

PUBLIC WITNESSES
A97-722

VHS

Do not touch the tape inside

Insert this side into recorder

Amory
44



FUJI

Daniel
Grantham
SRI Box 47
Harku 96708

120
6 HOURS

HIGH QUALITY
Multi-Purpose Videotape

A97-722 - Maui Electric Co., Ltd.
Submitted by Public Witness,
Daniel Grantham

VHS

EP: 6hrs. SP: 2hrs. T-120
MADE IN U.S.A.



FUJI. The Official Videotape of the
National Football League.

MHS

MAUI TOMORROW - INTERFACE - GRD WAILEA
SUSTAINABLE MAUI
ENERGY, ECONOMICS & DESIGN CONF
APRIL 7, 1997 - WAILEA, MAUI



HIGH QUALITY

HQ

FUJI

February 17, 1998

Esther Ueda, Executive Officer
State Land Use Commission
P.O. 2359
Honolulu, HI 96804-2359
FAX 587-3827

Re: Maui Electric Company Waena Generating Station
Docket #A97-722

I would like to give public testimony at the February 26, 1998 or February 27, 1998 hearing on the above matter. I would estimate that my oral testimony will take about 20 minutes. If you could let me know an approximate time and date, I would appreciate it.

Thank you for your consideration.

Sincerely,



Madelyn D'Enbeau
1061 Kokomo Road
Haiku, Maui, HI 96708
Phone 575-2398
FAX 575-2125 (not dedicated line)

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 17 P 2:07

FEB-25-98 WED 10:44 Maui Advertiser 242-1528 P. 81

Scott Crawford

Rui an editor changed
my word 're-evaluate'
to 'reconsider' in story that
was published
E2

Maui Electric rethinks plans

Slow growth cuts power needs

By Edwin Tanji, Advertiser Maui County Bureau

KAHULUI, Maui — With demand for power lagging expectations, Maui Electric Co. is re-evaluating (reconsidering) its plans to increase generating capacity.

The company had projected a 4.3 percent growth in demand last year, after 10 years of steadily growing peak demand.

Instead, a sluggish economy, little new construction and an effective conservation program means demand has grown only 0.4 percent.

The company still needs to develop a 87-acre site at Pu'unene on sugar cane land that it acquired last year from Hawaiian Commercial & Sugar Co., Maui Electric President William Bonnet said. But it will re-evaluate its timetable for increasing its generating capacity.

Bonnet said a new Maui Waena generating plant will be needed to replace 12 older generators being phased out over the next decade.

The company's request to reclassify the Maui Waena site from agricultural to urban use is pending before the state Land Use Commission, which will hold hearings Thursday and Friday on the request.

An environmental group, Maui Tomorrow, is concerned about the company's plans. Scott Crawford, Maui Tomorrow program director, said the organization believes Maui Electric has not adequately explored alternatives to building a new diesel-burning generator plant.

"The location may be the best site for the type of plant Maui Electric is proposing to build, but the fundamental question is do they really need this plant," he said.

"We feel there are a number of opportunities that should be explored first," he added, citing potential for windpower and photovoltaic generation as alternatives to "continuing to burn fossil fuels."

Bonnet said, however, that Maui Electric, through its parent Hawaiian Electric and affiliates, must evaluate its options in regular reports to the state Public Utilities Commission as part of an integrated resource planning process.

"We share with the PUC our findings as to the most cost-effective combination of energy conservation programs and supply-side developments," he said.

A key factor is whether an alternative is "cost effective," he said. He said Hawaii Electric Light Co., a Big Island affiliate, is exploring residential-based photovoltaic generation for remote areas.

Copyright 1998

Year=1998; Month=2; Month=Feb; Day=2; Day=Mo; Book=B; From=Staff; Byline=Tanji_Edwin;
Person=Bonnet_William/Crawford_Scott; Company=Maui_Electric_Co;
Organization=Maui_Tomorrow;

RECEIVED

FEB 26 1998

State of Hawaii
LAND USE COMMISSION

KAHULUI

FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS)

CHAPTER 343, HAWAII REVISED STATUTES (HRS)

FOR

EAST MAUI WATER

DEVELOPMENT PLAN

PREPARED FOR THE

COUNTY OF MAUI

DEPARTMENT OF WATER SUPPLY

WAILUKU, MAUI, HAWAII

PREPARED BY

NORMAN SAITO ENGINEERING
CONSULTANTS, INC.

AND

PARAMETRIX, INC.

H
628.1
N



Priority	Well Site	Remarks
7	IVB	This site is considered hydrologically favorable for a well which would be located midway between Pumping Centers 3 and 4. The anticipated pump capacity for a well on this site is 2.0 mgd.
8	VA	This site is recommended as a favorable well site. It is readily accessible along an existing road and is suitably located midway between Pumping Centers 5 and 6. Hydrologic conditions are expected to be favorable and the anticipated pump capacity is 2.0 mgd.
9	VB	This site approximates Pumping Center 6 and is, therefore, well-located in terms of optimum well spacing. The anticipated pump capacity is also 2.0 mgd.

SUMMARY

In summary, two well sites have been located in the Paia aquifer for an anticipated total pumping capacity of 2.0 mgd, and eight prospective well sites have been located in the Haiku aquifer east of Maliko Gulch for an anticipated total Haiku aquifer pumping capacity of 14 mgd (see Map 2 and Table 2). This planned 14-mgd capacity is based upon present knowledge of the Haiku Aquifer as a thin basal lens which presumably becomes thicker and receives greater recharge east of Maliko Gulch toward an increasingly water-rich area a few miles away. The planned capacity is also based upon the aquifer's estimated sustainable yield of 15 mgd.

Selection of prospective well sites in the Haiku aquifer has been based upon an alignment of pumping centers located two miles inland from the coast and spaced 2000 ft. apart, modified by other considerations such as land ownership (for availability), accessibility, and other engineering factors.

Because well data in the Haiku aquifer is limited, the proposed exploration and development plan has depended upon general knowledge and experience in exploring and developing basal aquifers elsewhere in the State. Therefore, the well exploration plan



WELL EXPLORATION AND DEVELOPMENT East Maui Source Development

OBJECTIVES

The plan for development of East Maui sources includes the exploration and development of wells in the Paia and Haiku aquifers of East Maui. Initial development consists of drilling and testing two wells west of Maliko Gulch in the Paia aquifer, with pump capacities of one mgd each. Subsequently, additional wells are to be located and developed east of Maliko Gulch in the Haiku aquifer which lies primarily within the northwest rift zone of East Maui. Exploratory drilling is expected to proceed incrementally eastward toward an increasingly water-rich area.

HYDROGEOLOGIC REVIEW

The hydrogeology of the Paia and Haiku aquifers has been previously studied and reported in the Central Maui Water Study, Part II, prepared for the Maui Department of Water Supply by Norman Saito Engineering Consultants, Inc. (February 1991). The Paia aquifer in the Hamakuapoko area consists of a thin basal lens with a mauka-to-makai water table gradient of 1.6 ft./mile, based upon a reported head of 4.3 ft. in the upper Haiku well (see Table 1). The sustainable yield of the Paia aquifer has been estimated at 2 to 3 mgd (Central Maui Water Study, Part II).

The Haiku aquifer lies mostly within a 2.7-mile wide rift zone defined by two separate alignments of volcanic vents. Although no surface exposures have been discovered, associated dikes with a northwesterly trend presumably occur beneath these two alignments and, if so, may have an influence on groundwater conditions and directions of flow. However, evidence of any groundwater conditions affected by dikes in the rift zone must await further exploratory drilling. Reported heads of 3.4 ft. in the Haiku School (Pauwela) well and 5.0 ft. in the Baldwin Manor well, indicate a higher water table gradient in the Haiku aquifer than in the Paia aquifer which in turn suggest greater groundwater recharge as would be expected in a higher rainfall area (see Table 1 and Map 1). A sustainable yield of 15 mgd has been estimated for the Haiku aquifer



February 4, 1998

William A. Bonnet, P.E.
President

Dear Maui Customer:

Subject: Docket No. 97-0346
PUC Public Hearing - Rate Increase Request

On January 9, 1998, Maui Electric Company, Limited (MECO) filed an application with the Hawaii Public Utilities Commission (PUC) for an increase in revenues, and to revise its rate schedules accordingly. We have requested that the rate increase take effect in three phases during 1999.

On Tuesday, April 7, 1998, the PUC will hold a public hearing in Kahului for this rate increase request beginning at 7:00 p.m. at the Lihikai School Cafeteria, 335 South Papa Avenue. The PUC is also holding public hearings on Lanai at the Lanai High & Elementary School Cafetorium on Fraser Avenue in Lanai City, at 7:00 p.m. on Monday, April 6, 1998; and on Molokai at the Mitchell Pauole Hall in Kaunakakai at 7:00 p.m. on Wednesday, April 8, 1998. These public hearings are being held to satisfy the statutory requirements of Chapters 91 and 269, Hawaii Revised Statutes.

You are invited to attend the PUC's public hearings on April 6, 7, or 8 to state your views either orally or in writing. Written statements may also be submitted in advance of the public hearing, or by April 20, 1998. Written statements may be mailed to the Public Utilities Commission, 465 South King Street, #103, Honolulu, Hawaii 96813.

If you would like to review the rate increase request, a copy is available for your review on the island of Maui during regular business hours (7:00 a.m. to 4:00 p.m.) at MECO's administrative office in Kahului at 210 West Kamehameha Avenue. Copies are also available for inspection at the PUC's offices in Honolulu and Wailuku, and MECO's offices on Lanai and Molokai.

For Maui County in total, MECO is requesting PUC approval of a general rate increase of \$22,406,700, or 15%, over revenues at current effective rates. Our requested increase is based on estimated total revenue requirements of \$168,874,700 for the normalized 1999 test year, and will produce an estimated 9.75% rate of return on an average rate base of \$312,126,000.

How much incentive is each
Occupancy Sensor worth to you?"

ANSWER: \$20



Efficient

JANUARY 1998

ISSUE 2

➤ **HAIKU MART**

**Installs 42 new
lights**

➤ **QUESTION CORNER**

**How does a
Heat Pump
Save me money?**

➤ **EMPLOYEE SPOTLIGHT**

**Meet Jim
Oster**

➤ **INCENTIVE EXAMPLE**

**10-ton Air
Conditioner**

➤ **CLIENTS' COMMENTS**

IHOP, Kahului

➤ **TECH TALK**

**Ballasts --
What Kind to Get**

Ha'iku Mart Saves \$ and an Extended Ohana

Cookie Tam Sing knows how to keep her store comfortable and inviting, and save money at the same time. She recently remodeled the Ha'iku Mart, giving the historic Maui locale an interior facelift with new lighting and ventilation, among other improvements. These improvements may have given Cookie and her staff an extended 'ohana: regulars and visitors tend to stay longer to eat and "wala'au" (talk story), as the staff serves up satisfying beverages and three fine meals a day in the store's friendly café atmosphere.

Cookie is lowering costs and staying competitive by taking a smart and aggressive approach to energy efficiency. Ha'iku Mart has been retrofitted with fluorescent T-8 lamps and electronic ballasts, the current standard of energy efficient commercial lighting. To help with costs of the retrofit, Maui Electric provided \$117.60 in incentives.

Mick Mehlmauer, construction contractor who worked on Ha'iku Mart's retrofit, is a strong proponent of energy efficiency. He has taken advantage of natural ventilation by installing roof vents as well as downsizing the air conditioning in the store. Additionally, the new fluorescent lamps run cooler than the old lamps, resulting in lower air conditioning costs. "With all the improvements Mick has helped us make, we have seen a dramatic drop in our electric bill," Cookie said.

The MECO incentive is only a small fraction of the annual electric energy savings that will be realized in years to come. Add to that a more enticing look that keeps people coming in, and you have a better Ha'iku Mart.

To find out how MECO can help your business, please contact Micah Haman, Energy Efficiency Program Manager, at 872-3291 for more information



Mick Mehlmauer, owner Cookie Tam Sing and Micah Haman, pose with old and new lamps in front of the Haiku Mart

Aloha! On behalf of MECO and all its customers, I want to thank those of you who, in 1997, installed high efficiency equipment including: 20,000 lamps, 6 air conditioning systems, and 11 motors. Together, they helped MECO and its customers save more than 565 kW. The more than 3.7 million kWh saved annually through these retrofits means MECO burns 6,000 less barrels of oil per year. Let's try to do even better in 1998. MECO's energy efficiency program managers are available to help you save on your electric bill. Don't hesitate to call us!

