) (OP 159, as mod.)

113. The Ameron Quarry, Pu'unene Airport, and Ma'alaea sites were identified as feasible locations for a power plant. After evaluating these sites with several technologies (atmospheric fluidized bed combustion (coal), coal gasification, and combined-cycle CTs) and an evaluation of 20 technical and environmental criteria, a combined-cycle CT arrangement at the quarry site was determined to be most suitable for Petitioner's future baseload power generation station, with the Pu'unene Airport site as an alternate. (OP's Exhibit No. 1, pp. 20-21; Petitioner's Exhibit No. A-4, p. 3-34) (OP 160, as mod.)

114. When Petitioner further evaluated the quarry and Pu'unene Airport sites, the owner for both sites, Alexander & Baldwin-Hawaii, raised concerns which resulted in the

identification of an alternate site approximately two miles southeast of Pu'unene Airport. This site was previously identified in the Candidate Sites Report and Preferred Alternative Site/Technology Report completed in 1991. Based on the findings of the environmental assessment prepared by Belt Collins (1992), the site, identified as site C-3, was a viable candidate for further consideration as a potential site for a Maui baseload generating station. (OP's Exhibit No. 1, p. 21; Petitioner's Exhibit No. A-4, p. 3-34) (OP 161, as mod.)

115. Further site evaluations in 1993 found site C-3 to be an acceptable location based on evaluations of several issues including those related to hazardous materials and groundwater issues. An air quality analysis study (Trinity Consultants, 1993) found the Central Maui area an acceptable location for a large baseload generating station. The air quality study also identified areas within the isthmus by the level of difficulty ascertained in obtaining air quality permits. Areas north of the quarry were discovered to have the highest level of difficulty. (OP's Exhibit No. 1, p. 21; Petitioner's Exhibit No. A-4, p. 3-34; Petitioner's Exhibit No. A-6) (OP 162, as mod.)

116. The MECO Central Maui Siting Study (Belt Collins, 1994) identified ten 50-acre candidate sites for evaluation. The identification of these sites was based on environmental and technical factors, such as air quality impacts, site soils, agricultural potential, visibility, and fuel transportation requirements. (Petitioner's Exhibit No. A-4, p. 3-36) (OP 163, as mod.)

117. Six of the ten sites were selected as "finalist" sites and analyzed further. The remaining four were rejected because they were either inferior or so similar to one of the six that individual analyses would not have been meaningful. (OP's Exhibit No. 1, p. 21; Petitioner's Exhibit No. A-4, p. 3-36; Petitioner's Exhibit No. A-6) (OP 164, as mod.)

118. Three sites identified as Site A-1, A-2, and D-1 ranked highest among the six "finalist" sites and were recommended for further analyses. After further evaluations and discussions with the DOH, Petitioner identified the region surrounding Sites A-1, A-2, and D-1 as primary areas of interest. The Central Maui Siting Study Air Quality Analysis by Trinity Consultants identified Site D-1 as having the best air quality. (TR. 4/8/98, p. 46, lns. 1-4; Petitioner's Exhibit No. A-4, pp. 3-36 to 3-37; OP's Exhibit No. 1, p.21; Petitioner's Exhibit No. A-6) (OP 165, as mod.)

119. The Environmental Screening and Siting Report for the Central Maui Generation Project (Dames and Moore, 1995) evaluated Sites A-1, A-2, and D-1 against several environmental factors, including: air quality, topography, soils, ground and surface water, aesthetics, noise, traffic, cultural resources, hazardous materials, botany, engineering considerations, and natural hazards. Baseline studies were conducted on each site and reports were prepared that outlined anticipated impacts of a 232-MW baseload generating station located on each of the three sites. As a result of the analysis, Site A-2 was identified as the most preferred of the three candidate sites. (OP's Exhibit

No. 1, p. 22; Petitioner's Exhibit No. A-4, p. 3-37; Appendix B2; Petitioner's Exhibit No. A-6) (OP 166, as mod.)

120. The MECO Generation Siting Study (Stone and Webster, 1995) conducted a final site evaluation of Sites A-2, C-3, and D-1. The evaluation was based upon more technical issues including but not limited to: constructability, modeled impacts to air quality, proximity to wells, need for infrastructure improvements to adjacent roadways, overall project schedule, and costs. Site A-1 was eliminated from further consideration because Sites A-1 and A-2 were in the same air quality area and Site A-2 ranked higher. Site D-1 was retained as a final candidate, because although it was found to be the least environmentally desirable site in the Pulehu area, it had been found to have the best air quality in previous analyses (Trinity Consultants, 1993). Site C-3 was included as one of the final sites since it was not being used for sugarcane, and the owner said it was available. (OP's Exhibit No. 1, p. 22; Petitioner's Exhibit No. A-4, p. 3-37; Appendix B3) (OP 167, as mod.)

121. As the result of this site analysis, Site A-2 was considered the preferred site for the proposed Waena Generating Station. (TR. 2/27/98, p. 126, lns. 24 to 25; Petitioner's Exhibit No. A-4, pp. 3-39, 3-41; Appendix B3; Petitioner's Exhibit No. A-6) (OP 171)

122. Of the three sites under consideration, Site A-2 had the least impact on: air quality, biological resources, area traffic and transportation, and infrastructure costs. (OP's

Exhibit No. 1, p. 22; Petitioner's Exhibit No. A-4, pp. 3-39; 3-41; Appendix B3; Petitioner's Exhibit No. A-6) (OP 172, as mod.)

123. Air quality constituted one of the more important environmental screening factors in the site selection process. Air quality modeling data, predicted air emissions, national ambient air quality standards, and the Federal Prevention of Significant Deterioration ("PSD") increment limits were utilized to screen the candidate sites. (TR. 2/27/98, p. 125, lns. 6-7; Petitioner's Exhibit No. A-4, pp. 3-37, 3-39) (OP 168, as mod.)

124. For air quality and health base standards, the recommendations are based on protecting the most sensitive individuals. The standards are based on protecting people with bronchial asthma. (TR. 04/08/98, p. 58, lns. 4-12) (OP 169)

125. Other factors were also considered by Petitioner in the site selection process for the proposed generation facility, including the compatibility of the proposed use of the site with the quarry, landfill, and the surrounding agricultural uses; its distance from more sensitive urban uses; and its centralized location within Petitioner's existing generation and transmission systems. (TR. 4/8/98, p. 157, lns. 8-18; OP's Exhibit No. 1, p. 22-23; Petitioner's Exhibit No. A-6) (OP 173, as mod.)

126. The site for the proposed Waena generating station, Site A-2, is central for Petitioner's transmission grid and populated areas. (TR. 4/08/98, p. 14, lns. 15-16) (OP 170, as mod.)

SOCIO-ECONOMIC IMPACTS

127. Upon full buildout of the plant, there will be approximately 20 shift personnel. In addition, there will be 26 non-operating personnel, for a total of 46 new employees. (TR. 4/8/98, p. 30, lns. 10-12; Petitioner's Exhibit No. A, p. 24; Petitioner's Exhibit No. A-4, pp. 4-71, 5-5) (OP 174, as mod.)

128. Petitioner plans to move the transmission and distribution facilities to Waena, which will include approximately 195 employees working on a 7 to 3:30 shift. The grand total of employees at full buildout will be about 241 people. (TR. 4/8/98, p. 30, lns. 14-18) (OP 176, as mod.)

129. The proposed facility will require between 80 to 100 construction workers during the initial installation. (OP's Exhibit No. 1, p. 56; Petitioner's Exhibit No. A, p. 24; Petitioner's Exhibit No. A-4, pp. 4-71, 5-5) (OP 177)

130. The electricity provided by the proposed generating facility will support continued economic expansion for the island and provide the necessary energy to support housing developments. (OP's Exhibit No. 1, p. 56; Petitioner's Exhibit No. A, p. 24) (OP 178, as mod.)

131. Construction of the Waena Generating Station will not have a significant impact on property values. (TR. 4/9/98, p. 103, ln. 8 to p. 108, ln. 6; Petitioner's Exhibit No. C-111) (PET 111, as mod.)

132. There would be no significant impacts on the value of the property immediately surrounding the Waena Generating Station. The only discernable impact to the property immediately

surrounding the project would be the minor effect on sugarcane production operations, such as crop dusting and harvesting activities caused by the physical presence of the structure on the Property and the erection of utility lines. (TR. 4/9/98, p. 103, ln. 8 to p. 108, ln. 6; Petitioner's Exhibit No. C-111) (PET 111, as mod.)

133. There may be a small effect on residential property values in the immediate vicinity of the facility, but the effect on property values diminishes to relatively minimal and becomes nonexistent as you proceed approximately one-half mile away from the facility. The residential development closest to the Property is located approximately 2½ miles away. (TR. 4/9/98, p. 110, lns. 1-7; p. 111, lns. 4-10; p. 114, lns. 4-13) (PET 113, as mod.)

IMPACTS UPON RESOURCES OF THE AREA

Agricultural Resources

134. Maui County has approximately 360,000 acres of land classified as farmland. Of this acreage, approximately 89,000 acres of land are considered cropland, of which 36,500 acres are cultivated by HC&S and 11,000 are cultivated by Maui Land and Pine Co., Ltd. The Property represents approximately 0.02 percent of Maui County's total farmland, 0.07 percent of Maui County's total cropland, and 0.18 percent of HC&S total acreage. (Petitioner's Exhibit No. A-4, pp. 4-68 to 4-69; Petitioner's Exhibit No. A, p. 26) (OP 189, as mod.)

135. The proposed reclassification of the Property from the State Land Use Agricultural District to the State Land

Use Urban District will remove approximately 65.7 acres of prime agricultural land from sugarcane cultivation. (Petitioner Exhibit No. A-4, p.4-69; TR. 4/23/98, p. 133, lns. 12-14; Petitioner's Exhibit No. A, p. 26) (OP 191, as mod.)

136. Although the proposed Waena Generating Station will remove 65.7 acres of prime agricultural land from active production, the power generated from this facility will support further expansion and diversification of agricultural activities on Maui. (OP's Exhibit No. 1, pp. 56-57; Petitioner's Exhibit No. A-4, pp. 4-69, 5-5; Petitioner's Exhibit No. A, p. 27) (OP 179, as mod.)

