Advance Sheet
Subject To Correction

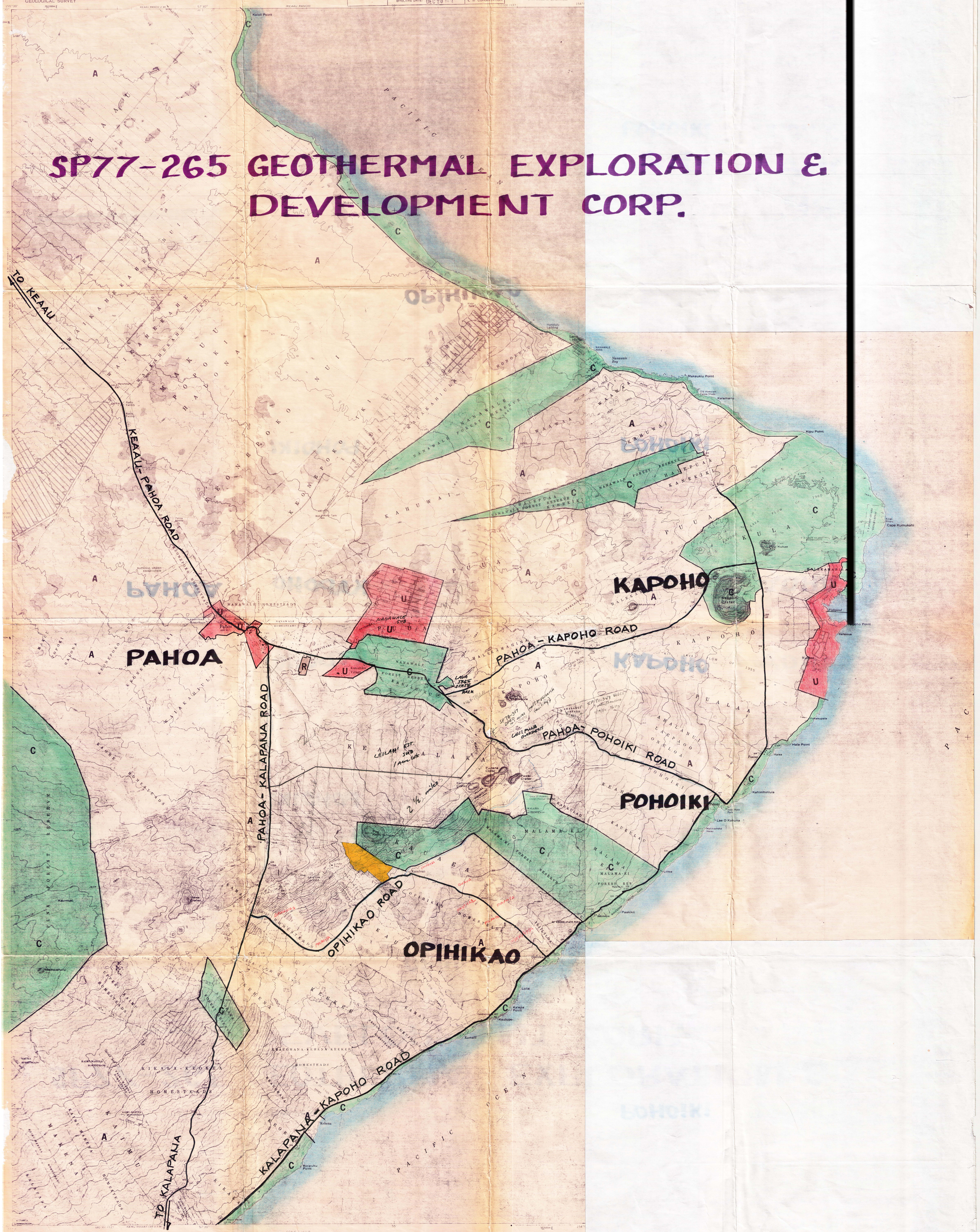
LAND USE DISTRICT BOUNDARIES

DISTRICT MAP	STATE OF HAWAII	DISTRICTS
H-71	LAND USE COMMISSION DEPT. OF PLANNING & ECONOMIC DEVELOPMENT EFFECTIVE DATE: DEC 20 1974	U = URBAN R = RURAL A = AGRICULTURAL C = CONSERVATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

PAHOA NORTH QUADRANGLE
HAWAII—HAWAII CO.
ISLAND OF HAWAII—PUNA DISTRICT
7.5 MINUTE SERIES (TOPOGRAPHIC)
SW/4 MAKUU 15' QUADRANGLE

SP77-265 GEOTHERMAL EXPLORATION & DEVELOPMENT CORP.