Mabalo
Hugues Ogier
Director, Energy Services

CANE BURNING

Questions and Answers



Q: How else do you try to minimize the impact of cane burning?

A: In several ways...

- For certain fields, where prevailing winds do not permit burning without a major impact on adjacent residential areas, we harvest the cane green despite reduced sugar recovery and the increased costs of harvesting and processing.
- We avoid burning directly upwind of schools and churches while they are in session.
- We avoid burning near major roadways during morning and afternoon peak traffic periods (7-8:30 a.m. & 3:30-5 p.m.). We schedule burns for as early as 3 a.m. for fields close to the airport and major highways, so as to avoid disrupting traffic.
- We burn more cane when weather conditions are good, so we can burn less when conditions, though still acceptable, are less favorable.
- We have stopped burning when we harvest seed cane.
- We rarely burn on Sundays.

WHY BURN AT ALL?

Q: Why is it necessary to burn cane?

A: Burning the dried cane leaves ("cane trash") boosts the quality and quantity of the sugar we recover and reduces the costs of harvesting, hauling and milling the cane.

Q: Isn't it possible to harvest without burning?

A: We wish it were, but with existing technology, it is not possible for the Hawaiian sugar industry. If we had to stop burning now, before workable "green harvesting" technology is developed, we'd be out of business.

Q: I hear they harvest without burning in other places. Why not at HC&S?

A: Cane is burned practically everywhere it is grown. There is some green harvesting in a few other areas, notably in parts of Australia. But it is done under conditions that are entirely different from ours — among other things, they use different varieties of cane developed specifically for their geographic area, soil types and climatic conditions. Such varieties are grown for only one year, which makes them much easier to harvest than Hawaii's dense, two-year-old cane. We have researched their operations and are conducting in-the-field tests to see how we might adapt their cane varieties and harvesting practices to fit Hawaii.

Q: Why not harvest the cane trash and burn it in the mill to generate electricity?

A: We've looked at that. Unfortunately, the extra cost of harvesting, hauling and separating the cane trash would be greater than the value of the electricity it could generate.

SEARCHING FOR ALTERNATIVES

Q: Are you looking for alternatives to burning?

A: Absolutely. We are actively exploring several green harvesting alternatives. We are working with scientists from the University of Hawaii's College of Tropical Agriculture and Human Resources (CTAHR) and the Hawaii Agriculture Research Center (HARC), and we are experimenting with growing over 70 varieties of one-year cane, which is more easily harvested green than Hawaii's existing two-year crop. We are also experimenting with our milling processes, to see if we can compensate for the loss in sugar (both quality and quantity) caused by processing green cane.

We are also researching technology and agronomic practices around the world in an effort to piece together a solution that works for us in Hawaii. We have sent plantation personnel to Florida, Louisiana, Texas, Australia and Colombia, where efforts are also being made to pursue green harvesting.

From what we presently know, the two most promising options involve finding a way to handle the cane trash at the mill and/or to mechanically remove the cane trash in the field. Every alternative has advantages and disadvantages — there's no answer yet that makes sense for HC&S, either economically or technically.

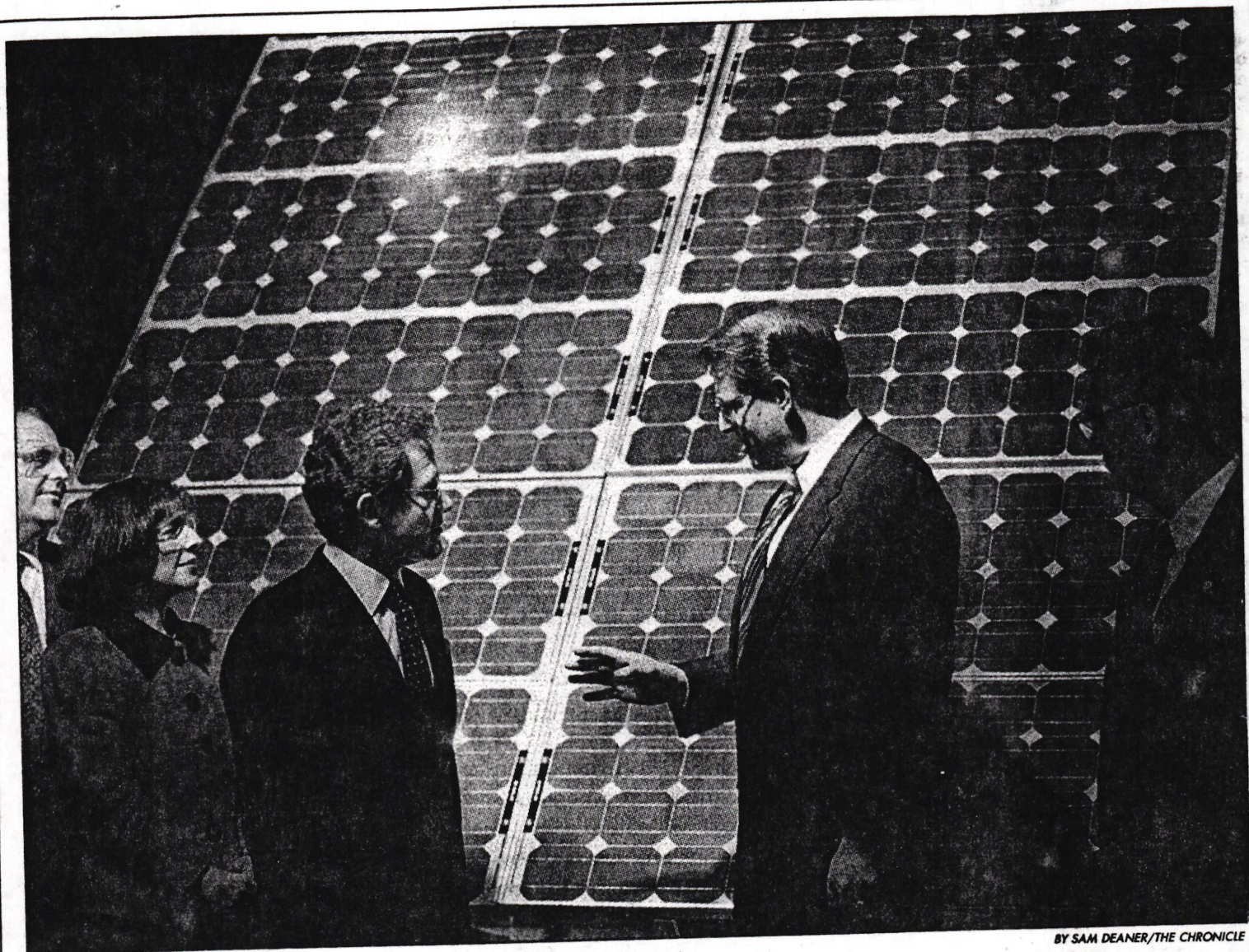
This is not a simple problem. However, we are doing everything we can to find a way that works. It is a high priority for us.

ISN'T CANE BURNING UNHEALTHY?

Q: Don't cane fires burn PVC pipe, releasing dangerous chemicals into the air?

A: No. First, nearly all PVC pipes in and around the cane fields are buried, where they can't burn.

Second, the polyethylene drip tubing, unlike PVC, contains no chlorine compounds. The small amount of drip tubing that lies on the ground turns into harmless carbon dioxide and water when it burns.



BY SAM DEANER/THE CHRONICLE

Al Gore (center, right) viewed a solar panel with British Petroleum chief executive John Browne at BP's new plant in Fairfield

Gore Backs Solar Energy Tax Credit

He announces proposal in visit to new Fairfield plant

By Alex Barnum
Chronicle Staff Writer

Vice President Al Gore, attending the dedication of a state-of-the-art solar panel manufacturing plant in Fairfield, announced plans yesterday for a \$2,000 tax credit to encourage the use of solar energy and help combat global warming.

The announcement was a preview of a \$6 billion package of tax incentives and research spending that is intended to increase the nation's energy efficiency and reduce its consumption of fossil fuels. President Clinton is expected to announce the rest of the package during his weekly radio address today.

"By cutting taxes for those who help us cut pollution and by promoting cutting-edge industries and technologies that help clean up the environment, we will meet the challenge of global warming while creating new jobs," Gore said.

More than 300 employees, government officials and other guests gathered at the British Petroleum plant in Fairfield gave Gore a standing ovation and cheered the announcement of a tax incentive that would give the

company's product a significant boost.

Gore's visit was the last stop in a two-day, high-tech tour through Northern California that showcased the vice president in his element. Throughout his visit, Gore stressed the themes of Clinton's State of the Union message on Tuesday and never mentioned the sex scandal that has engulfed Washington.

Earlier in the day, Gore had breakfast with Silicon Valley leaders. He then visited a U.S. Coast Guard hangar at San Francisco International Airport to see a demonstration of the latest anti-terrorism equipment. There he announced \$100 million in new federal funding for airport security.

In the afternoon, Gore toured the sprawling British Petroleum plant with the company's chief executive, John Browne, and actor and environmentalist Ted Danson. The vice president then threw the switch marking the beginning of the plant's production of solar panels.

Browne broke ranks with the oil industry last year by acknowledging that scientists have reached a consensus that the Earth may be getting dangerous-

ly warmer. He also committed British Petroleum to take steps to reduce emissions of heat-trapping gases produced by the burning of fossil fuels.

As part of that initiative, Browne said the company plans to expand sales of solar energy equipment over the next decade to \$1 billion a year from \$100 million a year.

Despite years of research, solar energy technology is still expensive compared to other energy sources. It supplies only a tiny portion of the world's power needs. Browne noted that the world's solar generating capacity is enough to satisfy California's electricity needs for just two days.

"There's a long way to go, but to me that just shows how big the opportunity is," Browne said.

BP's new Fairfield plant, which cost \$20 million and will employ about 100 people when it is fully operational, is designed to produce a new generation of solar panels. These panels convert sunlight to electricity using a new, more cost-effective film-based technology.

BP officials are hoping that their cheaper solar panels, combined with California's existing

tax incentives — and, if it passes Congress, a new federal tax credit — will reduce the cost of solar power to a level comparable to other sources.

Gore, who led the Clinton administration's efforts to complete a historic global warming treaty last month in Kyoto, Japan, praised Browne's stance. And the vice president seized on the new plant as an example of how fighting climate change can create new economic opportunities.

BP executives, in turn, welcomed the administration's plan for a solar energy tax credit of up to \$2,000, which is equal to 15 percent of the cost of a typical rooftop solar system. The credit, \$1,000 for water heating systems and \$2,000 for photovoltaic panels, would apply to systems installed starting next year.

Gore flew last night to Los Angeles, where he is expected to talk today about "community empowerment" and education technologies at an East Los Angeles school. He will attend the opening of the California Science Center before heading back to Washington.

Chronicle staff writer Mark Simon contributed to this report.

RECEIVED

FEB 26 1998

State of Hawaii
LAND USE COMMISSION

Submitted by PW
Lucienne de Naie



MAUI ECONOMIC DEVELOPMENT BOARD, INC.

FACSIMILE TRANSMITTAL

DATE: February 24, 1998TIME: 1:22 p m

PLEASE DELIVER TO:

Name Attn: Ms. Esther Ueda
Firm DBEDT, Land Use Commission
Fax No. 808-587-3827

THIS FAX IS BEING SENT BY:

Name Nanette Atchazo
Firm MEDB
Fax No. 879-0011

NUMBER OF PAGES: 2 (INCLUDES THIS TRANSMITTAL)

The following is written testimony in regards to Maui Electric Company-
Waena Generating Station Proposal.

If you do not receive all pages, please call Nanette at (808) 875-2388.

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 24 P 1:25



MAUI ECONOMIC DEVELOPMENT BOARD, INC.