137. HC&S is undergoing expansion plans and will offset the loss of 65.7 acres of sugarcane land by expanding their acreage by 280 acres near Kuihelani Highway and adding another 1,100 acres of land formerly cultivated by Wailuku Agribusiness. (Petitioner Exhibit No. A-4,, p. 4-69; Petitioner's Exhibit No. A, p. 26) (OP 193)

138. A study entitled Potential Ethylene and Sulfuric Acid Impacts of Proposed Waena Generating Station was prepared by Robert E. Paull ("Paull") to evaluate the potential impact of ethylene and sulfuric acid ("H_2SO_4") emissions from the proposed generating station on surrounding agricultural areas. (Petitioner's Exhibit No. A-4, p. 4-17; Appendix C4) (New Finding)

139. The Paull study used models from the study prepared by Dr. Thomas A. Schroeder and Jim Clary & Associates on the Maui Vortex, a cyclonic eddy that is formed by winds flowing through the central Maui isthmus that travel along the coast and

encounter upwardly flowing winds along the slopes of Haleakala. The vortex is generally present during periods of regular tradewinds. With all four DTCC units operating, it would take 1,363 days of continuous vortex, with no loss of ethylene from the vortex, to reach a plant response threshold concentration of 0.01 microliters per liter. (OP's Exhibit No. 1, p. 46; Petitioner's Exhibit No. A-4, pp. 4-16 to 4-18; Appendix C3; Appendix C4) (OP 202, as mod.)

140. Given ethylene's normal lifetime of only 0.4 to 4 days and the highly unlikely event of experiencing 1,363 days of uninterrupted tradewinds to produce a continuous vortex, the ethylene impacts from the proposed generating station are not expected to have any adverse impact upon the surrounding agricultural environment. (Petitioner's Exhibit No. A-4, p. 4-18; Appendix C4) (New Finding)

141. Sulfer dioxide ("SO_2") is commonly produced as the result of fossil fuel burning. SO_2 is the main sulfer compound emitted into the atmosphere. This is oxidized to SO_3 that forms H_2SO_4 when hydrated. A major source of SO_2 in Hawai'i is volcanism. Symptoms of adverse impacts of high concentrations of SO_2 on plants includes bleached brownish or yellowish spots or blotches with areas of dead tissue. (OP's Exhibit No. 1, p. 46; Petitioner's Exhibit No. A-4, pp. 4-18 to 4-19; Appendix C4) (OP 204, as mod.)

142. Plant sensitivity to SO_2 varies. Some plant species (beans) are very sensitive, while others (celery, corn, potatoes) are quite tolerant. (OP's Exhibit No. 1, p. 46;

Petitioner's Exhibit No. A-4, p. 4-19; Appendix C4) (OP 205, as mod.)

143. The SO_2 level anticipated from the proposed generating station is less than the U.S. Environmental Protection Agency ("EPA") significance level of 5 micrograms per meter cubed. (OP's Exhibit No. 1, p. 46; Petitioner's Exhibit No. A-4, p. 4-18) (OP 207, as mod.)

144. Exposure of plants to H_2SO_4 can cause damage with a threshold for growth reduction being 0.5 parts per million ("ppm"). Assuming 100 percent of the SO_2 is converted into H_2SO_4, and that no H_2SO_4 decay occurs, the time required to reach an H_2SO_4 concentration of 0.01 ppm is 274 days, and that such infrequent and very low concentration is below the projected thresholds for plant chronic injury and concentrations would never reach acute plant injury concentrations. Other sources of H_2SO_4, which include sea spray, plants, algae, and bacteria, may be expected to have a more significant impact. (OP's Exhibit No. 1, p. 39; Petitioner's Exhibit No. A-4, p. 4-19; Appendix C3; Appendix C4) (OP 210, as mod.)

145. Based on the findings of the Maui Vortex study by Schroeder and Clary Associates, a persistent vortex would not result in significant concentrations of SO_2, nitrogen dioxide ("NO_2"), particulate matter less than 10 microns in diameter ("PM_{10}"), H_2SO_4, and ethylene. (OP's Exhibit No. 1, p. 46; Petitioner's Exhibit No. A-4, pp. 4-16 to 4-17; Appendix C3) (OP 201, as mod.)

146. The Maui County Farm Bureau concurs with the assessment that SO_2 and ethylene emissions from the proposed Waena Generating Station will not result in any harmful effects on new and existing crops grown commercially on Maui. (Letter from Warren Watanabe and Kenneth Okamura, dated February 10, 1998) (New Finding)

147. Haleakala National Park, approximately 12 miles southeast, is the closest area to the proposed Waena Generating Station having a Class I designation. (OP's Exhibit No. 1, p. 39; Petitioner's Exhibit No. A-4, p. 4-13, Appendix C2) (OP 208)

148. At the request of the U.S. Department of the Interior, National Park Service ("NPS"), deposition values were calculated for the amount of chemical concentrations which may be deposited on plants and in the soil thereby impacting sensitive plant species. The deposition levels for SO_2 and nitric acid were calculated based on the procedure contained in the Interagency Workgroup on Air Quality Modeling (IWAQM) Phase I Report: Interim Recommendation for Modeling Long Range Transport and Impacts on Regional Visibility (EPA, 1993). However, the NPS does not have any data on what deposition levels would adversely affect Haleakala National Park. The NPS will need to assess the potential impact on plant species by conducting detailed threshold analyses for specific plant species and soil conditions within the park. (OP's Exhibit No. 1, p. 39; Petitioner's Exhibit No. A-4, p. 4-13; Appendix C2) (OP 209, as mod.)

Flora and Fauna

149. A biological survey, prepared by Botanical Consultants, surveyed the Property and the preferred and alternative transmission line corridors. No rare or endangered species of plants or animals, or species listed as candidate for such status, were found either on the Property or within the preferred or alternative transmission line corridors. (OP's Exhibit No. 1, p. 45; Petitioner's Exhibit No. A-4, pp. 4-34 to 4-36; Appendix F) (OP 200, as mod.)

150. Neither the Hawaiian hoary bat or the Hawaiian owl was observed during the survey. Hawaiian hoary bats are known to roost at higher elevations. Although the Hawaiian hoary bat was not observed during the survey periods, they have been recorded at elevations as low as 400 feet and within gulches, and it is likely that they utilize the air space above the Property. However, no habitat conducive to bat roosting or forging exists on the Property. (OP's Exhibit No. 1, pp. 46-47; Petitioner's Exhibit No. A-4, p. 4-36; Appendix F) (OP 211, as mod.)

151. Three reservoirs in the area (designated by HC&S as 80, 84, and 52), in addition to being integral to sugarcane production, also serve as wildlife habitats. Two Hawaiian stilts were observed during a site reconnaissance at reservoir 80 (Petitioner's Exhibit No. A-6, Exhibit 6B, Appendix B, p. 3) (OP 212, as mod.)

152. The nearest HC&S reservoir is approximately 2,000 feet from the boundary of the Property. (Petitioner's Exhibit No. A-4, pp. 4-33 to 4-34) (OP 213)

153. The proposed Waena Generating Plant is not expected to have a significant negative impact on flora or fauna communities because construction and operation of the plant will occur on lands presently under sugar cultivation. Further, the Property has almost no value as native bird habitat. None of the species observed on the Property are listed as threatened or endangered, or candidates for the threatened or endangered species list. (OP's Exhibit No. 1, p.47; Petitioner's Exhibit No. A-4, p. 4-36) (OP 214, as mod.)

Archaeological Resources

154. The documentary research provided no evidence of prehistoric sites or utilization of the area. An archaeological inventory survey of the Property and the proposed and alternative transmission line routes was conducted by Scientific Consultant Services, Inc., dated April 1997. No archaeological resources were identified in any of the proposed transmission line corridors or at the Property. (Petitioner's Exhibit No. A-4, p. 4-37; Appendix G; OP's Exhibit No. 1, p. 45) (OP 215, as mod.)

155. In a letter dated August 29, 1997, the DLNR-SHPD provided the following comments: "We concur with the findings that no significant historic sites are located on the subject property. Historic to modern sugarcane production and access road construction have destroyed all previous vestiges of the landscape, making it unlikely that significant historic sites survive. We therefore find the proposed construction of the power line to have 'no effect' on known historic resources."

(Petitioner's Exhibit No. A-4, pp. 4-37 to 4-38; Appendix G; OP's Exhibit No. 1, p. 45; LUC Exhibit No. 2) (OP 216, as mod.)

Groundwater Resources

156. The Property is located in the Pa'ia Aquifer System, one of four aquifer systems within the Central Maui Hydrologic Sector of the Central Maui isthmus. Rainfall in Central Maui averages approximately 28 inches per year, over an area of approximately 200 square miles. Due to dry and windy conditions, only a small percentage of rain infiltrates deep enough to become groundwater recharge. The Property is located in a dry area with the median rainfall amounting to 17 inches a year. (OP's Exhibit No. 1, p.25; Petitioner's Exhibit No. A-4, p. 4-25; Appendix E) (OP 217, as mod.)

157. The Pa'ia Aquifer System covers an area of 61 square miles and has a sustainable yield of 8 million gallons per day ("mgd"). Significant amounts of water recharge around the Property results from excess sugarcane irrigation in the area. The sustainable yield of 8 mgd represents only natural recharge from rainfall and does not include the large amounts of artificial recharge resulting from drip irrigation of the surrounding sugarcane fields. (OP's Exhibit No. 1, p. 26; Petitioner's Exhibit No. A-4, p. 4-25; Appendix E) (OP 220, as mod.)

158. The lands surrounding the Property are irrigated with surface waters collected from various streams on the windward slopes of East Maui by an elaborate irrigation ditch system operated by HC&S. Water from this system is distributed throughout the Pa'ia Aquifer System by the Haiku, Lowrie,

Kauhikoa, and Hamakua Ditches. The system extends 4 miles inland, 1 mile seaward, and more than 2 miles on either side of the Property. (OP's Exhibit No. 1, p. 25; Petitioner's Exhibit No. A-4, p. 4-26; Appendix E) (OP 219, as mod.)

159. Groundwater with chloride levels higher than 250 milligrams per liter ("mg/l") is classified as non-potable. The basal groundwater throughout the central isthmus generally contains chloride levels higher than 250 mg/l and is classified as non-potable. (OP's Exhibit No. 1, p. 26; Petitioner's Exhibit No. A-4, pp. 4-25 to 4-26; Appendix E) (OP 221, as mod.)

160. Certain areas, such as near the Property, contain significantly lower chloride levels because the irrigation ditch system contributes to a significant amount of artificial recharge in the area, which dilutes the chloride and significantly lowers the chloride content of the groundwater. The ditch system distributes approximately 164 mgd of surface water to the Pa'ia Aquifer and contributes a significant but undetermined amount of fresh irrigation water recharge in the area, resulting in lower chloride levels. (OP's Exhibit No. 1, p. 26; Petitioner's Exhibit No. A-4, pp. 4-25 to 4-26; Appendix E) (OP 222, as mod.)