TO KEAAU
KEAAU-PAHOA ROAD
PAHOA
PAHOA-KAPOHO ROAD
KAPOHO
PAHOA-POHOIKI ROAD
POHOIKI
PAHOA-KALAPANA ROAD
OPIHIKAO ROAD
OPIHIKAO
KALAPANA-KAPOHO ROAD
TO KALAPANA
PACIFIC OCEAN
Kaloli Point
Makaukiu Point
Kipu Point
Cape Kumukahi
Kapoho Point
Hala Point
Kahinihinilula
Lae O Kahuna
Kaimu
Kalapana
Kehena
Waipuku Point
Kalepa Point
Kaulupo
Lolia
Kamaili
Paauilo
Pahoa
Kapoho Crater
Puu Kukae
Puu Kahuwai Crater
Puu Pulena Crater
Puu Pawai Crater
Puu Kaliu Crater
Puu Ulaula
Puu Kaiwa Crater
Puu Heihei Kalu
Puu Kaumuki
Puu Kaiwa
Puu Kaiwa Crater
Puu Kaiwa Crater
Puu Kaiwa Crater

PAHOA

PAHOA VILLAGE

Flow of 1840

NAWAWALE FOREST RESERVE

PUUA

SEC 4

ONELOA

POHOIKI

PAHOA-POHOIKI ROAD

To Kapoho

Pohoiki Park

LEILANI ESTATES

FILE PLAN 672

ONE ACRES LOTS

KEAHIALAKA

08 5562.0 Ac.

KAUKULA 330 Ac.

07

MALAMA - KI FOREST RESERVE

Net Area 1630.30 Ac.

WAIAKAHIULA

SEC. 5

LILEWA

SEC. 1

KAMAILI

PAHOA-KALAPANA ROAD

OPIHIKAO ROAD

OPIHIKAO HOMESTEADS

KAULEAU

02 1822.0 Ac.

01

03

04

05

06

Gov't (owner)

Gov't main Road

Cemetery, Exec. Ord. No. 127 6.10 Ac.

SEA

To Kalapana

KEEKEE

SEC. 2

UNLOCATED KULEANA

True North 1" = 2000'

NOTICE: Owner's, lessee's and vendee's names recorded on this tax map print may not be current. Refer to Administrative Directive 24-68 (Rev.) dated November 21, 1968, as amended by RPP Procedure 4-76, dated July 2, 1976.

SP77-265 GEOTHERMAL EXPLORATION DEVELOPMENT CORP

THIRD DIVISION	
ZONE	SEC.
1	3
CONTAINING	PLATS
SCALE: 1 IN. = 2000 FT.	

PRINTED JUL 05 1977

ADVANCE SHEET SUBJECT TO CHANGE

Dwg. No. 1184 Dec. 1992
By: G.B.
Source: Tax Maps Bureau

KAMAILI - POHOIKI, PUNA, HAWAII

BP05385 5385

GEOTHERMAL EXPLORATION & DEVELOPMENT CORP.

PACIFIC OPERATIONS

February 22, 1983

Mr. Sidney M. Fuke, Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Reference: Your Letter of February 8, 1983
Special Permit No. 364
Opihikao Project
TMK: 1-3-1:Portion of 24 and 25

Dear Mr. Fuke:

Additional information requested is provided item by item as follows:

1. Drilling was suspended at 7,927 feet.

2. Temperature measurements could not be determined at the bottom as the gauge malfunctioned at approximately 600°F.

3. The well did not flash.

4. Work was suspended in order to evaluate findings and plan for additional work such as drilling deeper or for slant hole drilling, also to try and determine any co-relation with the Kapoho reservoir as drilling and testing progressed there.

5. The additional work program is not yet determined.

6. No exact time frame can be projected for the second well, but an estimate would be after drilling a few more wells within Kapoho, approximately 1984-86.

We are enclosing a check, in the amount of $100.00, for filing fee relating to our request to have Condition No. 11 deleted from the Special Use Permit. This condition places undue and unnecessary restriction on our overall exploratory program where recognition must be given

EXHIBIT A

CONSULTING • PLANNING • GEOPHYSICAL STUDIES • EXPLORATORY & PRODUCTION DRILLING

2828 PAA STREET, SUITE 2085 / HONOLULU, HAWAII 96819 / TELEPHONE 839-7720 / TELEX 7238672

to the inter-relation of the Opihikao reservoir and the Kapoho reservoir, which requires flexibility of scheduling based on progressive findings.