February 24, 1998

State of Hawaii
Department of Business, Economic Development & Tourism
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359
Attention: Ms. Esther Ueda (Executive Officer)

1998 FEB 24 P 1:26
LAND USE COMMISSION
STATE OF HAWAII

RE: Maui Electric Company-Waena Generating Station Proposal

Dear Ms. Ueda:

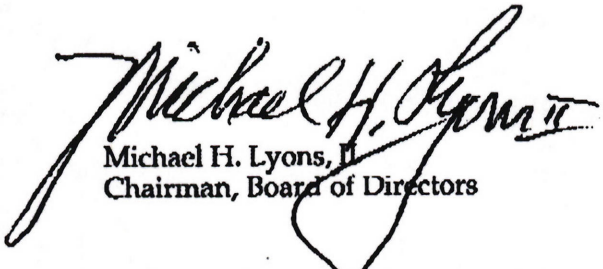
The Maui Economic Development Board, Inc. (MEDB) is a 501(c)(3) nonprofit organization with 45 members and directors representing the Maui County community. With a 15 year positive track record in creating the Maui Research and Technology Park and in helping to foster the high technology industry in the County of Maui, MEDB has been the community's action entity for creating a strengthened and diversified economy.

MEDB supports Maui Electric Company's petition before the Land Use Commission for a district boundary amendment which will enable development of the proposed Waena Generating Station. Reliable, cost-effective energy is an essential component of Maui's economic future.

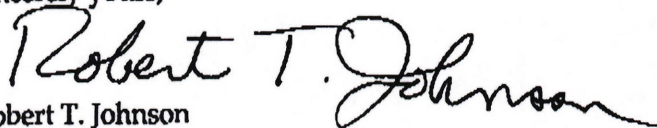
For existing business to flourish, and for potential enterprise to consider Maui an attractive competitor, we rely on electric energy. The site of the Waena Generating Station was selected and the property purchased from Alexander & Baldwin Company following extensive public input, which clearly identified this as the location of choice. Maui Electric Company has completed an environmental impact statement for this project. We understand that EIS has been accepted.

The long range program for development of this generating station has flexibility to adapt to changes in both technology and economics related to power generation. We believe this is a key feature of Maui Electric Company's plan, and helps insure that future opportunities, which cannot by their nature be known at this time, are not lost.

We endorse this proposal, both for the thoroughness of the process which has brought Maui Electric Company and our community to this point, and for the ability of the proposal to respond to changing conditions in the future. MEDB urges your timely and favorable action on this matter.


Michael H. Lyons, II
Chairman, Board of Directors

Sincerely yours,


Robert T. Johnson
President/CEO



MAUI ECONOMIC DEVELOPMENT BOARD, INC.

VIA FACSIMILE (808) 587-3827

February 18, 1998

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 18 A 9:32

State of Hawaii
Department of Business, Economic Development & Tourism
Land Use Commission
P. O. Box 2359
Honolulu, Hawaii 96804-2359
Attention: Ms Esther Ueda (Executive Officer)

Dear Ms. Ueda:

We have received notice of a public hearing in support of Maui Electric Company's State Land Use Commission (LUC) District Boundary Amendment scheduled for February 26 and 27 at the Sandalwood Clubhouse, Nahele Room.

This is to inform you that the Maui Economic Development Board, Inc. will submit written support to the LUC at the above address by February 24, 1998.

Should you have any questions, please do not hesitate to contact me.

Sincerely yours,

Robert T. Johnson
President/CEO

RTJ:na

April 3, 1998

Ms. Ester Ueda, Executive Director
and Members
State Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

LAND USE COMMISSION
STATE OF HAWAII
1998 APR -8 A 9:53

Dear Ms. Ueda and Members of the Commission:

Subject: Waena Generating Station District Boundary Amendment -
MAUI TOMORROW EXHIBIT NO. 12

It has come to my attention that my name has been included in Maui Tomorrow's Exhibit No. 12, entitled "Effected Community Members on the Maui Tomorrow Roster." Apparently Maui Tomorrow has represented that they have intervened in the District Boundary Amendment process on behalf of the listed individuals in order to protect these Maui residents from the purported negative impacts of the proposed project.

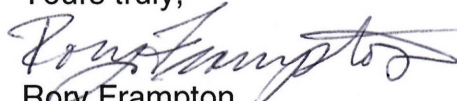
I have not been contacted by Maui Tomorrow regarding the use of my name on this list. I know of other individuals on this list who were unaware that their names were used. I feel the use of this list is misleading at best. It implies that the individuals listed feel they will be negatively impacted by the project and that they have authorized Maui Tomorrow to represent them before the Land Use Commission as aggrieved parties. This is simply not true. The list appears to be derived from past contributors to Maui Tomorrow who happen to reside in the Kihei and Upcountry areas. I personally gave a small contribution to Maui Tomorrow a couple of years ago to support some planning studies. While I respect some of the work they perform, I am in no way a supporter of every position they take.

I am a resident property owner in Upper Kula, approximately 10 miles from the project site. I do not believe that the project will result in negative impacts to residents of Kula.

I have participated in the preparation of the Environmental Impact Statement for the project as an employee of Chris Hart & Partners and am of the professional opinion that the prolonged site selection process resulted in the best location for Maui's energy production facilities.

If you have any questions, please do not hesitate to contact me at 242-1955.

Yours truly,


Rory Frampton
116 Hapapa Rd.
Kula, Hawaii 96790

cc: William Bonnet, Maui Electric Company
Martin Luna, esq.

April 3, 1998

Ms. Ester Ueda, Executive Director
and Members
State Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

LAND USE COMMISSION
STATE OF HAWAII
APR 6 3 52 PM '98

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If you have any questions, please do not hesitate to contact me at 242-1955.

Yours truly,



Roy Frampton
116 Hapapa Rd.
Kula, Hawaii 96790

cc: William Bonnet, Maui Electric Company
Martin Luna, esq.

BENJAMIN J. CAYETANO
GOVERNOR OF HAWAII



LAWRENCE MIKE
DIRECTOR OF HEALTH

MAUI MEMORIAL HOSPITAL

221 MAHALANI STREET
WAILUKU, MAUI, HAWAII 96793

February 17, 1998

1998 FEB 17 P 3:52
LAND USE COMMISSION
STATE OF HAWAII

MEMORANDUM:

TO: Esther Ueda
Land Use Commission

FROM: Sheri Yamaguchi
Maui Memorial Hospital Administration Office
(808) 242-2081

RE: February 26 Hearing -- Maui Electric Company Waena
Generator.

For your information, a representative from Maui Memorial Hospital Administration will be providing testimony on February 26, 1998 in regards to the Maui Electric Company Waena Generator.

Land Use Commission

P.O. Box 2359

Honolulu, HI 96804-2359

USA

LAND USE COMMISSION
STATE OF HAWAII

1998 JAN 27 A 10:34

26 Jan. 98

Dear Sirs,

I request to testify at the
hearing regarding Main Electric's proposed
Waena Generating Station on 26 February
1998 at the Sandalwood Clubhouse, Naele Room.

Respectfully,

Glenn L. Shepherd

GLENN L. SHEPHERD
477 SOUTH ALU ROAD
WAILUKU HAWAII 96793
USA

MAUI PACIFIC CENTER

.....

590 LIPOA PARKWAY, SUITE 202
KIHEI, MAUI, HAWAII 96753 USA
PHONE: 808.875.2310
FAX: 808.875.2306
info@maui-pacific.org

via facsimile 248.7761

April 30, 1998



Mr. Scott Crawford
Executive Director
Maui Tomorrow
P.O. Box 429
Makawao, HI 96768

Dear Mr. Crawford:

It has come to my attention that my name was included in Maui Tomorrow's Exhibit No. 12, entitled "Affected Community Members on the Maui Tomorrow Roster" which was recently presented to the Land Use Commission in reference to opposition to Maui Electric's proposed Waena power plant. Inclusion on such a list would seem to imply that these individuals have given permission for your organization to use their name in putting forth Maui Tomorrow's position. I have given no such permission and am unclear why my name was used.

I did attend the one-day event Sustainable Hawaii at the Grand Wailea and I am on your email distribution list. I find your emails useful as I consider various points of view before determining my own position regarding growth and energy production on Maui.

I certainly endorse a careful review of all development issues. I also support utilization of technologies whenever feasible which minimize environmental impact and which facilitate sustainability. However, I ask that my name not be used in promoting the Maui Tomorrow agenda without my specific permission.

Sincerely,


Diane Zachary
President

cc: ✓ Ester Ueda, Executive Director
Land Use Commission

Working with leaders
in the Pacific since
1986 to examine
issues of mutual
concern, foster
innovative thinking,
and create forward-
looking strategies for
resolution.

COPY

Rec'd at LUC
Office on 4/24.
Not entered into
record.
JW

Madge Walls
2124 Awihi Place #314
Kihei, HI 96753

LAND USE COMMISSION
STATE OF HAWAII
APR 24 10 11 AM '98

Ms. Esther Ueda, Executive Officer
State of Hawaii
Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

Dear Ms. Ueda:

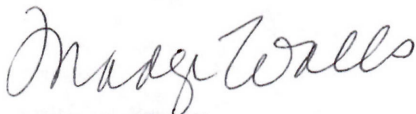
I understand that my name has been used by Maui Tomorrow in their written materials objecting to the use of land in Lower Kula by Maui Electric for a new power plant.

I am not now, nor have I ever been, associated with Maui Tomorrow, and I strongly object to my name being used by them in support of their agenda.

Please delete my name from their list of people who object to Maui Electric's plans for the new power plant.

Thank you.

Sincerely,


Madge Walls

cc: Jerry Miller, MECO
Maui Tomorrow

FAX**Date** 04/22/98**Number of pages including cover sheet** 2

TO: Ms. Esther Ueda, Executive Officer
State of Hawaii
Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

Phone
Fax Phone (808) 587-3827

FROM: Neal Shinyama
Maui Electric Company, Limited
210 Kamehameha Avenue
Kahului, Hawaii

Phone (808) 871-2341
Fax Phone (808) 871-2322

CC: E. Reinhardt
M. Willey/A. Lyman - fax
M. Yuen/K. Kusaka - fax

REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please Comment

Dear Ms Ueda,

Subject: MECO Waena Generating Station
LUC Petition for District Boundary Amendment

Submitting attached letter form Mr. Tom Reed regarding appearance of his name on the Maui Tomorrow's Contributor's List.

We'll provide you the original of this FAX transmittal and Mr. Reed's letter tomorrow at the hearing.

Thanks.

LAND USE COMMISSION
STATE OF HAWAII
APR 22 1 17 PM '98

Tom Reed
3548 Lanihou Place
Kihei, Hawaii 96753

April 20, 1998

Ms. Esther Ueda, Executive Officer
State of Hawaii
Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

LAND USE COMMISSION
STATE OF HAWAII
APR 22 1 28 PM '98

Dear Ms. Ueda:

I understand that in the proceedings for MECO's new generating station, my name appears on a list submitted by Maui Tomorrow as a contributor to Maui Tomorrow and someone who will be adversely impacted by the proposed facility.

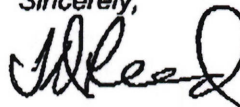
Around 5 years ago, I made a \$25 contribution to Maui Tomorrow for what I understood as a membership fee. At that time, I agreed with some of the activities of Maui Tomorrow, and decided to become a member. However, since the initial fee, I have not responded to subsequent request for monetary support by Maui Tomorrow, and am surprised that my name continues to appear as a Contributor to Maui Tomorrow.

I do not consider myself a current member of Maui Tomorrow, nor was I contacted for the use of my name on this list.

I have read articles on MECO's proposed new Waena Generating Station, and am not opposed to its location. I also believe that I will not experience any negative impact from the installation of this proposed facility.

Please call me at (808) 875-2520 if you have any questions regarding this submittal.

Sincerely,



Tom Reed

cc: Maui Electric Company

Fernando Ribao, Jr.
26 Alohi Place
Pukalani, Hawaii 96768

LAND USE COMMISSION
STATE OF HAWAII
APR 21 10 24 AM '98

April 16, 1998

Ms. Esther Ueda, Executive Officer
State of Hawaii
Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

Dear Ms. Ueda and Commissioners:

Subject: Maui Electric Company Waena Generating Station

I am aware that my name appears on a list submitted by Maui Tomorrow in the current land use process for MECO's Waena Generating Station. I understand that the list is titled Maui Tomorrow Contributors, and it may have been implied that the people on the list would be negatively impacted by the Waena station.

I remember making a donation some time ago to Maui Tomorrow regarding their activity in Kihei beach problems. I believe this is the reason my name appears on the list. I am not a member of Maui Tomorrow, and was not contacted or informed by Maui Tomorrow that my name would appear on such a list.