161. The CWRM provided the following comments:

"The CWRM is currently in the process of assessing recharge from irrigation and other sources and assessing the effect on the net sustainable yield. Furthermore, while estimates of drawdown and water quality appear to be reasonable, these issues will be further addressed, and possibly validated via pump tests during the well construction and pump installation

permitting phase." (OP's Exhibit No. 1, p. 26; LUC Exhibit No. 1) (OP 224, as mod.)

162. Groundwater on the Property is developed from a dozen or more wells and shafts. Most of the water is used for sugarcane irrigation, with small amounts used for landscape irrigation and industrial purposes. (OP's Exhibit No. 1, p. 27; Petitioner's Exhibit No. A-4, p. 4-26; Appendix E) (OP 226, as mod.)

163. The Property is surrounded by five large capacity wells within a 3-mile radius. These wells produce 80.6 mgd of non-potable water for irrigation. Other wells within the 3-mile radius include 3 monitor wells in the Central Maui Landfill. These wells provided data on groundwater quality expected on the Property. (OP's Exhibit No. 1, p. 27; Petitioner's Exhibit No. A-4, Appendix E) (OP 227, as mod.)

164. The wells nearest the Property are in the existing Central Maui Landfill. The nearest producing well is HC&S' Pu'unene Pump 6 located 1.5 miles downslope of the Property and has a chloride content reported at between 335 to 490 mg/l. (OP's Exhibit No. 1, p. 27; Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 228, as mod.)

165. There are no existing municipal wells near the Property or elsewhere in the Central Hydrologic Sector. (OP's Exhibit No. 1, p. 28; Petitioner's Exhibit No. A-4, Appendix E) (OP 229, as mod.)

Scenic/Visual Resources

166. The Property is situated within an area of gently sloping terrain which extends to the slopes of Haleakala. There are few significant topographic barriers to limit views. The area surrounding the Property is in active sugarcane production. (OP's Exhibit No. 1, p. 47; Petitioner's Exhibit No. A-4, p. 4-38) (OP 230, as mod.)

167. The proposed 232-MW Waena Generating Station will constitute a relatively large industrial complex. The structures housing the generating machinery, support equipment, and offices will be between 15 and 70 feet high and will cover approximately 25 acres. The four stacks will be 150 feet high and 24 feet in diameter. (OP's Exhibit No. 1, p. 47; Petitioner's Exhibit No. A-4, p. 4-39) (OP 231)

168. Petitioner analyzed the visual impacts of the proposed project in terms of distance, screening (vegetation), and backdrop (mountains), and provided computer generated photographic simulations to access the impact of the proposed facility on surrounding scenic features. The facility would not have an adverse impact upon the area's visual resources because of the proposed facility's large distance from sensitive viewer locations. The generation station and exhaust stacks will represent only a co-dominant feature within the landscape up to 3 miles distance, and only a subordinate feature within the landscape beyond 3 miles. Large distances from viewing locations will make the apparent size of the facility small to the viewer and should not become a focus of attention. (OP's Exhibit No. 1,

p. 47; Petitioner's Exhibit No. A-4, pp. 4-41, 4-51) (OP 232, as mod.)

169. Haleakala National Park is classified as Class I under the Clean Air Act. To determine the impact of the plume from the four 58-MW units in the generating plant on the visibility in Haleakala National Park, Petitioner used the EPA VISCREEN model recommended by the NPS. The VISCREEN model assesses the visibility of a plume, not whether the plume contributes to reductions in general visibility. (OP's Exhibit No. 1, pp. 47 and 48; Petitioner's Exhibit No. A-4, p. 4-15; Appendix C2) (OP 233, as mod.)

170. When the level-1 analysis was performed for the proposed Waena Generating Station, potentially significant impacts were identified. Therefore, a level-2 analysis was performed. The onsite meteorological data were used for this visibility analysis. The Haleakala National Park is downwind from the Property only when wind directions are between 290° and 315°. Therefore, wind vector data in sectors to the east-southeast, southeast, and south-southeast were used in the analysis. The worst-case plume dispersion conditions were determined following the EPA guidance. The proposed Waena Generating Station is not anticipated to exceed the Class I Area Screening Criteria inside Haleakala National Park. (Petitioner's Exhibit No. A-4, p. 4-15; Appendix C2) (New Finding)

171. The NPS provided the following comments on potential visible plume impacts inside Haleakala National Park:

"The Level 2 VISCREEN visibility analysis indicates that the Waena project will not impact the park with a coherent plume." (OP's Exhibit No. 1, p. 48) (OP 234, as mod.)

172. Lighting used within the plant for nighttime security and operations will be visible to residents located upslope of the Property due to the absence of other urban uses surrounding it and the overall size of the proposed facility. Some night glow impacts will be noticeable to Upcountry residents from reflective lighting and general multiple light sources at the facility. These impacts will lessen with the distance and will diffuse into the ambient background within the 4 miles to the nearest Upcountry residents. (OP's Exhibit No. 1, p. 48; Petitioner's Exhibit No. A-4, pp. 4-51 to 4-52) (OP 235, as mod.)

173. Impacts from night lighting at the plant will be mitigated by properly shielding all outside lighting to direct light downward and pavement will be made as non-reflective as possible. Petitioner will avoid the use of halogen or intense white lights. The project will not have a negative impact on the visual character of its immediate environs and will not have an adverse impact to scenic views or vistas related to coastal areas within the Central Maui region. (OP's Exhibit No. 1, p. 48; Petitioner's Exhibit No. A-4, p. 4-52) (OP 236, as mod.)

174. Visual impacts will be mitigated through landscaping and choices of paint colors appropriate to the area. The color of the facility and its exhaust stacks will be blended with the tones of the background landscape to minimize the visible

impact of the facility on the surrounding environs. A landscaping plan is being developed to assist in the overall visual mitigation. Landscaping will be installed during Phase I to allow for full maturation of vegetation by the installation of the final phase. (OP's Exhibit No. 1, p. 48; Petitioner's Exhibit No. A-4, p. 4-52) (OP 237, as mod.)

175. The landscape buffer will be outside of the security fence. The fence is needed for security and the landscaping will screen the industrial feeling the fence might have. (TR. 4/8/98, p. 161, lns. 8-14) (OP 238)

176. The fence will be around 12 feet tall. Many of the trees Petitioner is proposing for the screening will have a mature height of 40 feet. The mass (of trees) would be between 10 to 20 feet high. (TR. 4/8/98, p. 161, lns. 16-25) (OP 239, as mod.)

177. It is anticipated that any visual impact from the proposed generating plant will be obscured within a year to a year and a half. (TR. 4/8/98, p. 162, lns. 8-11) (OP 240, as mod.)

ENVIRONMENTAL QUALITY

Noise

178. Two different noise level regulations are available for assessing noise impacts from the proposed Waena Generating Station: DOH noise regulations under Title 11, Chapter 46 Community Noise Control; and the U.S. Department of Housing and Urban Development ("HUD") noise regulations. (OP's Exhibit No. 1, p. 42; Petitioner's Exhibit No. A-4, p. 4-55; Appendix H) (OP 242, as mod.)

179. DOH noise regulations under Title 11, Chapter 46 Community Noise Control, are expressed in maximum allowable property line noise limits, which cannot be exceeded for more than 2 minutes in any 20-minute time period. For properties zoned for agricultural use, the noise limits are 70 dBA for both the daytime and nighttime periods. (OP's Exhibit No. 1, p. 42; Petitioner's Exhibit No. A-4, p. 4-55; Appendix H) (OP 243, as mod.)

180. HUD noise regulations indicate that an exterior day-night noise level of 65 Ldn or less is considered normally acceptable for residential housing developments. Because there are no housing developments located in the vicinity of the Property that was constructed using federal funds, the HUD noise regulations do not apply. Therefore, the HUD regulations can only be used as a guideline. (OP's Exhibit No. 1, p. 42; Petitioner's Exhibit No. A-4, p. 4-56; Appendix H) (OP 244, as mod.)

181. Studies prepared by Dames and Moore, 1995, and Belt Collins, 1992, measured short-term daytime background ambient noise levels in the vicinity of the Property with average values ranging from 54 to 60 dB, well below the 70 dBA DOH property line noise limit for agricultural and industrial uses. (OP's Exhibit No. 1, p. 42; Petitioner's Exhibit No. A-4, p. 4-56; Appendix H) (OP 245, as mod.)

182. An acoustic study of existing and anticipated noise conditions at and adjacent to the proposed Waena Generating Station was prepared by Y. Ebisu & Associates in May 1997. (Petitioner's Exhibit No. A-4, p. 4-52; Appendix H) (New Finding)

183. Ebisu & Associates used the hourly average (Leq(h)) and Ldn noise descriptors to describe existing and future noise levels on the Property and to evaluate the risks of exceeding the 70 dBA DOH noise limit along the Property boundary lines of the proposed generating plant. (OP's Exhibit No. 1, p. 43; Petitioner's Exhibit No. A-4, Appendix H) (OP 247, as mod.)

184. The study analyzed existing background ambient noise levels at several locations: 50 feet from Dairy Road, areas removed from existing developments, and areas closest and normally downwind of the Property to measure varying noise levels. At 50 feet from the roadway centerline of Dairy Road, average daily traffic noise level was estimated to be 68 Ldn, and considered to be typical for major roadways in the area, such as Hana Highway and Haleakala Highway. The results of the measurements in the areas removed from the major roadways demonstrated that existing background ambient noise levels are very low, and ranged from 35 to 44 Leq. Existing background noise levels in the communities closest to the Property are believed to be very low and similar to those measured at the other locations, particularly if they are removed from major roadways. (OP's Exhibit No. 1, p. 43; Petitioner's Exhibit No. A-4, p. 4-58; Appendix H) (OP 248, as mod.)

185. Anticipated future noise emission levels from the proposed Waena Generating Station were evaluated for the four phases of planned station expansion. The closest noise sensitive properties to the proposed generating station are day-care and social services facilities located in Pu'unene, beyond 2 miles

from the Property. Residences in the other closest communities of Kahului, Pukalani, Pa'ia, Spreckelsville, and Waiakoa are located beyond 3 miles from the station. (OP's Exhibit No. 1, p. 43; Petitioner's Exhibit No. A-4, p. 4-58; Appendix H) (OP 249, as mod.)