Extention of permit time will be applied for as it becomes necessary.

Very truly yours,

GEOTHERMAL EXPLORATION & DEVELOPMENT CORP.

E. C. Craddick, President

ECC/sm

cc: Bill Craddick - Hilo
J. S. Barnwell, Jr. - Shreveport
D. J. Otwell - Honolulu
A. F. Blumenthal - New York
Joe Clark - Honolulu
S. Eisenstat - New York
Vern Yamanaka - Hilo
Clifford Lum - Hilo
Walt Southward - Hilo

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition for an Extension of Time to the Special Permit of	)	SP77-265
GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION	)	GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

This is to certify that this is a true and correct copy of the Decision and Order on file in the office of the State Land Use Commission, Honolulu, Hawaii.

3/4/82
Date

by
Executive Officer

DECISION AND ORDER

#4

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition for an Extension of Time to the Special Permit of GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION	SP77-265 FINDINGS OF FACT, CONCLUSIONS OF LAW, DECISION AND ORDER

FINDINGS OF FACT, CONCLUSIONS OF LAW, DECISION AND ORDER

The Land Use Commission of the State of Hawaii, having duly considered the entire record in the above entitled matter, makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. The Petitioner has filed for a time extension of three (3) years to the duration of the Special Permit which allows the drilling of exploratory geothermal wells on approximately 120 acres of land situated within the State Land Use Agricultural District at Opihikao, Puna, Hawaii, Tax Map Key 1-3-01: portions of 24 and 25.

2. The subject property is located on the northwestern, or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road.

3. The Special Permit was originally granted by the Land Use Commission on July 14, 1977, with a condition that it would be for a period not to exceed three (3) years from the date of approval. In August 1979, the Land Use Commission granted a time extension of one (1) year which extended the expiration date to July 14, 1981. Prior to that expiration date, the Petitioner requested an additional time extension of three (3) years to extend the life of the Special Permit until July 14, 1984.

4. The Petitioner has drilled one well at an expense

of approximately two million dollars. The additional three years is needed to allow for the drilling and evaluation of another 1 or 2 wells.

5. The Hawaii County Planning Department concurs that further exploration and testing is necessary to properly assess the geothermal potential of the area.

6. The Hawaii County Planning Commission considered the time extension request at its hearing on November 18, 1981. Based upon the reasons cited by the Petitioner, and the findings and recommendations of the Planning Department, the Planning Commission voted unanimously to grant the extension subject to the approval of the State Land Use Commission, and subject to additional conditions added by the Planning Commission.

7. The complete record of the Special Permit petition was received at the Land Use Commission office on December 7, 1981. The Land Use Commission approved the time extension request on January 19, 1982, subject to the additional conditions proposed by the County Planning Commission; and subject also to a modification of Condition No. 12, to require that biannual status reports on the project be submitted to the Executive Officer of the Land Use Commission in addition to the Planning Director of the County of Hawaii.

CONCLUSIONS OF LAW

1. As required under Rule 9-3 of the Rules of Practice and Procedure of the Land Use Commission, the Petitioner has shown that unusual circumstances warrant the granting of the requested time extension.

DECISION AND ORDER

IT IS HEREBY ORDERED that Special Permit No. 77-265 which allows the drilling of exploratory geothermal wells at Opihikao, Puna, Island and County of Hawaii, Tax Map Key 1-3-01: portions of parcels 24 and 25, be amended to extend the expiration date from July 14, 1981 to July 14, 1984. This time extension of three (3) years is granted subject to the following added conditions:

"10. That the petitioner, Geothermal Exploration and Development Corporation (GEDCO), shall be responsible for complying with the stated conditions of approval. This permit shall be non-transferable and non-compliance with this condition shall result in the automatic nullification of the permit.

"11. That drilling of the second well shall commence within one (1) year from the effective date of approval of the time extension request.