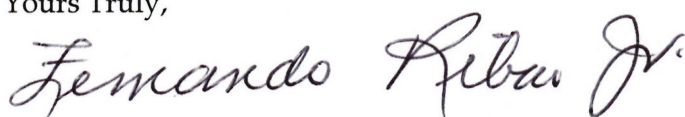
In fact, I am surprised to see my name on this list. I retired from MECO in 1989 after 25 years of service. As a past employee of MECO in the production department, I know the need to "keep the lights on." Planning for the future, keeping ahead of the game, is critical to achieve this goal.

I do not support Maui Tomorrow in their current activities opposing the Waena station.

I fully support MECO in their efforts to site a new generation facility to meet the demands of Maui, and agree with the proposed location of the Waena station. As a resident of Pukalani, I believe that this generating station will not have negative impacts to me, or to the residents of Pukalani.

Should you have any questions, I can be reached at (808) 572-8153.

Yours Truly,



Fernando Ribao, Jr.

cc: Mr. Bill Bonnet, Maui Electric Company

P.O. Box 396
Kula, HI 96790

LAND USE COMMISSION
STATE OF HAWAII
APR 20 10 33 AM '98

April 16, 1998

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

Re: Maui Electric Generating Station

Dear Mr. Sheehan:

I have just learned that you claim that I am a member of Maui Tomorrow and that I am opposed to Maui Electric Company's new site for a generating station. If this information is correct, then I want to correct the record for the Land Use Commission, which is considering Maui Electric Company's request to permit a new generating station to be developed there.

I do not believe that I automatically became a member of Maui Tomorrow by making a contribution to the organization a few years ago. Also, I have not filled out an application to become a member.

More importantly, I do not oppose Maui Electric Company's site selection for its new electric plant. My understanding is that Maui Electric had undertaken a lengthy and comprehensive search involving numerous studies and had actively sought input from the general public before selecting the site that is being presented to the LUC at this time. To me, Maui Electric has done a thorough job in selecting a site that will have the least environmental impact to the community.

This letter is intended to clear the record regarding my position on Maui Electric Company's proposed project. If further clarification is needed, please contact me.

Very truly yours,



Michael J. Singlehurst

cc: Maui Planning Department
State Land Use Commission
Maui Electric Co., Ltd.

CARLSMITH BALL WICHMAN CASE & ICHIKI

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

APR 17 9 19 AM '98
LAND USE COMMISSION
STATE OF HAWAII

April 15, 1998

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

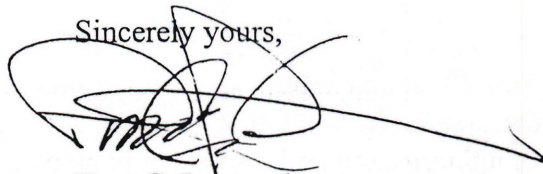
Re: Membership in Maui Tomorrow

Dear Mr. Sheehan:

I was surprised to learn that my wife, daughter and I have been represented by you to be members of Maui Tomorrow. My family has donated some funds to Maui Tomorrow and were sympathetic with some of the causes you have brought to the public's attention. However, I must clearly point out that I did not authorize you to represent my family in the contested case hearing involving Maui Electric which is pending before the Land Use Commission. Furthermore, I do not agree with Maui Tomorrow's opposition to Maui Electric's proposed site for its new power plant. The location of said generating station, which is at least two and a half miles from the nearest residential development, is an excellent choice.

I would appreciate your immediately stopping the use of my name and those of my family members in the pending Land Use Commission matter. Also, please refrain in the future from using my name and those of my family members without first obtaining our approval.

Sincerely yours,



Tom C. Leuteneker

cc: Maui Electric Company
State Land Use Commission
Maui Planning Department

Mike Trotto
125 Alahele Place
Kihei, Hawaii 96753

April 15, 1998

Ms. Esther Ueda, Executive Director, and Members
State of Hawaii
Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

LAND USE COMMISSION
STATE OF HAWAII
APR 16 9 05 AM '98

Dear Ms. Ueda and Members of the Commission:

Subject: Maui Electric Company (MECO)
Waena Generating Station
LUC Petition

It is my understanding that my name appears on one of Maui Tomorrow's exhibits in the subject proceedings, which identifies me as a contributor. In the past, I have contributed to Maui Tomorrow's fundraising efforts in some of their other interests.

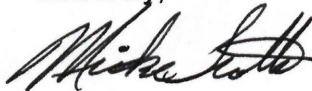
However, I do not consider myself a member of Maui Tomorrow, and was not contacted by them for the use of my name on such a list in their intervention of MECO's proposed Waena Facility.

I have been employed by MECO for 21 years. As a Maintenance Working Foreman at the Maalaea Power Plant, the operation and maintenance of the diesel and combined cycle units are my main focus. I am fully aware of MECO's efforts to provide the community with reliable cost effective electrical energy. I believe the planning process to select the Waena site was prudent and resulted in the best site being selected.

With this, it is obvious that I fully support the Waena Generating Station. I believe it is located in an area which will have minimal negative impact to Maui, its residents and visitors. In addition, this new generating station will allow MECO to meet the future electrical demands of Maui.

If you have any questions, please contact me at (808) 879-7041.

Sincerely,



Mike Trotto

cc: Mr. William Bonnet, Maui Electric Company, Limited

Julie M. Higa
187 Alohi Place
Pukalani, Maui, Hawaii 96768
(808) 572-5043
(808) 572-0899 (fax)

March 4, 1998

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

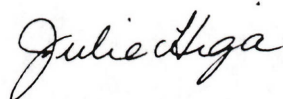
Dear Mr. Sheehan and Members of the Board of Directors:

I learned today that you have identified me on a list as a contributor and member of Maui Tomorrow. I understand that you have provided a list which includes my name and address in a case against Maui Electric Company, representing that I am a member of your organization. I am not now or have never been a member of your organization.

I contributed ten dollars a few years ago as I was told that the funds were needed by your organization in order to acquire private matching funds to provide educational workshops on planning. At that time I was assured by your executive director that my name would not be publicly listed anywhere. Please remove my name from any and all of your lists including your past, present, and future mailing lists. I am also very disappointed that you have put me in this uncomfortable and awkward position.

Thank you very much for your cooperation.

Very truly yours,



Julie Higa

cc: Maui Electric Company
✓ State Land Use Commission
Maui Planning Department

\$40 million - their second biggest source of profit for the

testimony of
Daniel
Grantham

Amory's wife, Hunter, president of Rocky Mountain Institute. A real challenge facing Maui is to decide what it really wants.

She distinguishes between growth and development; population has doubled since 1975; could double again by 2005; that will mean three times as many cars on the roads; the number of tourists arriving will triple by 2010. Consider that landfills and sewers are already overfull; schools and roads are crowded; housing is tight. To an economy dependent on tourism, she asks, why would a resident of LA or Tokyo want to spend a lot of money to sit in a traffic jam here? Why come to a spoiled paradise?

"The economy here depends on preserving the things that we love."

Growth is valuable to a certain stage; but in an economy, as in a human body, growth beyond that stage becomes cancer.

Humans stop growing taller, but they can continue to develop, to learn, to enhance themselves as long as they are alive...communities are much the same.

Hunter says too much growth can inhibit development, and that while planning for control of growth has been scorned, not planning has the effect of government enforcement of public subsidies for those who benefit from growth.

Growth does not pay its own way. Because government has not done the planning to know the costs to infrastructure of growth, it requires the whole population to pay when the costs of new growth become apparent; as she puts it, causing the rest of us to subsidize the spread of sprawl.

Growth control is cost effective, and Hunter offers ways to bring this about, four principles of economic development.

The first is to stop the unnecessary flow of money out from your community; plugging leaks again. Then, support your existing business communities; most towns subsidize new industries, but the existing businesses are what gives the town economic strength. Third, create an entrepreneurial climate, enabling small businesses to start and prosper. Last, if you are going to import a business, make sure that it is going to be a net gain for the community.

RECEIVED

FEB 26 1998

State of Hawaii
LAND USE COMMISSION

\$40 million - their second biggest source of profit for the year.

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FEB 26 1998

State of Hawaii
LAND USE COMMISSION

So why should we care about efficiency?

One of America's early scientists and energy experts, Ben Franklin, illustrated the long term effects on society of energy efficiency and conservation with a historical example from his own state of Pennsylvania.

Before his time, Ben said, the territory was largely owned by German settlers. English settlers came later, and they worked for the Germans, eventually buying the less desirable pieces of land for their own farms.

However, Ben pointed out that the English homes had small fireplaces compared to the Germans'. He theorized that the extra work it took the Germans to feed their large fireplaces would eventually cost them so much they would end up losing their lands to the English. This process took several generations, but Ben's prediction came true.

Compare that to using fossil fuel generated electricity to heat water, instead of sunshine. We know the price of oil is not coming down, while it is a safe bet that a large increase in the market for solar panels will lower the cost as manufacturers learn to build better collectors.

While we are comparing, let's look at the benefits of building naturally lighted and ventilated homes and businesses, shaded by trees and somewhat removed from cars and roads, versus the costs of building what are essentially hot boxes in a sea of concrete and asphalt that are only made usable with expensive air conditioning.

The costs to this kind of inefficiency have been hidden by the wealth of resources we have had in the past- but it becomes more clear every day that those resources, clean air, clean water, open space, fossil fuels are becoming harder to find.

Amory Lovins, Research Director of the Rocky Mountain Institute and another American scientist and energy expert, shared some of his insights last April at a Grand Wailea conference here.

He began by pointing out that Hawaii imports almost all of its energy, including 200 million dollars a year just to fuel power plants- energy that is burned and goes up the stack, flying away from the state like the money that paid for it.

He finds this ironic in a state he calls "awash in energy, not only the natural energy flows but in 'mineable inefficiencies' or negawatts".

"I walk around looking at lights and motors, seeing them as little cash cows, plaintively mooing, wanting to be milked, giving off flows of invisible dollars. A big motor (of which there are many at the resort) eats its own capital cost worth of electricity every few weeks... And that's money that is invisibly flowing out of the island's economy."

(Lovins highly recommends solar water heating, saying they can save most of the energy use and the state actually makes money on the tax credit.)

Using the example of a leaking bathtub, Amory said you can either get a bigger water heater or plug the leaks. With electric rates here running about 15.7¢ a kilowatthour, equivalent to \$253 for a barrel of oil, or 13 times the world oil price, those are expensive leaks.

But it doesn't have to keep leaking.

Osage, Iowa, a town of 4000 people with a municipal utility, decided to reduce electricity waste by helping people with insulation, caulking, efficient showerheads, better lamps, etc.

After several years the town saved so much they prepaid their bond debts, built up a \$2.5 million surplus, cut rates 5 times in 5 years, for a total of about one third. They ended up about half the average for Iowa. The lower rates kept local businesses competitive and attracted two new factories.

Best of all, in Lovins' view, they kept over \$1000 per household per year in town that had previously gone out of state to buy utility inputs - money that now stayed to support local jobs and create prosperity.

Lovins urged that one of the most useful things Public Utility Commissions can do here is to reward utilities for cutting your bill, not for selling you more energy.

This is done by first decoupling profits from the amount of power they sell, then allowing them to keep some of the savings from lower bills. In 1992 Pacific Gas and Electric invested \$170 million in helping customers save power; of the 3 to 4 hundred million \$ in savings, PG&E got to keep 15% -

Testimony to State LUC

Feb. 26, 1998

Topic:

Boundary amendment application for proposed Waena Power Plant

From: Lucienne de Naie Sr 1 Box 47, Haiku, HI 96708
(808) 572-8331 MECO rate payer

I live in a rural area with no county services except selective access to electric power generated by MECO. I am a MECO customer. Many of my neighbors choose to live off the grid. As a longtime resident, property owner and taxpayer, I ask your help in moving MECO into the twenty-first century. Please ignore their highly paid experts and use common sense. Please deny their request for a boundary amendment to convert prime, productive agricultural land into a fossil fuel burning relic.

I represent hundred's of rural residents who don't have the luxury of taking a work day off for a public hearing- even an important public hearing like this.