186. Using a Linear-Weighting filter (instead of the A-weighting filter), the predicted noise levels from the proposed generating station at the communities of Pu'unene, Kahului, Pukalani, Pa'ia, Spreckelsville, and Waiakoa ranged from 19.7 to 36.2 dBL for Phase I; 22.7 to 39.2 dBL for Phase II; 24.5 to 41.0 dBL for Phase III of the development; and 25.7 to 42.2 dBL for Phase IV of the development. Due to the large separation distances between the Property and the nearest communities, the predicted dBA levels are approximately 28 dB units less than the dBL values measured in these communities and should not be audible at the levels computed with the Linear-Weighting filter. Even with the added 12 dB of reduced attenuation due to sound ducting (worst case scenario), predicted noise from the proposed generating station should not be audible. (OP's Exhibit No. 1, pp. 43-44; Petitioner's Exhibit No. A-4, Appendix H) (OP 250, as mod.)

187. Measured background ambient noise levels at the surrounding communities also indicate that the predicted sound levels from the proposed Waena Generating Station probably will be inaudible during even the nighttime and early morning hours. (OP's Exhibit No. 1, p. 44; Petitioner's Exhibit No. A-4, Appendix H) (OP 251)

188. The noise levels generated by the generating station at full buildout would exceed the DOH 45 dBA night time Class A residential and preservation zone noise limits at locations up to 4,600 feet from the station boundaries. Therefore, future development of lands for residential/ preservation uses within 4,600 feet and for commercial/multi-family uses within 2,500 feet should be discouraged unless it can be demonstrated that local shielding effects from buildings, tanks, etc. on the Property allow for shorter buffer areas. (OP's Exhibit No. 1, p. 44; Petitioner's Exhibit No. A-4, pp. 4-61 to 4-62; Appendix H) (OP 252, as mod.)

189. Compliance with the DOH 70 dBA standard along the station's property lines is expected following completion and operation of all four DTCC units. (Petitioner's Exhibit No. A-4, p. 4-61; Appendix H; Petitioner's Exhibit No. D-16; TR. 2/26/98, p. 116, lns. 15-18) (New Finding)

190. No special noise mitigation measures will be required from Petitioner for the operation of the proposed generating station. (OP's Exhibit No. 1, p. 44; Petitioner's Exhibit No. A-4, Appendix H) (OP 253, as mod.)

191. When measured 600 feet from the source, noise levels associated with the operation of diesel equipment typically range from about 57 to 67 dBA. Predicted noise levels for the nearest noise sensitive properties (day-care and social services facilities) located in Pu'unene are not expected to exceed 24 dBA, below the existing ambient noise levels, during construction and well drilling activities. Also, twenty-four-hour well drilling

operations should be possible without causing adverse noise impacts because of the Property's distance from noise sensitive properties. (OP's Exhibit No. 1, p. 44; Petitioner's Exhibit No. A-4, p. 4-61; Appendix H) (OP 254, as mod.)

192. No adverse noise impacts to the closest noise sensitive properties at Pu'unene are expected from construction noise due to the very low noise levels anticipated, due to the temporary nature of the work, and due to the administrative controls available for its regulation. (Petitioner's Exhibit No. A-4, p. 4-61; Appendix H) (OP 255, as mod.)

193. The intensity of the louder construction noise sources and the exterior nature of the work make it impractical to mitigate construction noise along the Property to levels less than 70 dBA. The use of properly muffled construction equipment and adherence to construction noise limits and curfew times are mitigation measures which can be applied to this project. A construction noise variance may also be requested from DOH prior to construction and well-drilling activities. (OP's Exhibit No. 1, pp. 44-45; Petitioner's Exhibit No. A-4, p. 4-61; Appendix H) (OP 256, as mod.)

Air Quality

194. Existing air quality on Maui is heavily influenced by agriculture, the airport, and motor vehicles. Air pollutants include particulate matter, carbon monoxide ("CO"), and hydrocarbon emissions. (Petitioner's Exhibit No. A-4, p. 4-3) (OP 257, as mod.)

195. There are several significant industrial sources of air emissions located within a few miles of the Property. These include:

- Pu'unene Sugar Mill, approximately 2.5 miles to the northwest
- Kahului Airport, approximately 3 miles to the north
- Kahului Power Plant, approximately 4 miles to the northwest
- Pa'ia Sugar Mill, approximately 4.5 miles to the northeast
- Ma'alaea Power Plant, approximately 5 miles to the southwest

(Petitioner's Exhibit No. A-4, p. 4-3) (OP 260, as mod.)

196. An air quality monitoring station was operated at Ma'alaea Monitoring Station 235 between August 1993 and July 1994. (Petitioner's Exhibit No. A-4, p. 4-3) (OP 261, as mod.)

197. Data from Station 235 provided a conservative estimate of the existing air quality at the Property because the station is a post-construction site located close to the Ma'alaea Power Plant. The concentrations of SO_2, PM_{10}, ozone, NO_2, and CO measured at Station 235 are expected to be found in less concentrations at the Property, which is approximately 6 miles upwind from Ma'alaea. (Petitioner's Exhibit No. A-4, p. 4-3) (OP 262, as mod.)

198. The Best Available Control Technology ("BACT") is defined by the Clean Air Act as "an emissions limitation...based on the maximum degree of reduction for each pollutant...which the

review authority, on a case by case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable…through the application of production processes or available methods, systems, and techniques…." (OP's Exhibit No. 1, p. 34; Petitioner's Exhibit No. A-4, p. 3-8; Petitioner's Exhibit No. C-32) (OP 263, as mod.)

199. The application of BACT cannot result in the emissions of any pollutant that would exceed the level allowed by an applicable New Source Performance Standard or National Emissions Standard for Hazardous Air Pollutants. (TR. 4/8/98, p. 54, lns. 15-19; OP's Exhibit No. 1, p. 34; Petitioner's Exhibit No. A-4, p. 3-8) (OP 264, as mod.)

200. The BACT for the proposed Waena Generating plant has yet to be determined by Petitioner. The BACT cannot be determined until the DOH and the EPA review the design-specific elements and modeled air emissions through the air quality permit process. When the appropriate technologies have been determined by the DOH and EPA, the final design for the generating station will reflect the necessary BACT requirements. (OP's Exhibit No. 1, p. 37; Petitioner's Exhibit No. A-4, p. 3-9) (OP 280, as mod.)

201. The four combined cycle units for the proposed Waena generating station will be installed over 20 to 30 years. At the time of permitting for each of these units, Petitioner will have to do a new BACT analysis. (TR. 4/8/98, p. 63, lns. 4-23; Petitioner's Exhibit No. C-36) (OP 281, as mod.)

202. The EPA guidelines state that the background air quality data used in an application has to be no older than three years. (TR. 4/8/98, p. 68, lns. 12-14) (OP 282, as mod.)

203. Emissions of air pollutants are regulated at the Federal level pursuant to the Clean Air Act. (OP's Exhibit No. 1, p. 37; Petitioner's Exhibit No. A-4, pp. 4-4, 4-7) (OP 283, as mod.)

204. To determine if there could be any emissions impact from the proposed project due to the interaction of the Maui Vortex, a streamline analysis and a simple box model were conducted using a worst-case scenario of one month of continuously steady tradewinds with no nocturnal vortex dissipation. In addition, it was assumed that any emission entering the vortex would not leave the vortex, circulating within the vortex for the entire month. The results of these models showed the worst case concentrations of the significant criteria pollutants SO_2, PM_{10}, and NO_2 to be insignificant, well below the EPA's 24-hour significance levels concentrations. Major factors for these low concentrations are: (1) the small portion of the plant's plume that would actually be entrained into the vortex, and (2) the large vortex volume. In analyzing the predicted plume dispersion in relationship to the existing vortex, only 0.35 percent of the entire plume would enter the vortex winds. This small amount of emissions would then mix within a vortex whose volume approached 40 billion cubic yards. (Petitioner's Exhibit No. A-4, pp. 4-16 to 4-17; Appendix C3) (New Finding)

205. During construction, vehicle and equipment exhaust emissions will be small, localized, and transient. Dust emissions generated during site excavation and equipment movement will be elevated due to large-scale grading. As long as precautions are taken to water the Property during dry or windy periods, construction emissions are not expected to be significant. (OP's Exhibit No. 1, p. 41; Petitioner's Exhibit No. A-4, p. 4-19) (OP 295, as mod.)

206. Under certain emergency situations, steam from the combined cycle system currently in operation at Ma'alaea is vented to the atmosphere via pressure relief valves. (TR. 4/8/98, p. 26, lns. 12-22) (OP 296, as mod.)

207. Since 1993, when the combined cycle system went into operation at Ma'alaea, steam is vented from the system on the average of once a year. (TR. 4/8/98, p. 26, lns. 15-25) (OP 297, as mod.)

Electric and Magnetic Levels

208. The proposed transmission lines will pass through undeveloped land used for sugarcane cultivation. No residential areas or other sensitive receptors are located within 250 feet of any of the proposed transmission lines, and no development exists around the Property proposed for the Waena Generating Station. (OP's Exhibit No. 1, p. 55; Petitioner's Exhibit No. A-4, p. 4-84; Appendix J) (OP 44)

209. Enertech Consultants calculated the Electric and Magnetic levels for the proposed generating station and transmission lines in May 1997. Their computer modeled

calculations were based on five different overhead powerline configurations--the two 69-kV existing transmission lines running adjacent to the Property, and three proposed transmission lines. OP's Exhibit No. 1, p. 55; Petitioner's Exhibit No. A-4, p. 4-82; Appendix J) (OP 45, as mod.)

210. The generating station equipment, due to its location near the center of the station, and the switchyard equipment will not contribute significantly to the magnetic field levels at the perimeter of the station. The major source of magnetic fields at the proposed station's boundaries and beyond is due primarily to the 69-kV and 12-kV overhead transmission lines which enter and leave the station along Pulehu and Waiko Roads. Although the proposed generating station will represent an increase in the magnetic field levels found along Pulehu Road and North Firebreak Road, studies to date have been inconclusive as to the health impacts from electric and magnetic fields. (OP's Exhibit No. 1, pp. 55-56; Petitioner's Exhibit No. A-4, pp. 4-83 to 4-84; Appendix J) (OP 47, as mod.)