"12. That the petitioner shall submit a status report to the Planning Director and the Executive Officer of the State Land Use Commission on a biannual basis, or, within thirty (30) days of the completion of any exploratory well. The status report shall include, but not limited to:

a. A detailed description of the work undertaken during the current reporting period including a drilling activity report;

b. A description of the work being proposed over the next reporting period;

c. The results of the environmental/noise monitoring activities;

d. A log of the complaints received and the responses thereto;

e. The current status of exploration activities in the context of long-range development goals; and

f. Any other information that the Planning Director may require which will address environmental and regulatory concerns involving the requirements of the Special Permit.

If requested by the petitioner, any proprietary information will be kept confidential within the time frame as may be agreed to.

"13. That the petitioner provide a telephone number for use by local individuals in case of noise or odor complaints and have an employee available at the drill site, 24 hours a day, to respond to any local complaints for the duration of the drilling activity.

"14. That the petitioner conduct a noise monitoring program throughout the drilling operation. The petitioner shall submit the noise monitoring data to the Planning Department upon termination of the drilling operation or, at any time during drilling activity, upon the request of the Planning Director.

Done at Honolulu, Hawaii, this 26th day of February 1982, per motion on January 19, 1982

LAND USE COMMISSION
STATE OF HAWAII

By _____
WILLIAM W. L. YUEN, Chairman and Commissioner

By _____
CAROL B. WHITESELL, Vice Chairman

By _____
RICHARD B. F. CHOY, Commissioner

By _____
EVERETT L. CUSKADEN, Commissioner

By _____
SHINSEI MIYASATO, Commissioner

By _____
TEOFILO PHIL TACBIAN, Commissioner

By _____
ROBERT S. TAMAYE, Commissioner

By _____
EDWARD K. YANAI, Commissioner

AMENDMENT/SPECIAL PERMIT NO. 77-265: GEDCO

Geothermal Exploration and Development Corporation has submitted a request to delete Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on approximately 120 acres of land situated within the State Land Use Agricultural District. Condition No. 11 states "That drilling of the second well which may be a kick off well drilled at a slant from the first well shall commence ~~within one year from the effective date of approval of the time extension request.~~" by March 4, 1984. This performance condition expired on March 4, 1983. The area involved is located on the northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road, Opihikao, Puna, TMK: 1-3-01:Portion of 24 and 25.

The Special Permit was originally granted by the Land Use Commission on July 14, 1977. To date, two time extensions have been approved for the permit. The first extension was approved on July 18, 1978 and allowed a one year extension within which to commence drilling of the first well. The second extension was approved on March 4, 1982 and this extended the life of the permit until July 14, 1984. Condition No. 11, the subject of the present request, was attached to the second time extension approval.

The area where the drilling is proposed to take place consists of two parcels with a combined area of approximately 120 acres. Within the 120-acre area the petitioner has identified six possible drilling locations. The first well, identified as Ashida Well

EXHIBIT E

No. 1, was drilled during the latter part of 1980 when work was suspended at 7,927 feet. The well did not flash and temperature measurements could not be determined at the bottom as the gauge malfunctioned at approximately 600° F. Work was suspended in order to evaluate the findings and plan for additional work such as drilling deeper or for slant hole drilling.

In a status report dated January 24, 1983, the petitioner stated the following:

"Ashida Well No. 1 was drilled in 1980, but work was suspended when initial evaluation indicated additional work would be necessary. Timing for such work has been delayed until further knowledge is acquired in the Kapoho area which may or may not indicate a common reservoir with Opihikao. Present plans call for this additional work before a second well will be drilled.

"We would anticipate that commencement on the second well, therefore, will be sometime much later than March 4, 1983, and would like to request that this time stipulation be removed on the second well and the permit amended accordingly in accordance with usual procedures for doing so."

In a letter dated February 22, 1983, the petitioner further stated, in part, that:

"This condition places undue and unnecessary restriction on our overall exploratory program where recognition must be given to the inter-relation of the Opihikao reservoir and the Kapoho

reservoir, which requires flexibility of scheduling based on progressive findings."

"No exact time frame can be projected for the second well, but an estimate would be after drilling a few more wells within Kapoho, approximately 1984-86."

"Extension (sic) of permit time will be applied for as it becomes necessary."

For the Commissioners' information, the following table has been prepared to indicate the time requirements applicable to all of the Special Permits granted for geothermal exploratory drilling. It should be noted that there is only one drilling rig serving all four of the approved permits.