What we are asking is for our utility monopoly to stop using our payment fees to support a completely obsolete technology. What we are asking is that MECO evaluate their proposed project in terms of its complete costs:

- 1) Its impacts on local air quality, because of it's unfortunate siting in a local wind vortex
- 2) It's health care costs to local citizens already sensitive to vog and cane smoke
- 3) It's release of heavy metal laden vapors over soil, homes, schools and crops
- 4) It's contribution to overall Global warming.

This method of true cost of service reckoning is becoming widely used by other utilities. It is time that we in Maui, with so much to lose from poor environmental planning and monitoring, avail ourselves of the same more realistic perspective.

Then we can compare MECO's corrected cost projections for the proposed Waena plant, to those offered by cleaner alternative energy sources.

I have included a recent article from the San Francisco Chronicle describing efforts being made by British Petroleum, a multi national corporation ,to develop and produce more efficient and cost effective solar power panels. John Browne, BP's chief executive, is described in the article as "breaking ranks with the oil industry"... "by acknowledging that scientists have reached a consensus that the Earth may be getting dangerously warmer." Browne committed his firm to "taking steps to reduce emissions..produced by the burning of fossil fuels.."

These are real conclusions coming out in the real world and I resent the fact that my rate payer dollars are funding a company that wants to stick its head in the sand and ignore the fact that it is operating in one of the most receptive places in the US to energy conservation and alternative energy production and use.

RECEIVED

FEB 26 1998

State of Hawaii
LAND USE COMMISSION

Maui has areas that are sunny 90% of the year. It has some of the windiest sites in the state. It has one of the highest utility rates in the nation (with a rate increase being proposed immanently) and it has a minuscule utilization of solar hot water heating systems or energy efficient home design. It also is luring its bread and butter by projecting an image as a state with clean air, clean water and a clean environment.

So, all our utility company can offer as a state-of-the-art technology for a power plant that's supposed to be serving us in 2020 is to come up with a newer, bigger oil guzzler. What's wrong with this picture.? I'll tell you what ...everyone from our mayor and our governor on down just goes along with the farce and pretends there are no other choices. It's a lie. There are projects all over the US to prove it. Energy conservation and alternative energy conversion create jobs. They keep money circulating in the community. They help cut costs over the long run. But they take the backing of real leaders with real vision.

This plant has been in the planning process for years and many members of the public have offered testimony asking for a different solution. Hardworking citizens, including technically trained experts, have had their suggestions summarily ignored. Now, the only way they can get heard is to scurry around the beauracratc maze filling out papers and receipts, spending a fortune in mailing and copying costs and enduring nasty intimidating letters from MECO attorneys. All this, and we're the people who are paying for MECO's services!

Please remember: we citizens here today have no fancy attorneys We are losing pay from our jobs to be here. We are only here because we care about our friends and families and their health. We are only here because we believe that Maui deserves better than to be offered the old worn out technologies of corporate American like some third world colony.

Please help Maui take the first step towards responsible energy planning and a place in the twenty-first century . Deny MECO's boundary amendment request. Send the message that Maui deserves a better plan.

Mahalo

Tropical Orchid Farm

Huelo, Maui

*I include the following, which were my comments on the EIS for the WAENA project.

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

9-22-97

Mr. Mark R. Wiley, Project Manager
1585 Kapiolani Blvd., Suite 1420
Honolulu, Hawaii
96814

RECEIVED

FEB 26 1998

State of Hawaii
LAND USE COMMISSION

From:
Jeffrey Parker, President
Tropical Orchid Farm, Inc.
P.O. Box 170
Haiku, Hawaii
96708

Dear Mr.'s Blane and Willey,

While I am a newcomer to the issue of the Waena Generating Station Environmental Impact Statement, after reading the document I feel compelled to offer my comments to the draft. Please add them to the final EIS.

While I sympathize with MECO's efforts to try and anticipate future energy demands and to develop a plan of action, issues that are important to me are not studied or the conclusions of the studies differ from my own. I think that we must remember that an EIS prepared for a developer always seeks to slant the conclusions towards the project being proposed. These documents, while being better than nothing, are far from being "unbiased" reviews of the proposed projects.

For example, a quick scan of the Summary of Potential Impacts reveals that while the preparers concluded that there will be adverse impacts from the project, their somewhat subjective opinion is that the impacts are "not significant". Under "Visual Resources", the conclusion is "no significant impact". I noticed that the computer-generated images of the views (Key Views 3 & 4) are shown without the smoke plumes rising up out of the smokestacks. Really, it does come down to the observers' opinion (i.e., am I the person being paid to prepare this justification document, or am I the citizen who will have to live with the many adverse impacts, and personally will gain nothing from this project?)

The following deficiencies of the EIS concern me:

1. Failure to analyze alternative energy sources in depth.

The mantra of "not economically feasible at this time" is used to avoid serious consideration of alternative energy solutions which could have the positive effect of down-scaling this project. Specifically, there is no mention of Solar-Thermal technology which has been shown to be capable of generating large amounts of power in sunny areas of the country. One of the inventors of the Solar-Thermal demonstration project in Mojave, California actually came to Hawaii and gave a presentation to the State Legislature, in which he stated that Honolulu is one of the best sites in the country for this technology to work. Although this technology only supplies electricity during the daytime when the sun is out, it could supplement the generating plant, thereby reducing the size of the facility and the quantity of low-grade high-sulfur fuel used. MECO, in its EIS claims that solar technologies use too much acreage and therefore are "not economically feasible". I personally feel that MECO would be able to get as much acreage as it needs if it wanted to show leadership by seriously exploring solar energy.

Also, I have a problem with the idea that a higher grade, less-polluting fuel is not an alternative because it is "too expensive". Maui is a "special case" when it comes to preserving qualities like clean air, clean water, etc. Besides the negative effects to our citizens of burning low-grade fuel, our current leading industry, tourism, depends on being able to market clean air, clean water, and unobstructed vistas, to its consumers. Therefore, the EIS should discuss the cost/benefits of using the cleaner, less polluting low-sulfur fuels (i.e. better health and environment for our citizens, and preservation of our tourism image.)

I think the EIS should have discussed the concept of keeping our dollars here circulating in our own economy. In other words, when we buy fossil fuels from the mainland, 90% of the money leaves Hawaii. When we generate our power from renewable resources here in Hawaii, the money stays here, circulating in our local economy. This benefit can offset the "higher costs" of alternative energy.

MECO says that as a result of Integrated Resource Planning process, it formed four DSM resource programs including a Residential Efficient Water Heating Program. I would like to know why MECO now has decided to stop offering the \$800 credit for solar hot water installations? I wonder if discontinuing that program is a way for MECO to turn consumers away from alternative energy at a time when they are trying to justify the their decision to continue reliance on fossil-fuel.

2. Failure to study impacts of increased tanker traffic in and out of Kahului Harbor and on coastline. Also, fuel transport and handling.

This is a serious omission of the EIS. Apparently the preparers didn't see the need to discuss how the fuel will get to Maui in the first place. Operating under baseload conditions, the generating plant could use 312,000 gallons of fuel per day. This is equivalent to an Exxon-Valdez tanker arriving at Kahului Harbor once a month! If one of these tankers runs aground along our sensitive coastline, will MECO share in the liability of such a disaster? The failure of the EIS to look at this aspect of energy development is

clear grounds for the rejection of the document and a Supplemental EIS should be required.

Also, what are the environmental impacts of one of the 44 fuel tanker trucks per day crashing en-route to the plant? No mention of this in the EIS. Again, a supplemental EIS is required.

3. Failure to study full and cumulative impacts as required by State law. (Using BACT as a convenient escape clause).

I have a problem with the Bact (Best Available Current Technology) concept when it is used to avoid examining the cumulative impacts of the project. The preparers state "It must be made clear that specific BACT for this project has not yet been determined and will not be determined until such time as the State of Hawaii Department of Health and U.S. Environmental Protection Agency review the design-specific elements and modeled air emissions through the air quality permit process. If the top control alternative is not applicable, or if it is not technically or economically feasible, it is rejected as BACT and the next most stringent alternative is then considered. This process continues until a control alternative is determined to be both technically and economically feasible for a particular air pollutant." In other words, we the citizens have no way of knowing what the final technologies will be. This is in direct opposition to one of the purposes of the EIS law, that a proposed project will be examined in its entirety before permitting and construction begins. This technique of using BACT as a way to avoid looking at the full impacts of the project, resembles another tactic used in EIS preparation called "segmenting". In segmenting, the project is proposed to be built in phases, thereby (supposedly) avoiding having to study the full, cumulative impacts. The issue of segmenting has been used successfully by environmental and citizens groups to have inadequate EIS's overturned in court. For the average citizen the "BACT cop-out" has the same implications as "segmenting". Another glaring example of this general type of tactic is found in the response to Water Director David Craddicks' letter. Mr. Willey states that "because the plant is not scheduled to begin construction until the year 2002, design consultants have not been determined at this time. As a result, the cost/benefits of specific water treatment alternatives will not be available within the time frame of the project."

If Mr. Blane accepts this EIS for the County of Maui, he basically is giving MECO permission to do anything they want!

4. Document concludes that project is in line with State and County land use policies and goals, when in fact it violates those stated directives.

The State Plan says "...it shall be the policy of this State to: Support research and development as well as promote the use of renewable energy sources." MECO acknowledges that, in making the decision to expand with additional oil-fired units, it is contradicting the objective of energy self-sufficiency (5.5.2).

The Maui County General Plan says "Objective 3 is to preserve lands that are well suited for agricultural pursuits. (Policy a) Protect prime or productive agricultural lands from competing non-agricultural land uses. (Policy d) Discourage the conversion of

productive or potentially productive agricultural lands to non-agricultural uses." The MECO project clearly flies in the face of the Maui County General Plan.

The Wailuku-Kahului Community Plan contains 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." The MECO project clearly is at odds with the wishes of the Citizens Advisory Commission.

The Maui County Zoning Code recommends "Preventing certain uses that will be detrimental to existing uses" and "Protecting the health, safety and welfare of the people of the County". Once again, although I understand the need of MECO to plan for the future, I think that the proposed project is in conflict with the State Plan, the County General Plan, the Wailuku- Kahului Community Plan, and the Maui County Zoning Code. Because MECO appears to be so out-of-step with the various experts and leaders who are responsible for these plans and policies, I believe a SEIS should be required.

5. Socioeconomic: Is infrastructure development a result of population and economic growth, or is it a cause of population and economic growth?

By creating a bigger power supply than is currently needed, will power-consumptive industries want to relocate here? The EIS admits that "..... the project will indirectly support additional population and growth." The EIS should address the benefits of having less population and growth if the "no action alternative" is selected.

6. EIS attempts to minimize importance of the conversion of prime ag lands into Urban and Heavy Industrial classifications.

As a farmer, it is my responsibility to question conversion of ag lands. While this particular project will convert "only" 67 acres of prime ag, it should be viewed in the context of all the other prime ag lands currently being threatened on Maui. Just one example; DOT is trying to have over 300 acres of prime ag reclassified to Urban for the Kahului Airport expansion. "The establishment of the nearby landfill and quarry have created an area of "city-like" heavy industrial uses near the proposed Waena Generating Station." Combined with a surplus of electricity, will we see the area near the proposed project turned into a giant industrial park like Cambell Industrial Park on Oahu?

7. Conclusions concerning impact of pumping ground water and of injection wells are inadequate.

Hydrology is a theoretical science. We simply do not know what the impact of these actions will be on the aquifer in that area. It is necessary to establish baseline studies before the project commences in order to be able to compare and assess the impacts when the project gets underway. In the EIS, Water Director David Craddick warns "since pumping of substantial amounts of ground water can lower ground water levels and stream flows far down-gradient of the pumping, wetland areas may be affected by such pumping."

Could the drawing-down of the brackish water in the aquifer lead to a drop in the level of the pure drinking water aquifer that is higher up?

8. Air quality.

Gary Gill of the Office of Environmental Quality Control states in the EIS "...the proposed action will include elements which constitute a source of pollution to the environment." Once again, by using the BACT loophole to avoid having to spell out what systems will eventually be chosen, we have no idea which scrubber technology will be deemed "economically feasible" by MECO.

Also, the attempt of the EIS to "explain away" the effects of the Maui Vortex on trapping particulate matter, is suspect. One thing, though, is certain: The project is within the area of the Vortex, as is clearly shown on the original Leopold's Vortex map and the NWS Vortex Model. Since the Vortex problem is real enough, why not burn the higher-grade low-sulfur fuel?