ADEQUACY OF PUBLIC SERVICES AND FACILITIES

Roadway and Highway Services and Facilities

211. A traffic impact analysis was prepared for Petitioner in May 1997 by Austin Tsutsumi & Associates, Inc. Trip generation estimates were developed for 2016, following Petitioner's installation of Phase III of the project when the plant is expected to have its full complement of employees (46). The estimates included the number of employees per shift, service and delivery trips, and the number of fuel haul trucks to the

plant on a daily basis. (OP's Exhibit No. 1. pp. 49-50; Petitioner's Exhibit No. A-4, pp. 4-71, 4-77, 4-81; Appendix I; Petitioner's Exhibit No. C-59, C-60) (OP 329, as mod.)

212. The project will generate approximately 210 vehicle trips during the morning peak hour, 145 entering the site, and 65 exiting the site. Approximately 192 vehicle trips were estimated during the afternoon peak hour, 56 entering the site and 136 exiting the site. (OP's Exhibit No. 1. pp. 49-50; Petitioner's Exhibit No. A-4, pp. 4-71, 4-77, 4-81; Appendix I; Petitioner's Exhibit No. C-59, C-60) (OP 329, as mod.)

213. Using a qualitative measure identified as Level of Service ("LOS") to describe the conditions of traffic flow, ranging from LOS A (free flow conditions) to LOS F (congested conditions), analyses were conducted at major intersections near the Property. To these, Petitioner added plant generated traffic data to estimated future traffic volumes. (OP's Exhibit No. 1. pp. 49-50; Petitioner's Exhibit No. A-4, pp. 4-71, 4-77, 4-81; Appendix I; Petitioner's Exhibit No. C-59, C-60) (OP 329, as mod.)

214. Although a small number of individual approaches and turning movements will experience drops in LOS, no significant adverse impacts in the level-of-service for the area's roadways are anticipated. No intersection is expected to experience an approach or turning movement greater than LOS E, and the vehicle to capacity ratio for the signalized intersections will not increase by any significant amount. (OP's Exhibit No. 1. pp. 49-50; Petitioner's Exhibit No. A-4, pp. 4-71, 4-77, 4-81; Appendix I; Petitioner's Exhibit No. C-59, C-60) (OP 329, as mod.)

215. Future traffic improvements, currently in the environmental processing or design stage, are planned for completion by 1999. These improvements, including the construction of new roadways and traffic signals, will be implemented prior to the operation of the Waena Generating Station. Some of these improvements include the Department of Transportation's ("DOT") installation of traffic signals at the intersection of Hana Highway, Kamehameha Avenue, and Hobron Avenue. DOT is also proposing modifications to the present road network in the vicinity of the Property, including the construction of a new four-lane Airport Access Road as part of the Kahului Airport Master Plan. These modifications are anticipated to result in the diversion of regional and airport traffic from Dairy Road to the Airport Access Road, leaving Dairy Road to serve local traffic. (OP's Exhibit No. 1. p. 49; Petitioner's Exhibit No. A-4, p. 4-74; Appendix I) (OP 328, as mod.)

216. At full buildout, the operation of four DTCC units (eight CTs) will require approximately 44 truckloads of No. 2 diesel fuel daily, with deliveries averaging about 9,000 gallons of fuel. (TR. 2/27/98, p. 140, lns. 15-18; Petitioner's Exhibit No. A-4, p. 4-77; Appendix I) (OP 326, as mod.)

217. The daily supply of diesel fuel (44 fuel trips) will be transported from Kahului Harbor in tanker trucks traveling along Hobron Avenue, Hana Highway, and Pulehu Road to the Property. (OP's Exhibit No. 1. p. 49; Petitioner's Exhibit No. A-4, p. 4-77; Appendix I) (OP 327)

218. The DOT offered the following comments:

" Our State transportation facilities can adequately accommodate the subject project. We do not anticipate an adverse impact to our systems." (OP's Exhibit No. 1. p. 50; Petitioner's Exhibit No. C-61) (OP 331, as mod.)

Water Service

219. No existing potable water service from the County of Maui exists near the Property. The only existing municipal well source in the Central Maui Sector is located approximately 4.5 miles northwest of the Property outside of Kahului. Potable bottled water will be delivered by truck to the proposed Waena Generating Station. Petitioner anticipates no extension of the County water delivery system. (OP's Exhibit No. 1, p. 51; Petitioner's Exhibit No. A-4, p. 4-29.) (OP 334, as mod.)

220. Four wells are proposed to provide the non-potable water needs for the generating plant. One well will be required for each of the four DTCC units planned and consequently their construction will be phased along with the proposed installation of each DTCC unit (2006, 2010, 2014, and 2017 or later). (OP's Exhibit No. 1, p. 28; Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 309, as mod.)

221. Non-potable water needs for the proposed Waena Generating Station can be met by drilling and developing wells onsite without impacting basal groundwater quality. A net loss of 0.15 mgd of irrigation recharge to the aquifer would result from the withdrawal of 65.7 acres of land from active sugarcane cultivation. Half of the groundwater withdrawn (0.44 mgd) will be

returned to the aquifer by means of injection wells, representing a net loss of approximately 0.6 mgd from the underlying aquifer. (OP's Exhibit No. 1. p. 31; Petitioner's Exhibit No. A-4, p. 4-31; Appendix E) (OP 339, as mod.)

222. The estimated water use for one DTCC unit is approximately 220,000 gallons per day ("gpd"). The projected average daily water requirements for the four DTCC units proposed for the Waena Generating Plant would be 880,000 gpd. (OP's Exhibit No. 1, p. 28; Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 310, as mod.)

223. The four brackish groundwater supply wells with pump capacities of 225 gallons per minute ("gpm") will be developed on the Property to meet water requirements of 880,000 gpd for the operation of the CTs and related facilities. Well water will be desalinated or treated as required and stored onsite. (OP's Exhibit No. 1, p. 28; Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 311, as mod.)

224. Firewater tanks, pumps, piping, and hydrants will be installed to store and disburse water for the sole purpose of fire control. (TR. 4/8/98, p. 23, lns. 3-5) (OP 312)

225. Two separate 240,000-gallon storage tanks will be constructed to meet Maui County Water Systems Standards for a fire flow requirement of 2,000 gpm for 2 hours. (OP's Exhibit No. 1, p. 28; Petitioner's Exhibit No. A-4, p. 4-29) (OP 313, as mod.)

226. The CWRM indicated that a Well Construction Permit and a Pump Installation Permit from the CWRM would be required before groundwater is developed as a source of water

supply for the project. The CWRM further recommended coordination with the County to incorporate the project into the County's Water Use and Development Plan. (OP's Exhibit No. 1, p. 28; LUC Exhibit No. 1) (OP 315, as mod.)

Wastewater

227. Development of the 232-MW generating station will generate an average of 440,000 to 480,000 gallons of wastewater per day, which will be disposed of by means of injection wells. (Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 316, as mod.)

228. The principal source of wastewater will be from a process designed to produce relatively pure water from brackish groundwater. Brackish well water will be run through a dual media filter to take out particles not removed by filtration. The water will be processed further to clean out more of the constituents. Identified as reverse osmosis, this process will produce a concentrated solution of salts and minerals. (TR. 2/27/98, p. 129, lns. 8-14; Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 317, as mod.)

229. The treated water will be used for nitrogen oxide control and steam generation. (OP's Exhibit No. 1, p. 29; Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 318)

230. Another source of wastewater will be from the backwashing of cation and anion resin beds used to remove minerals from process water during demineralization. Demineralization results in a fairly clean water source for use in power plant operations. The wastewater from backwashing will contain minerals

removed from the water, acid and caustic solutions used for neutralization, and traces of the resin chemicals. (OP's Exhibit No. 1, p. 29; Petitioner's Exhibit No. A-4, p. 4-29; Appendix E) (OP 319, as mod.)

231. The disposal of wastewater from the generating station is not expected to have any hydrologic impact on existing wells or the basal aquifer because the Property lies makai of the DOH's Underground Injection Control ("UIC") line. Any potential impact from the use of injection wells will be mitigated by appropriate well design and testing. Further, the injection wells will be constructed and operated in full compliance with DOH UIC regulations. The disposal of 0.44 mgd of wastewater will not negatively impact the aquifer for the following reasons:

- The rate of the wastewater injection is extremely small when compared to the rate of groundwater movement indicated by the large withdrawals of groundwater in the area;
- The quality of the wastewater is estimated to be similar to the existing groundwater quality; and
- The wastewater plume will be diluted by mixing and diffusion and is not expected to be detectable at any existing well or coastal area as the plume becomes dispersed and diluted to ambient groundwater quality. (OP Exhibit No. 1. p. 31; Petitioner's Exhibit No. A-4, pp. 4-31 to 4-33; Appendix E) (OP 340, as mod.)

232. The DOH commented that a National Pollutant Discharge Elimination System (NPDES) general permit is required for the following discharges to waters of the State:

a. Storm water discharges relating to construction activities, such as clearing, grading, and excavation, for projects equal to or greater than five acres;

b. Storm water discharge from industrial activities;

c. Construction dewatering activities;

d. Noncontact cooling water discharge less than one million gallons per day;

e. treated groundwater from underground storage; and

f. Hydrotesting water. (OP's Exhibit No. 1, pp. 28-29) (OP 320, as mod.)

233. The CWRM recommended that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality. A Well Construction Permit and a Pump Installation Permit from the CWRM would be required before ground water is developed as a source of supply for the project. (OP's Exhibit No. 1, pp. 30 and 31.) (OP 324, as mod.)

234. Petitioner's Groundwater Resource Assessment recommended that an onsite test well should be drilled to provide more detailed information on aquifer parameters and potential

impacts. (OP Exhibit No. 1, p. 32; Petitioner's Exhibit No. A-4, p. 4-33; Appendix E) (OP 345, as mod.)

235. There is no existing domestic sewer service from the County of Maui near the Property. Sanitary wastewater facilities will be constructed on the Property. (OP's Exhibit No. 1. p. 51; Petitioner's Exhibit No. A-4, pp. 4-30 to 4-31) (OP 335, as mod.)

236. Petitioner will use a septic tank and a leach field to treat effluent from sanitary facilities. Detailed plans for the domestic wastewater treatment system will be submitted to the DOH for review and approval as part of a treatment work approval application. (TR. 2/27/98, p. 134, lns. 16-20; Petitioner's Exhibit No. A-4, p. 4-30.)

237. Petitioner does not anticipate extension of the county wastewater system. (OP's Exhibit No. 1. p. 51) (OP 337, as mod.)

Drainage

238. Drainage in the area is generally through a series of gulches extending radially from the upper slopes of Haleakala towards the central isthmus area. Slopes on the Property are minimal at approximately one degree. The Property is drained by Kalialinui Gulch and by Pulehu Gulch. The flow from the Property is directed to the northwest, away from both gulches. (OP's Exhibit No. 1, p. 51; Petitioner's Exhibit No. A-4, p. 4-33) (OP 353, as mod.)

239. The development of the Property for the installation of the first unit of generation by the year 2006 will

include full grading of the Property and the installation of necessary infrastructure, such as drainage improvements, domestic wastewater systems, and roads to support all four DTCC generating units. At full buildout, approximately 50 acres will consist of both impervious, asphalt areas, and more pervious gravel-covered areas. (OP's Exhibit No. 1, pp. 51-52; Petitioner's Exhibit No. A-4, pp. 3-4, 3-14, 4-34; Petitioner's Exhibit No. C-6) (OP 354, as mod.)

240. The proposed project is anticipated to increase stormwater runoff from approximately 45.5 cubic feet per second ("cfs") to approximately 215.4 cfs. Stormwater over the developed 50 acres is anticipated to increase from approximately 34 cfs to 204 cfs. (OP's Exhibit No. 1, p. 52; Petitioner's Exhibit No. A-4, p. 4-34) (OP 355, as mod.)

241. To avoid project specific runoff from reaching adjoining sugarcane lands, the proposed project will include stormwater runoff and infiltration ponds to collect and contain stormwater onsite. A 15-foot landscape buffer around the facility will also aid in stormwater percolation. Runoff ponds will have special sumps with oil/water separators to remove any oil before disposal of the storm runoff into an infiltration pond. An alternative disposal method of water from the runoff ponds could be through a shallow injection well (dry well). (Petitioner's Exhibit No. A-4, p. 4-34) (New Finding)

242. Stormwater impacts and erosion to the onsite irrigation ditch are possible during the construction phase of the proposed generating station. However, use of best engineering

practices to prevent runoff into the ditch can minimize these temporary impacts. No significant adverse impacts to the HC&S irrigation system are anticipated from construction-related activities. (Petitioner's Exhibit No. A-4, p. 4-34) (New Finding)

243. The proposed drainage improvements will be designed to produce no adverse impacts, due to stormwater runoff, on adjacent properties. All drainage improvements will conform to County of Maui standards. (Petitioner's Exhibit No. A-4, p. 4-34) (New Finding)

Solid Waste Disposal

244. Solid waste disposal systems on Maui consist of the Central Maui Landfill and the Hana Landfill. The Central Maui Landfill accepts commercial, industrial, and residential waste. (OP's Exhibit No. 1, p. 52; Petitioner's Exhibit No. A-4, p. 4-85) (OP 358, as mod.)

245. The Central Maui Landfill does not accept hazardous materials or construction materials. Construction materials and waste from the project will be disposed of by the construction contractor into the Maui Demolition and Construction Landfill. The Waena Generating Station will salvage or recycle parts, materials, and equipment to the fullest extent possible in order to reduce the anticipated minimal amount of solid waste which will be generated during operation of the plant. The remaining waste will be disposed of at the Central Maui Landfill. Solids from the sanitary septic system will be disposed of periodically at a County wastewater treatment facility.

(OP's Exhibit No. 1, pp. 52-53; Petitioner's Exhibit No. A-4, p. 4-85) (OP 359)

246. Solid waste generated by the proposed Waena Generating Station will consist of the following:

- Construction waste;
- Materials associated with plant operation, administration, housekeeping, and maintenance operations; and
- Parts, material, and equipment replaced during maintenance.

(OP's Exhibit No. 1, p. 52; Petitioner's Exhibit No. A-4, p. 4-85) (OP 360, as mod.)

247. Hazardous materials which will be stored and used on a regular basis on the Property will be the No. 2 diesel fuel, caustic soda, H_2SO_4, and cleaning solvent. (TR. 4/8/98, p. 20, lns. 2-5) (OP 347, as mod.)

248. The fuel storage tanks will be placed on impervious surfaces which will be constructed within berms equipped with oil/water separators to remove oil before disposal and specially designed to contain fuel leakage or spills. These containment areas will have the capacity to contain the entire contents of the storage tank within its area. Each storage tank will be equipped with fuel level alarms to prevent overfills. (Petitioner's Exhibit No. A-4, pp. 3-6, 3-8; TR. 4/8/98, p. 22, lns. 21-25) (OP 48, as mod.)

249. Caustic soda and sulfuric acid will be added to the wastewater to adjust the pH level to within UIC permit limits

prior to discharge to the ground via the underground injection wells. (TR. 4/8/98, p. 20, lns. 6-16) (OP 348)

250. Cleaning solvent is used for cleaning parts and equipment during routine maintenance and operations. The solvent is used at portable wash stations and recycled by vendors when it is spent and no longer useful. (TR. 4/8/98, p. 21, lns. 24-25 to p. 22, lns. 1-3) (OP 349)

251. If Selective Catalytic Reduction ("SCR") is required as BACT as a condition of the PSD permit, the wastewater will pass through additional steps which will remove excess metals, adjust the pH level of the water, and air strip out the ammonia used in the SCR process. (OP's Exhibit No. 1, p. 53; Petitioner's Exhibit No. A-4, p. 4-30) (OP 350, as mod.)

252. Delivery of fuel, acids, and caustic materials used in production operations will be conducted through an independent contractor who will be responsible for all handling from the tanker into the bulk storage areas at the Property. (Petitioner's Exhibit No. A-4, p. 4-79) (OP 367, as mod.)

253. All transport contractors are required to file spill prevention and control and containment plans with the State which outline procedures to be carried out in the event of a spill incident. (TR. 4/8/98, p. 23, lns. 21-24) (OP 368)

254. Petitioner has a fuel oil pipeline operating manual that addresses fuel spills at the Kahului Harbor. The plan is required by the U.S. Coast Guard under Title 33 of the Code of Federal Register. (TR. 4/8/98, p. 24, lns. 21-24) (OP 369, as mod.)

255. In the event of a spill, the first responders will be the transport contractor, county fire department, and Petitioner's safety personnel. Immediate priorities will include isolating the area for public safety and securing and containing the source of the spill. Qualified hazardous material clean-up organizations will immediately be contacted to restore the affected area to its previous condition. (TR. 4/8/98, p. 23, ln. 25 to p. 24, lns. 1-6) (OP 370, as mod.)

Schools

256. The project will not directly result in any increase in school population, and therefore it will not adversely impact area school capacities. (Petitioner's Exhibit No. A, p. 10) (New Finding)

Police and Fire Protection

257. The Maui County Police Department provides police protection for the Wailuku-Kahului, Kihei, and Upcountry areas. Development of the Property is expected to have minimal impact on any requirement for police protection. (Petitioner's Exhibit No. A-4, p. 4-87) (OP 361, as mod.)

258. Petitioner will develop onsite security procedures. Petitioner will also construct a fence around the Property, with full-time security manning, and install checkpoints at the access driveways. (OP's Exhibit No. 1, pp. 53-54; TR. 4/8/98, p. 23, lns. 8-11; Petitioner's Exhibit No. A-4, p. 4-88) (OP 362, as mod.)

259. Petitioner will install video monitoring and a remote control main gate. (TR. 4/8/98, p. 23, lns. 10-11) (OP 363, as mod.)

260. Fire prevention, suppression, and protection services for the Wailuku-Kahului region are provided by the County Department of Fire Control. The nearest fire station to the Property is the Kahului Station, approximately 4 miles away. Other fire protection facilities in the Central Maui area include a fire station in Pa'ia and another in Wailuku. (OP's Exhibit No. 1, p. 54; Petitioner's Exhibit No. A-4, p. 4-87) (OP 365, as mod.)

261. Petitioner currently has fire control plans for its existing generation facilities. A fire control plan will be designed specifically for the proposed Waena Generating Station. Emergency plans detailing the procedures to be followed when there is a fire or fuel spill will be coordinated with the district fire department and health care facilities. All Federal and State regulations regarding the operation of a generating station and worker safety will be followed. (OP's Exhibit No. 1, p. 54; Petitioner's Exhibit No. A-4, p. 4-88) (OP 366, as mod.)

Civil Defense

262. There is no siren coverage in the area. The State Department of Civil Defense recommends that a siren simulator be purchased and installed inside the facility. Petitioner agrees with the recommendation. (OP's Exhibit No. 1, p. 53; TR. 4/8/98, p. 31, lns. 7-19) (OP 364, as mod.)

Power and Communications/Electrical and Telephone Service

263. The Property is undeveloped and has no telephone or communications service. (OP's Exhibit No. 1, p. 54; Petitioner's Exhibit No. A-4, p. 4-8) (OP 371, as mod.)

264. Petitioner has two 69-kV transmission lines running adjacent to the Property. The first transmission line Ma'alaea-Kealahou 69-kV) runs along Waiko Road to the intersection of Pulehu Road, then turns south and extends along Pulehu Road towards Kealahou. The second transmission line (Kanaha-Pukalani) runs from Kanaha Substation along Pulehu Road past the Property to the intersection of Waiko Road, crosses Pulehu Road diagonally and continues across cane lands towards Pukalani. In addition to Petitioner's transmission system, HC&S has some smaller distribution lines which run through cane land to service irrigation and water pumps. (OP's Exhibit No. 1, p. 54) (OP 372, as mod.)

Recreation Facilities and Public Access

265. Recreational and ocean-related facilities occur along the coastline from Kahului Harbor to Spreckelsville Beach. Existing facilities include Kahului Harbor Park and Kahului Beach, Kanaha Beach Park, and Spreckelsville Beach. The proposed generating plant will not have an adverse impact on the public's access and use of the shoreline area, and there will be no adverse impact to nearshore waters from point and non-point sources of pollution. (OP's Exhibit No. 1, p. 56; Petitioner's Exhibit No. A-4, p. 4-87) (OP 373, as mod.)

266. The electricity generated by the proposed Waena Generating Station will provide the energy required for existing

and planned recreational facilities throughout the entire island of Maui. (OP's Exhibit No. 1, p. 56; Petitioner's Exhibit No. A-4, p. 4-88) (OP 374, as mod.)

COMMITMENT OF STATE FUNDS AND RESOURCES

267. The proposed Waena Generating Station project will be funded through Petitioner's customer base and will not require expenditures by either the State of Hawai'i or the County of Maui. (OP's Exhibit No. 1, p. 10; Petitioner's Exhibit No. A-4, p. 5-3; Petitioner's Exhibit No. A, p. 5) (OP 375, as mod.)