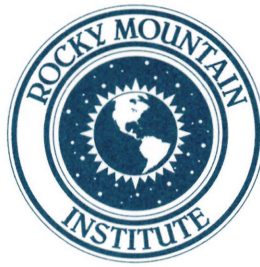
Not enough consideration was given to spending more money on low-sulfur fuel as an alternative to what is proposed. Because we Mauians place a high value on our clean air and natural beauty, we might prefer a higher generating cost with a cleaner environment as a result.

In conclusion, I hope that the EIS, in its present form will not be accepted by Mr. Blane and the County of Maui. Deficiencies in the EIS might be further addressed by a SEIS. Mr. Blane, I believe your responsibility to see that Maui's current residents are not adversely impacted by development projects, is greater than your charge to plan for future residents. I believe it is time for us to start looking at the issue of; what kind of economic growth can we have that does not involve population growth, instead of planning for massive population growth.

Thank you for the opportunity to comment.

Sincerely,

Jeffrey Parker



Richard Heede
Research Scholar
Rocky Mountain Institute

24 February 1998

Land Use Commission
235 South Beretania Street, Room 406
Honolulu, HI 96804-2359

cc: William A. Bonnet, President
Maui Electric Company Limited
210 Kamehameha Avenue
Kahului, HI 96733-6898

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 25 P 3:20

Honorable Land Use Commission members

Subject: LUC Docket No. A97-722 / Maui Electric Co, Ltd.

Maui Electric Company's proposal to spend \$417 million on a new powerplant violates Miss Piggy's Fourth Law to "never try to eat more than you can lift." Slower-than-anticipated growth in demand—down to 0.5 percent last year—gives the utility the time needed to invest instead in a "conservation powerplant" that will cost far less than building new generating capacity, will save fuel, money, and pollution, and will avoid a divisive fight over siting and environmental impacts. Investing to help customers save electricity will create lasting jobs and strengthen the local economy rather than exporting money out of state for fuel and machinery.

In assessing the need for additional generating capacity for the County of Maui, as proposed by Maui Electric Company (MECO), this observer is struck by the utility's lackluster performance in achieving more than a bare minimum of available and cost-effective demand-reduction measures. The intent of MECO's demand-management plan in 1993 clearly spells out the reason for estimating and implementing demand-reduction: "The DSM resource assessment activity is to develop aggressive and achievable DSM programs that ... substitute for the need for new generation capacity."¹ Only the implementation is missing. Considering the largely untapped electricity-saving opportunities in Maui, and inasmuch as "DSM has not been aggressively pursued in Hawaii"² it is my recommendation to the people of Maui that MECO's request to build additional fossil fuel generating capacity be firmly denied. MECO's own assessment that "there remains a very large potential energy efficiency resource that can be tapped at competitive costs through demand-side management" is, if anything, larger today than in 1993.³

¹ Synergic Resources Corporation and Hawaiian Electric Company (1993), *Integrated Resource Planning 1994-2013: Demand-Side Management Report*, December 1993, p. I-1.

² *Ibid.*, p. I-3.

³ *Ibid.*, p. I-1.



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The reasons are manifold. First and foremost, MECO's demand-side management plans are not sufficiently aggressive, lack marketing and internal incentives, and appear inadequate to the task of improving end-use efficiency commensurate with the large potential and the utility's public service obligations. The plans exhibit a piecemeal approach rather than a comprehensive and effective plan to defer new generating capacity. Furthermore, the utility's record of achieving said goals, meager as they are, is spotty at best.⁴ An observer could easily conclude that the utility's intent is to play the DSM game and meet minimum standards for making promises but is unwilling to truly improve end-use efficiency in the County, save fuel, limit environmental impacts, and reduce customers' bills. It appears that the utility has underestimated its own power to help county residents and businesses save electricity and money. The inevitable result: MECO is now threatening to impose a \$417 million tab on its customers—in the form of a recently proposed rate increase of 1.76 cents per kWh (unlikely to be the utility's last rate increase request, since this rate increase is for the first 58 MW unit of Waena). A significantly smaller investment in saving electricity, if backed by a realizable and prudent commitment, and effectively championed by MECO, can avoid the unnecessary expense of a new series of powerplants at Waena. To wit:

Point 1: Untapped DSM Goldmine

- a) Saving electricity costs less than burning oil. Hundreds of demand-side management programs run by utilities of all sizes and types have clearly demonstrated that utility DSM costs less than fuel. Of course, poorly designed, costly, and ineffective programs are numerous, but the best programs cost less than 1 cent per saved kWh, and the *average* cost for California investor-owned utilities from 1991-94 was 2.5 cents per saved kWh. The average cost of conserved electricity for hundreds of programs across the U.S. in 1993 was 3.0 cents per kWh saved⁵—still less than MECO's fuel cost of 3.4 cents per kWh generated.⁶
- b) Considering its very high rates, Maui Electric's concern over competition may be justified, but eliminating DSM programs—presumably due to cost-cutting priorities—is ill-advised. The effect of DSM on electric prices is low—an estimated 2 percent on a national basis.⁷ Smart utilities can design programs that *reduce* rates, lower bills, improve the load shape and utility profits, reduce pollution, and strengthen customer loyalty (increasingly important, even on island Maui, due to pressure to open access to other electricity providers).⁸
- c) A fixation on cost-cutting ignores the fundamental value of service and bill-reduction to MECO's customers. In any case, the utility's proposed powerplant at Waena will *raise* rates by an estimated 1.76 cents per kWh for the first 58 MW generating unit alone.
- d) MECO's own early DSM reports demonstrate confusion about cost-effective programs, suitable and available technology in Hawaii, and underestimates the extent to which motivated and educated customers can save electricity and peak load *if adequately guided by their utility*. In this

⁴ I have not been able to review MECO's more recent (March and November 1997) evaluation and accomplishment reports on the progress of its DSM programs, which may document greater success at saving electricity and reducing capacity growth than earlier reports and its DSM and IRP plans.

⁵ Utility cost only. Hirst, Eric, and Joseph Eto (1995), *Justification for Electric-Utility Energy-Efficiency Programs*, Oak Ridge National Laboratory, Oak Ridge, TN, ORNL/CON-419, pp. 25-27.

⁶ Energy Information Administration (1997), *Electric Power Monthly: October 1997*, DOE, Washington, DC, p. 81. MECO consumed 141,000 barrels of oil at a fuel cost of \$2.85 million in June 1997 (\$20.24/bbl), divided by net generation of 83,448 MWh = 3.42 ¢/kWh. 0.071 gallon (~0.5 lb) of oil consumed per kWh generated (note: oil consumed per kWh *consumed* would be approximately 7% higher due to grid losses).

⁷ Hirst, Eric, and Stan Hadley (1994), *Price Impacts of Electric-Utility DSM Programs*, Oak Ridge National Laboratory, Oak Ridge, TN, ORNL/CON-402.

⁸ For an excellent discussion of utility options, see the monograph by Nadel, Steven (1996), *Providing Utility Energy Efficiency Services in an Era of Tight Budgets: Maximizing Long-Term Energy Savings While Minimizing Utility Costs*, American Council for an Energy-Efficient Economy, Washington, DC, (202) 429-0063.

observer's opinion, rebate programs are often costlier than other options, and the opportunity cost of focusing on rebates is too high. Early DSM program reports acknowledge, for example, that a number of compressor motors and other equipment targeted for incentives are either not available in Hawaii or are not suitable for its climatic conditions.⁹

- e) MECO documents acknowledge that DSM programs must “*reflect operational characteristics of the MECO system ... Not only is the magnitude of the energy and capacity reductions important, but the timing of the impacts, e.g., the effect on the system load shape, is also important.*”¹⁰ Yet, insufficient attention to developing a program that prioritized peak load reductions is evidenced by the lack of information on the demand components of the peak in the company's planning documents. MECO emphasized programs that prioritized overall electricity savings with little apparent regard for whether such savings would lower peak demand. For example, residential electric water heating is responsible for 97 MWh of total demand (of system total of 822 MWh, or 12 percent), and thus merits attention, but no useful information on water heating load *during peak*, which is where MECO should focus its attention in order to defer construction of new capacity.¹¹ MECO's programs have been more successful, according to several observers, in saving electricity (which saves money and fuel)—particularly in the commercial sector with chiller replacements, lighting retrofits, and other programs.
- f) By all accounts, MECO's residential solar water heating program is a great success and a worthy model for mainland utilities. This writer has not been able to review documentation on the program's cost-effectiveness and effectiveness at saving demand at MECO's 5-9 pm peak.
- g) Several mainland utilities have successfully deferred peak demand through water heater controls.¹² Also, increasing the implementation rate, customer adoption, and persistence of highly cost-effective energy- and water-efficient showerheads and faucet aerators is likely worthwhile.
- h) The best utility-financed electricity-saving programs save in excess of 1.0 percent of sales and 1.0 to 1.5 percent of peak demand capacity per year, and have done so for several years running.¹³ The Electric Power Research Institute estimated that the average cost of U.S. utilities' DSM programs through mid-1993 cost an average of 2.1 cents/kWh¹⁴—less than MECO's fuel cost alone, and not counting the capital cost of existing or proposed powerplants.
- i) Utilities across the U.S. saved 61.8 billion kWh (2.0 percent of total sales) and reduced peak load by 29.9 GW (5.1 percent of U.S. “summer noncoincidental peak load” of 586 GW) in 1996 at a total DSM cost of \$1.9 billion.¹⁵
- j) MECO-serviced residential and commercial buildings remain electrically intensive. Maui's single family homes consume an estimated 6.3 kWh per square foot per year, far above California's

⁹ Maui Electric Company, Limited (1996), *Demand-Side Management Programs: Annual Program Modifications and Evaluation Report*, filed with Hawaii Public Utilities Commission, November 1996.

¹⁰ Synergic Resources Corporation and Hawaiian Electric Company (1993), *op. cit.*, p. I-2.

¹¹ Water heating demand at peak is possibly much lower than expected from the high consumption data, judging by Sacramento Municipal Utility District's end-use monitoring of DHW demand at their evening peak.

¹² See, for example, Results Center (1993), *Buckeye Power: Residential Load Control*, Profile #58, Aspen, CO.

¹³ Nadel, Steven (1991), *Achievable Electricity Conservation Potential: The Role of Utility and Non-Utility Programs*, American Council for an Energy-Efficient Economy, Washington DC.

¹⁴ Clark W. Gellings (1993), presentation to Energy Committee, Aspen Institute for Humanistic Studies, July 1993. Gellings used the EIA data from utilities reporting DSM programs on Form 861, but increased reported costs by 15 percent to allow for underreporting of administrative costs. Cited in Amory Lovins (1994), “Apples, Oranges, and Horned Toads,” *The Electricity Journal*, May 1994, vol 7 (4), p. 31.

¹⁵ Energy Information Administration (1997), *U.S. Electric Utility Demand-Side Management 1996*, U.S. DOE, Washington DC, p. 4. Peak load from EIA (1997), *Annual Energy Review 1996*, p. 247. The incremental demand-savings totalled 3.7 GW in 1996 and 4.6 GW in 1995.

average of 3.7 kWh/ft²/yr—and well above that consumed by exemplary homes built elsewhere in the country with consumption below 2.0 kWh/ft²/yr.¹⁶ Maui's commercial buildings average 16.9 kWh/ft²/yr—nearly 50 percent above the 11.5 kWh/ft²/yr national average.¹⁷

- k) MECO justifies its plans to build new powerplants on the basis of continued strong demand growth of 2.6 percent annually. But the future is choice, not fate, as my colleague Amory Lovins aptly points out. MECO can instead design and achieve programs that combine electric efficiency and load shifting to cut potential peak demand growth to ... *zero*. Aging existing plants can also be refurbished to replace lost generation from qualifying facilities. Renewable supplies can be added more quickly and at lower cost than the proposed plant at Waena (see below).