CONFORMANCE TO URBAN DISTRICT STANDARDS

268. The proposed reclassification is in general conformance to §15-15-18 of the Commission rules regarding standards for determining "U" the Urban District boundaries. The Property will be zoned and developed for heavy industrial use and is located close to other industrial uses in the area, such as the Central Maui Landfill and the Ameron HC&D Quarry. The four-phased planned construction and operation of the proposed Waena Generating Station will be compatible with the existing and planned expansion of current heavy industrial uses in the area. (OP's Exhibit No. 1, p. 57; Petitioner's Exhibit No. A-4, pp. 5-2 to 5-4) (OP 376, as mod.)

CONFORMANCE WITH THE GOALS, OBJECTIVE AND POLICIES OF THE HAWAI'I STATE PLAN; RELATIONSHIP WITH APPLICABLE PRIORITY GUIDELINES AND FUNCTIONAL PLANS

269. The proposed reclassification of the Property is in general conformance with the following objectives and policies of the State Plan:

> §226-14 - Objectives and policies for facility systems-in general.

a. Planning for the State's facility systems in general shall be directed towards achievement of the objective of water, transportation, waste disposal, and energy and telecommunication systems that support statewide social, economic, and physical objectives.

b. To achieve the general facility system objective, it shall be the policy of this State to:

    1. Accommodate the needs of Hawaii's people through coordination of facility systems and capital improvement priorities in consonance with state and county plans.

    2. Encourage flexibility in the design and development of facility systems to promote prudent use of resources and accommodate changing public demands and priorities.

    3. Ensure that required facility systems can be supported within the resource capacities and at reasonable cost to the user.

    4. Pursue alternative methods of financing programs and projects and cost-saving techniques in the planning, construction, and maintenance of facility systems.

The proposed Waena Generating Station is designed to meet the increasing demand for electricity on the island of Maui and to improve system reliability. As a result of its planned addition of generation capacity over the next 20-30 years, the Waena Generating Station can accommodate changing public demands and allow for the flexibility of future designs and technologies. Currently, a 58-MW, dual-train, combined-cycle unit is the least-cost option in terms of both initial and long-term costs.

§226-18 - Objectives and policies for facility systems - energy.

a. Planning for the State's facility systems with regard to energy shall be directed towards the achievement of the following objectives:

   1. Dependable, efficient, and economical statewide energy systems capable of supporting the needs of the people;
   2. Increased self-sufficiency where the ratio of indigenous to imported energy use is increased; and
   3. Greater energy security in the face of threat to Hawaii's energy supplies and systems.

b. To achieve the energy objectives, it shall be the policy of this State to ensure the provision of adequate, reasonably priced, and dependable energy services to accommodate demand.

c. To further achieve the energy objectives, it shall be the policy of this State to:

1. Support research and development as well as promote the use of renewable energy sources;
2. Ensure that the combination of energy supplies and energy-saving systems are sufficient to support the demands of growth;
3. Base decisions of least-cost supply-side and demand side energy resource options on a comparison of their total costs and benefits when a least-cost is determined by a reasonably comprehensive, quantitative, and qualitative accounting of their long-term, direct and indirect economic, environmental, social, cultural, and public health costs and benefits;
4. Promote all cost-effective conservation of power and fuel supplies through conservation measures including:
   A. Development of cost-effective demand-side management programs;
   B. Education; and
   C. Adoption of energy-efficient practices and technologies; and
5. Ensure to the extent that the new supply-side resources are needed, that

the development or expansion of energy systems utilizes the least-cost energy supply option and maximizes efficient technologies;

6. Support research, development, and demonstration of energy efficiency, load management, and other demand-side management programs, practices, and technologies; and

7. Promote alternate fuels and energy efficiency by encouraging diversification of transportation modes and infrastructure.

The proposed project, in the context of Petitioner's integrated approach to energy production and conservation, conforms with these objectives and policies. The purpose of the proposed Waena Generating Station is to provide a system that meets the projected electrical demand, increases system reliability, and provides dependable electrical service to its customers.

Resource limitations and environmental, public health, and safety concerns were considered in selecting the site and appropriate technology for the generating facility. During the development of Petitioner's IRP, a comparison of costs and benefits for both alternative fuels and alternative technologies was performed. At this time, alternative fuels and technologies do not represent the least-cost energy supply option or the

maximum efficient technology. Diesel-fueled dual-train, combined-cycle units currently will be used while other renewable energy projects are being developed.

Petitioner is actively participating in education and research programs to further develop alternative fuels and technologies in Hawai'i, as is evident through their cooperation with the Pacific International Center for High Technology Research, the County of Maui, and the State of Hawai'i in examining biomass to electricity applications for Hawai'i and through Petitioner's continued installation of small photovoltaic systems on public schools through Petitioner's "Sun Power for Schools" project. (Petitioner's Exhibit No. A, pp. 11-14; Exhibit No. A-4, pp. 5-11 to 5-14) (New Finding)

State Energy Functional Plan

270. The policy of the action items of the State Energy Functional Plan pertaining to Petitioner are as follows:

> Policy A(1): Promote and Stimulate Greater Energy Efficiency and Conservation in Non-Transportation Sectors
>
> > Action A(1)(a): Provide Technical Support and Assistance to the State Government, County Governments, the PUC, and The Energy Utilities in Developing the Integrated Resource Planning (IRP) Process and Carrying Out Demand-Side Management (DSM) Assessments.
> >
> > Action A(1)(b): Advance the Use of Demand-Side Management (DSM) by Creating Pilot Programs and Promoting Education of Local Energy Producers and Users.

Petitioner is a participant in IRP. Through the IRP process, Petitioner has developed a long-range energy plan for the island of Maui by considering not only the traditional supply-side

resources but also the customer (demand-side) resources that are available.

IRP has brought about significant changes in the way utilities conduct their business, not only by including demand-side options as a resource but also by having the public participate in the planning process through advisory groups.

As a result of the IRP process, Petitioner formed four DSM resource programs based upon the common end-uses and market segments that they address. In addition, two service programs were included in the DSM action plan.

Altogether, these programs are projected to provide peak-demand saving of 1.5 MW in their first year of implementation and 14.6 MW of energy savings by the year 2004. However, because energy efficiency and peak capacity reductions have not been comprehensively pursued by any organization in Hawai'i to date, there is considerable uncertainty about how to structure the DSM programs. Therefore, monitoring of the implementation process will be important. Programs will need to be adjusted as the implementation process moves forward. Petitioner expects to update its DSM program plans annually to optimize program implementation and energy savings.

The State is encouraging development of alternative and renewable energy sources as Hawai'i primary energy source. These resources include geothermal, OTEC, solar photovoltaic, biomass, wind, and hydropower. Although the State has made progress in alternative energy technologies, only geothermal currently provides a potential for firm, reliable electricity. It is the

only commercially mature, indigenous resource available in large quantities that can be converted to baseload (24-hour-per-day) electricity. Other alternative energy resources, such as solar and wind technologies, do not provide firm, baseload power and are not economically feasible at this time.

Petitioner has contributed to and constructed facilities for alternative and renewable energy resources, such as wind and hydroelectric power. It also has PPAs with IPPs. These PPAs are based on alternative and renewable technologies. Examples include sugarcane bagasse and biomass-fueled ST generators. While extensive dependence on such contracts can increase supply risks, Petitioner has evaluated and continues to evaluate IPP alternatives and renewable energy power supply offers.

After examining the alternative to this project (including coal, non-firm renewable energy sources such as wind or hydro power, increased DSM programs, and IPP proposals), Petitioner has determined that the proposed Waena Generating Station is the only reasonable way to meet its PUC obligations of providing high-quality, reliable service at the least cost to the customer within the necessary timeframe.

Petitioner acknowledges that, in making the decision to expand with additional oil-fired units, it is contradicting the objective of energy self-sufficiency. As the project comes on-line, however, it will be possible to retire less fuel efficient units, and the overall ratio of fuel consumption to megawatts produced should improve. In addition, Petitioner continues to

pursue long-term conservation measures and alternative fuel sources that will lessen the dependency on imported fossil fuels. (Petitioner's Exhibit No. A-4, pp. 5-15 to 5-17) (New Finding)

CONFORMANCE WITH COASTAL ZONE MANAGEMENT OBJECTIVES AND POLICIES

271. The proposed reclassification of the Property is in general conformance with the Coastal Zone Management Program, chapter 205A, HRS, in the areas of recreational resources, historical/cultural resources, scenic and open space resources, coastal ecosystems, economic uses, coastal hazards, managing development, public participation, beach protection, and marine resources. (Petitioner's Exhibit No. A, pp. 14-21; Petitioner's Exhibit No. A-4, pp. 5-5 to 5-11) (New Finding)

CONFORMANCE WITH THE COUNTY OF MAUI GENERAL PLAN AND THE WAILUKU-KAHULUI COMMUNITY PLAN

272. The following objectives and policies of the County of Maui General Plan pertain specifically to the proposed Waena Generating Station:

B. Land Use

Objective 1 To preserve existing geographic, cultural and traditional community lifestyles by limiting and managing growth through environmentally sensitive and effective use of land.

Policy b Provide and maintain a range of land use districts sufficient to meet the social, physical, environmental and economic needs of the community.

Objective 2 To use the land within the County for the social and economic benefit of all the County's residents

Objective 3 To preserve lands that are well suited for agricultural pursuits

Policy a. Protect prime or productive agricultural lands from competing non-agricultural land use.

Policy d. Discourage the conversion of productive or potentially productive agricultural lands to non-agricultural uses.

The proposed Waena Generating Station will remove approximately 65.7 acres of prime agricultural land from active production. However, this amount represents only a small portion of the over 36,000 acres of land that HC&S has in production on the island of Maui. In selecting the Property for the proposed project, Petitioner examined several different areas which were not on prime agricultural lands. However, the results of the various environmental analyses and discussions with landowners determined that the Property was the most feasible for construction and operation of the generating station.

Conversion of the land from agricultural use to power generation will have no discernible impact upon the overall agricultural production on the island of Maui. In addition, providing the appropriate land use for the proposed project will ensure the provision of sufficient electricity to meet the social and economic needs of the community.

E. Public Utilities and Facilities

Objective 1 To anticipate and provide public utilities which will meet community needs in a timely manner.

Policy a. Maintain all power and utility systems so as to meet public health and safety standards.

Policy b. Encourage new and expanded power generation facilities to be community planned based on sound land use and environmental planning principles.

Policy c. Assure the availability of power systems and sources that meet public health and safety standards.

Policy d. Locate energy producing plants in areas where they will not create health hazards.