Point 2: Cost of Proposed Powerplant at Waena

- a) Cost: \$400 million (generation units only). Total cost: \$417.6 million (\$105 million for Unit One). "It is estimated that the cost to the ratepayers for the first DTCC will be an additional 1.76 cents per kilowatt-hour in 1997 dollars."¹⁸ Maui Electric is planning to invest \$4,600 for every one of Maui's current 91,000 residents over the next twenty years. Investing a smaller amount in a portfolio of more aggressive yet cost-effective electricity-savings plus renewables would make the powerplant unnecessary, saving air and water pollution, avoiding greenhouse gas emissions, fuel trucks, and vast amounts of diesel fuel. Investing in sustainable energy options help create durable local jobs and keeps dollars in the community.
- b) MECO argues that new capacity is needed to meet robust demand growth. MECO's projected growth rate fell from 4.0 percent to less than 0.5 percent last year, however, which is apparently making the utility shift the rationale for the need for the Waena plants from demand growth to replacing its old powerplants at Maalaea. Peak demand now stands at 177 MW (with total firm capacity at 196 MW in 1996, rising to 254 MW in 2001 when the new Maalaea plant comes online). Projected demand in 2016 is 299 MW without DSM and 267 MW with DSM programs implemented. According to Maui Electric, the Waena Generating Station is needed to fill the expected shortfall in generating capacity well before 2016. This observer is not convinced that the powerplant is needed, and future growth in demand can be met with prudent investment in electric efficiency, effective load shifting, and renewable sources.

Point 3: Renewable Electricity and Solar Alternatives to Waena

- a) Maui Electric's experience with windpower has been mixed: one 340 KW Windane turbine, installed in 1984, was decommissioned due to technical problems. MECO considers windpower a viable technical option, since the island has a good wind regime, but do not consider it a cost-effective option at this time. However, the Draft EIS cites installed cost estimates of \$1,050 to \$1,280 per kW, which compares favorably with installed cost for Waena: \$1,724 per KW.¹⁹ Yes, wind requires more land, but avoids pollution and saves fuel. Many utilities—ranging in size from

¹⁶ California statistics from Energy Information Administration (1995), *Household Energy Consumption and Expenditures 1993*, U.S. DOE, RECS, pp. 37 and 46. Maui data from Synergic Resources Corporation and Hawaiian Electric Company (1993), *op. cit.*, p. II-10 (single-family homes consume 6,944 kWh/yr), and NEOS Corporation (1994), *Final Residential and Commercial Building Prototypes and DOE-2.1E Developed UECs and EUIs*, Sacramento, CA, prepared for Department of Business, Economic Development, and Tourism, State of Hawaii, p. 4 (from which we infer average single-family home size of 1,100 ft²).

¹⁷ Synergic Resources Corporation and Hawaiian Electric Company (1993), *op. cit.*, p. II-15; Energy Information Administration (1995), *Commercial Buildings Energy Consumption and Expenditures 1992*, U.S. DOE, p. 90.

¹⁸ Maui Electric (1997), *Waena Generating Station: Draft Environmental Impact Statement*, p. 3-14. "DTCC" = dual-train combined-cycle, in this case the first of four diesel-powered 58 MW units.

¹⁹ Compare *DEIS*, pages 3-24 and 3-22.

Traverse City Municipal Utility to Pacific Gas & Electric—now have successfully integrated windpower with conventional powerplants. New turbines can now deliver electricity at 4.5 cents per kWh—*before* taking the 1.0 cent per kWh production credit.

- b) MECO must evaluate the cost-effectiveness of distributed generation options, including roof-top photovoltaics as well as PEM fuel cells (prices are falling rapidly).
- c) Encouraging passive (non-mechanical) cooling design in new construction is highly cost-effective in Maui's climate.
- d) A serious appraisal of a windpower facility in the Gap is warranted. The DEIS does not do justice to this low-cost, low-impact generation option, considering Maui's excellent wind regime.
- e) Residential solar water heating systems and MECO's incentives are successfully displacing peak demand and saving electricity and money, but an installation rate of approximately five hundred systems per year means it will take more than 100 years to solarize Maui's households alone. HECO's and MECO's solar program are widely recognized as the most successful solar thermal programs in the country. It is unknown to this observer how much peak load is being saved, since, at least in SMUD's case, residential water heating load at peak is relative low (~0.35 KW).²⁰ The programs do not appear, however, to be cost-effectively saving electricity.

Point 4: Use of Oil

- a) Hawaii has traditionally relied heavily on oil imported from Alaska. Landed fuel costs are 3.4 cents per kWh generated. While there is, in the short term, a downward pressure on global oil prices, many observers are now predicting the end of cheap oil.²¹ Buying into an uncertain future with respect to the cost of oil-fired electricity is folly, particularly when U.S. domestic production is continuing its steep decline from its peak in the 1970s. All-time high proven oil reserves notwithstanding, price pressures from global demand outstripping extraction capacity will also present opportunities for supply disruptions and serious global tensions over supply reliability.
- b) Indeed, the State of Hawaii, County of Maui, and Maui Electric agree on a policy to "reduce dependence on fossil fuels for energy by promoting development of natural renewable resources."²² The Waena proposal is a giant step backwards.
- c) At full build-out, 44 fuel tanker trips required daily (@ 9,000 gallons per truck). At 232 MW and full load, 312,000 gallons of diesel fuel oil will be consumed daily. The higher incremental cost of 0.05% sulfur diesel fuel is rejected because saving 7/8 of the sulfur emissions (844 of 964 tons of SO₂ per year) is considered a minimal benefit. Wrong answer.
- d) Heavy metals and sulfur are present on fuel oil in varying quantities. MECO's draft EIS describes the resulting toxic burden that will be borne by residents, soils, plants, air, and water resources surrounding the proposed Waena powerplant. At full build-out, Waena will release more than 3,800 tons of sulfur dioxide and nearly 1.4 million lbs of very small (sub-PM₁₀) but harmful soot and other particulate matter into Maui's air every year. Of course these and several other regulated substances such as mercury, chromium, manganese, cobalt, nickel, arsenic, and sulfuric mist end up in your soils, waterways, plants, and lungs. (Note: MECO's draft EIS does not tabulate or

²⁰ For more information on SMUD's solar water heating program, see Results Center (1993), *Sacramento Municipal Utility District: Solar Domestic Water Heating*, Profile #66, Aspen, CO.

²¹ See, for example, Campbell, Colin and Jean Laherrere (forthcoming 1998), "The End of Cheap Oil," *Scientific American*, March 1998. Also Udall, Randy, and Steve Andrews (1998), *When Will the Joy Ride End?*, Community Office of Resource Efficiency, Aspen, CO.

²² Maui Electric (1997), *op. cit.*, p. 3-19.

mention emissions of health-related but unregulated emissions of most the heavy metals present in diesel fuel, such as cobalt, cadmium, manganese, and nickel.)²³

- e) Carbon dioxide and regulated pollutants add to the utility's as well as to the environment's cost. Wisconsin, for example, has specified a value of \$15 per ton of CO₂ emitted (compare MECO's proposed emissions of 1.4 million tons of CO₂ per year at Waena). SO₂ emission permits now sell for about \$70 per ton (Waena will emit 3,800 tons per year). Monetized values for NO_x emissions range from \$69 per ton in eastern Washington state to \$31,600 per ton in southern California.²⁴

Point 5: Climate Change

- a) MECO's proposal to build 232 MW of oil-fired electric generating capacity will increase Maui's emissions of carbon dioxide by 2.8 *billion* lbs per year. This forecasted need for additional electricity demand is equivalent to raising per capita CO₂ emissions on Maui by more than 30,000 lbs per year—in addition to existing generation and the planned 58 MW expansion at Maalaea.²⁵ The average household served by Maui Electric consumes 6,134 kWh per year and emits 11,470 lbs of CO₂ annually from MECO's oil-fired powerplants.
- b) After the United States signed the Kyoto agreement on climate change in December last year—which commits the nation to reducing greenhouse gas emissions by seven percent below 1990 levels by the year 2012—Maui Electric must show leadership in protecting the earth's climate by cutting its own emissions of carbon dioxide through electric efficiency and renewable options.
- c) It is time the people of Maui demand that their utility stop increasing global warming gases and instead fund cost-effective renewable energy technologies and end-use efficiency—the only rational ways of reducing carbon emissions in the electricity sector. In a study of low carbon electric options for New England, Wolf and Biewald found that a mixture of electric efficiency, renewables, and combined-cycle natural gas powerplants could displace aging nuclear and coal-fired powerplants and reduce total forecast carbon emissions by nearly 18 percent at a cost premium of only 2.3 percent relative to meeting all new demand growth with new gas-fired capacity.²⁶ Perhaps MECO can be the country's first utility to take such an environmentally progressive stance while also saving customers' money and making the utility more profitable?

²³ A similar combustion turbine proposed by Encogen Hawaii has estimated emissions from its 65MW plant (including fuel storage) as follows: VOCs (25.1 tons/yr); Acrolein (360 lbs/yr); Benzene (4,000 lbs/yr); Formaldehyde (4,800 lbs/yr); Phosphorus (1,220 lbs/yr); Toluene (1,660 lbs/yr); Xylene (1,140 lbs/yr); Fluorides (34 lbs/yr); H₂SO₄ sulfuric acid (4,200 lbs/yr). Metals: Antimony (88 lbs/yr); Arsenic (19.2 lbs/yr); Beryllium (1.3 lbs/yr); Cadmium (16.6 lbs/yr); Chromium (192 lbs/yr); Cobalt (36 lbs/yr); Lead (330 lbs/yr); Manganese (1,400 lbs/yr); Mercury (3.6 lbs/yr); Nickel (5,000 lbs/yr); and Selenium (22 lbs/yr).

²⁴ Hirst and Eto (1995), *op. cit.*, p. 16.

²⁵ Maui Electric (1997), *Waena Generating Station: Draft Environmental Impact Statement*, pp. ES-2, 2-1, and 3-6. CO₂ emissions estimates are by the author, based on MECO data: at full build-out, Waena will consume 312,000 gallons of diesel fuel per day times 24.5 lbs of CO₂/gallon = 2.80 billion lbs (1.40 million tons) of CO₂ per year, divided by an estimated population of 91,000 = 30,770 lbs CO₂ per capita per year. Or, if divided over MECO's 50,024 residential customers (1992), equal to 54,880 lbs of CO₂ per household per year. Estimated electric consumption of approximately 1.1 billion kWh in 1997 (based on MECO sales of 822 GWh in 1992 and recent demand growth of 5 percent per annum) translates to 1997 emissions of approximately 2.3 billion lbs of CO₂ (each kWh consumed emits 1.87 lbs of CO₂). In other words, when the Waena complex is complete in 20 years Maui Electric expects to more than double carbon dioxide emissions.

²⁶ See, for example, Tim Wolf and Bruce Biewald (1998), "Efficiency, Renewables, and Gas: Restructuring as if Climate Mattered," *The Electricity Journal*, Jan/Feb, pp. 64-72.

In sum

This observer recommends denial of Maui Electric Company's request for a land-use zoning change designation for the purpose of building a series of oil-fired powerplants at Puunene. MECO has not seriously pursued available least-cost alternatives to powerplant construction. Several unrealized opportunities exist to greatly reduce electricity and fuel consumption as well as peak demand, and the utility should be given time to mature its DSM programs to improve effectiveness.

Respectfully,

A handwritten signature in blue ink, appearing to read "Richard Heede", with a stylized, cursive script.

Richard Heede

CH2MHILLHonolulu Office
TEL: 943-1133 FAX: 941-8225

F A X # :

To: Esther Ueda

Company:

Total Pages: 2

From: Mark Wilky

Date: 2-24-98

Message:

Esther, the following letter was sent to me to pass on to you for inclusion in Docket A97-722. I don't know if Mr. Watanabe or Mr. Okamura are planning to testify personally, but they wished their statement be read into the record.

Mark Wilky

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 24 A 7:56

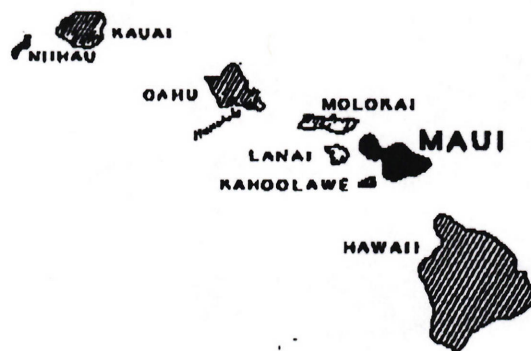
The information in this fax is confidential and proprietary and is intended only for the individual or entity named on the cover sheet. If you are not the intended recipient, disclosure, copying, distribution or use of this information is prohibited. If you do not receive all of the pages or have received this fax in error, please notify us immediately at 808-943-7135 ext. 206.

Maui County Farm Bureau

Affiliate of the Hawaii Farm Bureau Federation & the American Farm Bureau

Post Office Box 148

Kula, Hawaii 96790



10 February, 1998

Mr. Mark Willey
CH2M HILL, INC.
1585 Kapiolani Boulevard, #1420
Honolulu, Hawaii 96814

Dear Mr. Willey:

This letter is to notify you that we concur with the conclusions of the two appendices dealing with Maui Vortex Potential Impacts and Sulfur Dioxide and Ethylene Emissions in the Environmental Impact Statement for the new Maui Electric Company, Ltd. Waena Generating Station not withstanding any new information to the contrary.

Our members are concerned with any sulfur dioxide and ethylene emissions from the proposed power plant that would be detrimental to any crop grown commercially on Maui. Based on the conclusion of the study on existing conditions, it appears that there may not be any harmful effects on new and existing crops.

We thank you for taking the time to address our concerns.

Sincerely,

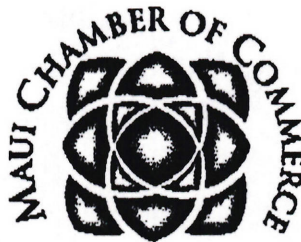
A handwritten signature in cursive script that reads "Warren Watanabe".

Warren Watanabe
President

A handwritten signature in cursive script that reads "Kenneth M. Okamura".

Kenneth Okamura
Past President

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 24 A 7:57



YOUR BUSINESS FUTURE

February 23, 1998

State of Hawaii
Department of Business, Economic Development & Tourism
Land Use Commission
P.O. Box 2359
Honolulu, Hawaii
96804-2359

LAND USE COMMISSION
STATE OF HAWAII

1998 FEB 23 P 2:13

ATTENTION: Ms. Esther Ueda (Executive Officer)

Aloha:

My name is Lynne Woods, President of the Maui Chamber of Commerce, and I testify on behalf of our 1,300 business members.

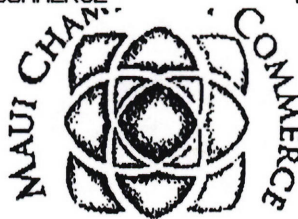
The Chamber is in support of Maui Electric Company's application before the State Land Use Commission for rezoning of property mauka of The County Central Maui Landfill, at the intersection of Waiko and Pulehu Roads, for the purpose of a new power plant.

In negotiating this parcel of land it is clear that Maui Electric has listened to the community concerns that were expressed when the company expanded the Maalaea Plant property. The newly proposed facility is far away from residential areas, away from the threat of tsunami damage, and in an area of Maui that already includes designated industrial use. Our County Planning Department has also indicated that this is the site they would prefer.

This new site will also enable Maui Electric to use current transmission lines eliminating that need for new infrastructure to distribute the electricity, thereby cutting costs and the need to effect our skyline and environment any further.

Thank you for the opportunity to testify before you today.

Yours truly
Lynne Woods
Lynne Woods
President



YOUR BUSINESS FUTURE

FAX TRANSMITTAL

DATE: Feb 23/98
TO: Mrs. Ueda
FAX: 808-587-3827
FROM: Lynne
RE: Testimony

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 23 P 2:13

Total number of pages including cover letter: 2

We are transmitting from (808) 877-6646. If you do not receive all pages, please call (808) 871-7711. Mahalo.

Testimony for public hearing on
maui Feb. 26, 27

**FAX TRANSMITTAL**

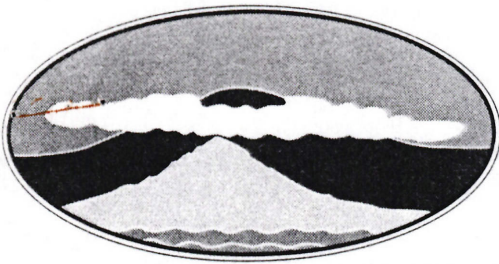
DATE: 2/17/98
TO: Esther Ueda
FAX: 808-587-3827
FROM: Lynne Woods
RE: LUC Testimony

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 17 P 3:50

Total number of pages including cover letter: 1

We are transmitting from (808) 877-6646. If you do not receive all pages, please call (808) 871-7711. Mahalo.

*Main Chamber of Commerce intends
to testify on behalf of Main Electric
at your upcoming LUC hearing -*



MAUI HOTEL ASSOCIATION

1325 Lower Main, Suite 103, Wailuku, Maui, Hawaii 96793 • Fax (808) 244-3094 • Phone (808) 244-8625

February 23, 1998

Ms. Esther Ueda, Executive Officer
State of Hawai'i
Department of Business, Economic Development & Tourism
Land Use Commission
P.O. Box 2359
Honolulu, HI 96804

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 19 A 10:28

RE: Maui Electric's Waena Generation Site

Dear Ms. Ueda:

The Maui Hotel Association represents 30 properties and 120 businesses on Maui, employing some 15,000 residents. We are in full support of the request for zoning changes made by Maui Electric Company for their Waena Generation Site.

Some time back as there was talk of expanding the Ma'alaea plant, there were concerns by the local residents about further expansion of the plant. Maui Electric answered the concerns of the community by spending much time looking for a new and less populated area in which to add to their generation of electric beyond the year 2000. The new site is already industrial in nature and is also the site preferred by our County Planning Department.

We realize that this is only the first step of many that will be needed to put this plant into generation and that the public will have numerous opportunities along the way to voice their opinions about each phase of development. Maui Electric has always been a "good neighbor" and listened to the concerns of the community, and I have no reason to think this project would be any different.

Therefore, we ask that you please grant them the zoning change at this time so they can continue with plans to keep Maui's needs addressed for the 21st century.

Sincerely,

Terryl Vencl
Executive Director



A Chapter of the Hawaii Hotel Association



MAUI HOTEL ASSOCIATION

1325 Lower Main, Suite 103, Wailuku, Maui, Hawaii 96793 • Fax (808) 244-3094 • Phone (808) 244-8625

February 23, 1998

Ms Esther Ueda, Executive Officer
State of Hawaii
Department of Business, Economic Development & Tourism
Land Use Commission
P.O. Box 2359
Honolulu, HI 96804

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 17 P 3:50

RE: Maui Electric's Waena Generation Site

Dear Ms. Ueda:

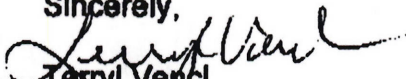
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Therefore, we ask that you please grant them the zoning change at this time so they can continue with plans to keep Maui's needs addressed for the 21st century.

Sincerely,


Terry Venci
Executive Director



A Chapter of the Hawaii Hotel Association



Wailea

Wailea Resort Company, Ltd. 161 Wailea Ike Place, Wailea, Kihei, Maui, Hawaii 96753-9599 • (808) 879-4461 • FAX (808) 874-6295

February 20, 1998

State of Hawaii
Department of Business, Economic Development
& Tourism
LAND USE COMMISSION
P. O. Box 2359
Honolulu, HI 96804-2359

Attention: Ms. Esther Ueda, Executive Officer

**RE: *State Land Use Commission District Boundary Amendment
Petition for New Waena Generating Site***

Dear Ms. Ueda:

Thank you for the opportunity to submit a letter of support on the referenced petition. Wailea Resort Company, Ltd. currently owns undeveloped lands within the master planned Wailea Resort. In pursuing the build out of the resort, an adequate and dependable source of electrical service is a necessity.

Given the increased economic constraints on development, it is critical that electrical services be available at a development project's initial phases in order to bring a project to reality in a timely manner. The implementation of the project associated with the referenced petition is a necessary element for the future economic viability of the Wailea Resort.

Very truly yours,

CLYDE MURASHIGE
Senior Vice President

CM:ltu

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 23 A 9:38



Local Union 1260

International Brotherhood of Electrical Workers

2305 So. Beretania St. • Honolulu, Hawaii 96826-1494

Telephone 941-9445

Fax No. 946-1260

February 20, 1998

HARRY H.K. KAMEENUI

Business Manager-Financial Secretary

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
Department of Business, Economic Development & Tourism
P. O. Box 2359
Honolulu, HI 96804-2359

WILFRED ANDRADE

President

1998 FEB 24 A 8:18
LAND USE COMMISSION
STATE OF HAWAII

RE: Maui Electric's Waena Generation Station, Docket No. A97-722

Dear Ms. Ueda:

International Brotherhood of Electrical Workers, Local 1260, AFL-CIO, represents 221 employees of Maui Electric Company, Limited (MECO) and other union shops here on Maui. MECO has been an excellent employer for our union members and has been very supportive in many community efforts.

Since MECO's first Site Selection Study in 1989, and its final Environmental Impact Statement, accepted by the Maui County Department of Planning on November 24, 1997, we feel that MECO has made a conscientious decision to consider, and solicit input on the generation site location. The type of technology proposed for this site was also defined for various Community groups, County and State agencies. These inputs were included into the site location studies and the final Environmental Impact Statement.

Local 1260 recommends that the Land Use Commission approve MECO's request for a District Boundary Amendment. We are in full support of MECO's request for a District Boundary Amendment for its Waena Generation site.

Please call me should you have any questions. Thank you.

Very truly yours,

Harry H. K. Kameenui
Business Manager -
Financial Secretary

HHKK:lam



Local Union 1260

International Brotherhood of Electrical Workers

2305 So. Beretania St. • Honolulu, Hawaii 96826-1494

Telephone 941-9445

Fax No. 946-1260

February 20, 1998

HARRY H.K. KAMEENUI
Business Manager-Financial Secretary

WILFRED ANDRADE
President

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
Department of Business, Economic Development & Tourism
P. O. Box 2359
Honolulu, HI 96804-2359

RE: Maui Electric's Waena Generation Station, Docket No. A97-722

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Very truly yours,

Harry H. K. Kameenui
Business Manager -
Financial Secretary

HHKK:lam

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 20 P 4:21



G. Stephen Holaday

Plantation General Manager, HC&S
Sr. Vice President, A&B Hawaii, Inc.

February 20, 1998

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 24 A 8:17

State of Hawaii
Department of Business, Economic
Development & Tourism
Land Use Commission
P. O. Box 2359
Honolulu, HI 96804

Re: Maui Electric's Waena Generation Station,
Docket No. A97-722

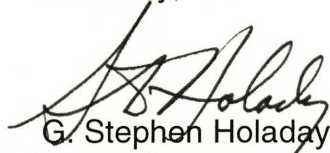
Dear Ms. Ueda:

This is to inform you that Hawaiian Commercial & Sugar Company (HC&S), a division of A&B-Hawaii, Inc., is sending this written testimony in support of Maui Electric Company's (MECO) request for a zoning change at their property located at the corner of Pulehu and Waiko roads.

In 1996, MECO purchased approximately 66 acres from A&B-Hawaii, Inc., for the purpose of building a generation station. The new site is already industrial in nature with the Central Maui Landfill, Ameron Hawaii Quarry, and our agricultural operations being neighbors to the new plant.

Please contact me should you have any questions. Thank you.

Sincerely,


G. Stephen Holaday
Plantation General Manager

cc: B. Bonnet



G. Stephen Holaday
Plantation General Manager, HC&S
Sr. Vice President, A&B Hawaii, Inc.

February 20, 1998

State of Hawaii
Department of Business, Economic
Development & Tourism
Land Use Commission
P. O. Box 2359
Honolulu, HI 96804

LAND USE COMMISSION
STATE OF HAWAII
1998 FEB 23 A 7:12

Re: Maui Electric's Waena Generation Station,
Docket No. A97-722

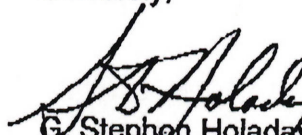
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Please contact me should you have any questions. Thank you.

Sincerely,


G. Stephen Holaday
Plantation General Manager

Hawaiian Commercial & Sugar Company

P.O. Box 266, Puunene, Maui, HI 96784

Manager's Office

Phone: (808) 877-6978 FAX: (808) 871-2149

Facsimile Cover Sheet

Date: 2/20/98

To: Ms. Esther Ueda No. of Pages (including this one): 2

Company _____ From: G S HOLADAY

FAX No.: _____ Phone #: (808) 877-6902

LAND USE COMMISSION
STATE OF HAWAII
198 FEB 23 A 7:12

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