The selection of the Property for the proposed Waena Generating Station was made only after careful consideration of all environmental and community concerns. Due to its distance from major sensitive receptors, the construction and operation of the proposed facility is not anticipated to have significant environmental impacts nor will it create a health hazard. In addition, all aspects of the plant's design, construction, and operation will follow applicable health and safety standards. The construction and operation of the proposed Waena Generating Station will meet the objective by allowing the timely provision of electrical power to meet community needs. (Petitioner's Exhibit No. A-4, pp. 5-18 to 5-19) (New Finding)

273. Because the purpose and need for the proposed Waena Generating Station is to provide for the increasing demand for energy forecast on the island of Maui, the energy the facility provides will allow the County of Maui to implement many of the objectives and recommendations of the Wailuku-Kahului Community Plan, specifically those pertaining to supporting economic growth and the provision of health and safety services. (Petitioner's Exhibit No. A-4, p. 5-21) (New Finding)

RULING OF PROPOSED FINDINGS OF FACT

Any of the proposed findings of fact submitted by Petitioner or other parties not already ruled upon by the

Commission by adoption herein, or rejected by clearly contrary findings of fact herein, are hereby denied and rejected.

Any conclusions of law herein improperly designated as a finding of fact should be deemed or construed as a conclusion of law; any finding of fact herein improperly designated as a conclusion of law should be deemed or construed as a finding of fact.

CONCLUSIONS OF LAW

Pursuant to chapter 205, HRS, and the Hawai'i Land Use Commission Rules under chapter 15-15, HAR, and upon consideration of the Land Use Commission decision-making criteria under section 205-17, HRS, this Commission finds upon a clear preponderance of the evidence that the reclassification of the Property, consisting of approximately 65.7 acres of land in the State Land Use Agricultural District situated in the Wailuku and Makawao Districts, island of Maui, State of Hawai'i, identified as Tax Map Key No. 3-8-03: 23 and 24, into the State Land Use Urban District, is reasonable, is not violative of section 205-2, HRS, and is consistent with the policies and criteria established pursuant to sections 205-16 and 205-17, HRS.

PROPOSED DECISION AND ORDER

IT IS HEREBY ORDERED that the Property, which is the subject of this Docket No. A97-722 filed by Petitioner Maui Electric Company, Limited, a Hawai'i corporation, consisting of approximately 65.7 acres of land, situated in the Wailuku and Makawao Districts, island of Maui, State of Hawai'i, identified as Tax Map Key No. 3-8-03: 23 and 24, and approximately shown on

Exhibit "A" attached hereto and incorporated by reference herein, is hereby reclassified from the State Land Use Agricultural District to the State Land Use Urban District, and the State land use district boundary is hereby amended accordingly, subject to the following conditions:

1. Petitioner shall participate in an air quality monitoring program, coordinated with and approved by the State Department of Health (DOH) to monitor air quality impacts attributable to the operations of the Waena Generating Station. Mitigation measures for air quality impacts attributable to the operations of the Waena Generating Station shall be implemented by Petitioner if, based on applicable State and Federal air quality standards, the results of the monitoring program warrant them. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner. (OP, PET STIP 1)

2. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, Petitioner shall participate in a groundwater quality monitoring program in consultation with the County Department of Water and approved by DOH to monitor groundwater quality impacts directly attributable to the operations of the Waena Generating Station. Petitioner shall implement mitigation measures should the results of the monitoring program warrant them based on applicable State and Federal water quality standards. Mitigation measures shall be developed in coordination with the DOH and implemented by Petitioner. (OP, PET STIP 2)

3. Petitioner shall provide at its own expense, adequate non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. The non-potable water improvements shall meet all applicable County, State, and Federal standards and shall be consistent with the County of Maui adopted water use and development plan. (OP, PET STIP 3)

4. Petitioner shall consult with the State Department of Health (DOH) and, if necessary, prepare a wastewater disposal plan subject to review and approval by the DOH. Petitioner shall provide at its own expense adequate wastewater treatment, transmission and disposal facilities for wastewater directly attributable to the operations of the Waena Generating Station. (OP, PET STIP 4)

5. Petitioner shall establish appropriate systems to contain spills and prevent materials associated with heavy industrial uses attributable to the operations of the Waena Generating Station, such as petroleum products, chemicals or other pollutants, from leaching or draining into above ground or subsurface storm drainage collection areas. Based on applicable State and Federal standards, Petitioner shall use best management practices to minimize non-point source pollution into irrigation ditches. Petitioner shall consult with the State Department of Health and County Department of Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the Property. (OP, PET STIP 5)

6. Petitioner shall consult with the State Department of Health (DOH) regarding hazardous waste storage and, if necessary, prepare a hazardous waste storage plan. (OP, PET STIP 6)

7. Petitioner shall participate in the funding and construction of local and regional transportation improvements and programs attributable to the operations of the Waena Generating Station as determined by the State Department of Transportation (DOT) and the County of Maui. (OP, PET STIP 7)

8. Petitioner shall coordinate with the surrounding property owner to ensure that the proposed project will not adversely impact the use of cane haul roads and irrigation ditches or adversely impact the continued agricultural operation of adjoining sugarcane cultivation areas. (OP, PET STIP 8)

9. Petitioner shall participate in the pro rata funding and construction of adequate civil defense measures as determined by the State of Hawai'i and County of Maui civil defense agencies. (OP, PET STIP 9)

10. Petitioner shall implement effective soil erosion and dust control measures during and after construction in compliance with the applicable rules and regulations of the State Department of Health and the County of Maui. (OP, PET STIP 10)

11. Should any human burials or any historic artifacts, such as charcoal deposits, stone platforms, pavings or walls be found, Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation Division (SHPD). The significance of these finds shall then be determined

and approved by the SHPD and, if applicable, an acceptable mitigation plan shall be approved by the SHPD. The SHPD must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, HRS. (OP, PET STIP 11)

12. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification. (PET COND. 12 & LUC STANDARD CONDITION)

13. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property. (PET COND. 13 & LUC STANDARD CONDITION)

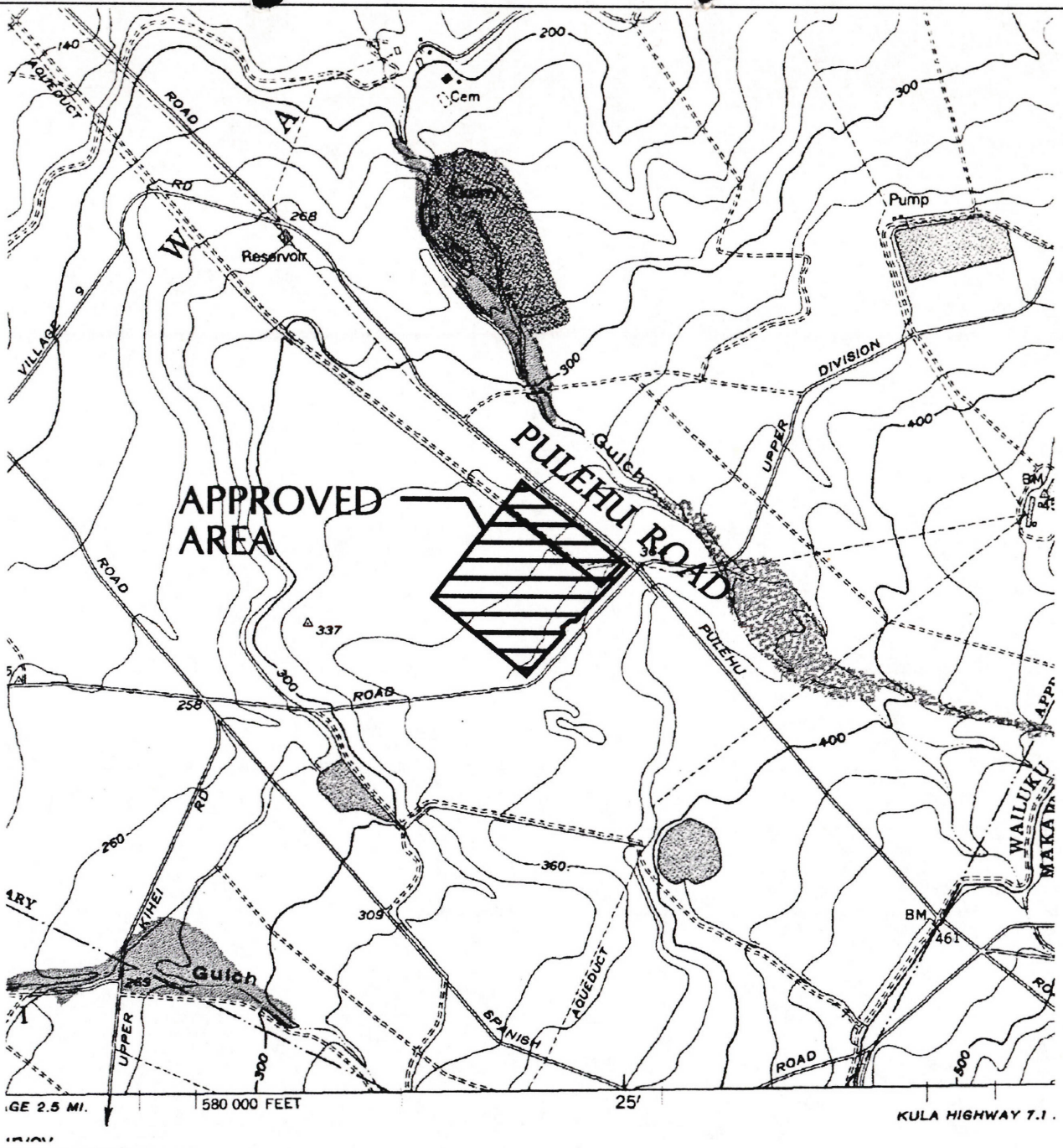
14. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission. (LUC STANDARD CONDITION)

15. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate

assurance of satisfaction of these conditions by Petitioner. (PET COND. 15 & LUC STANDARD CONDITION)

16. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Land Use Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission. (PET COND. 16 & LUC STANDARD CONDITION)

17. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawai'i Administrative Rules. (PET COND. 17 & LUC STANDARD CONDITION)



A97-722 / MAUI ELECTRIC COMPANY, LTD., a Hawai`i Corporation

LOCATION MAP

TAX MAP KEY NO.: 3-8-03: 23 & 24
WAILUKU AND MAKAWAO DISTRICTS, ISLAND OF MAUI, STATE OF HAWAI`I

EXHIBIT "A"