SPECIAL PERMIT	EFF. DATE	REQUIRED STARTING DATE	TERMINATION DATE
SP No. 77-265 (LUC 364) GEDCO - Permit for 6 wells	7/14/77	7/17/78 7/14/79 (ext.) 7/14/80 (ext.)*	7/14/80 7/14/81(ext.)
Request 3-yr. time ext.....		3/14/83**.....	7/14/84
SP No. 80-3 (LUC 460) GEDCO Permit for 3 successful or 9 maximum wells	2/10/81	6/4/83***	2/10/84
SP No. 80-13 (LUC 468) Thermal/Dillingham Permit for 2 wells	10/15/80	10/15/81*	10/15/83
SP No. 80-8 (LUC 471) Barnwell Geothermal Corp. Permit for 6 wells	12/16/80	12/16/81*	12/16/83

*Time condition has been met.
**Completion of the first well required by this date.
***Drilling of the ~~second~~ 1st well shall commence by this date.

FINDINGS: AMENDMENT/SPECIAL PERMIT NO. 77-265: GEDCO

Upon review of the subject request, the Planning Department recommends that it be denied based on the following findings:

This permit was originally approved by the Land Use Commission on July 14, 1977. Since that time, one well has been drilled on the subject property during the latter part of 1980. Work was later suspended in order to evaluate the findings and to plan for additional work such as drilling deeper or for slant hole drilling. No other activity has occured on the site since work was suspended in 1980.

The purpose of stipulating time conditions is to assure that the project is developed in a timely manner. As evidenced by the work done to date, there has been only limited activity on the project since the permit was approved almost six years ago. If the time condition is deleted as requested by the applicant, it is quite possible that no activity will occur during the entire period allowed by the second time extension request. Thus, there would be no performance controls over the applicant once the request is approved. Furthermore, it would be difficult to deny similar requests which may be submitted in the future.

Approval of the subject request would also be contrary to one of the purposes intended in granting the original permit

EXHIBIT F

which is to assess the geothermal potential for the area. We are not learning anything more about the area if no additional wells are drilled.

Although the Department is recommending denial of this request, it is determined that the reasons for which the permit was originally approved are still valid. Therefore, the Department further recommends that a one-year extension to condition no. 11 be approved until March 4, 1984. This would allow the applicant to do additional work on the subject property should it so desire. If the applicant indicates that it does not intend to drill the second well within the one year time period, the permit should be nullified at this time.

The Department is concerned that the applicant is retaining the drilling permit for speculation purposes without any plans for additional drilling in the near future. A new application could be submitted and considered when the applicant has more definite plans to resume drilling on the property. Until such time, it would be inappropriate to allow the drilling rights to remain active knowing that there are no immediate plans to utilize those rights.

It should be made clear that this recommendation does not indicate a lack of support for exploratory geothermal drilling activity for the area. On the contrary, the Depratment and the County remains firmly committed to exploratory and development

efforts which brings us closer to our long term goal of energy self sufficiency. We have made every effort to assist any and all exploratory work that has been conducted to date and will continue to do so. However, we do not support applications or requests which have no definite timetable for completion and which could lead to speculation.

It is further recommended that the last statement of the permit be amended to read "Should any of the foregoing conditions not be met the permit shall be automatically void."

PLANNING COMMISSION

Planning Department
County of Hawaii

HEARING TRANSCRIPT
April 28, 1983

A regularly advertised public hearing on the application of Geothermal Exploration and Development Corporation was called to order at 3:20 p.m. in the Councilroom, County Building, South Hilo, Hawaii, with Chairman Clyde Imada presiding.

PRESENT: Clyde Imada
Glenn Frias
Barbara Koi
Roy Kagawa
George Ponte
Donald Thompson

ABSENT: Ex-officio Member
Edward Harada
Ex-officio Member
H. William Sewake

R. Ben Tsukazaki, Deputy Corporation Counsel

Sidney M. Fuke, Planning Director
Keith Kato, Staff Planner
Brian Nishimura, Staff Planner
Royden Yamasato, Staff Planner

and approximately 25 people from the public in attendance

CHAIRMAN: Public hearing on the request by Geothermal Exploration and Development Corporation for the deletion of Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District. Condition No. 11 states "That drilling of the second well shall commence within one (1) year from the effective date of approval of the time extension request." (March 4, 1983) The property is located on the northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road, Opihikao, Puna, TMK: 1-3-01:Portion of 24 & 25. Staff?

NISHIMURA: (Presented background, indicating that on page 3, the last sentence with the three asterisks should read, "Drilling of the first well shall commence by this date", denial recommendation of the deletion of Condition No. 11, and an amended phrase, on file.)

CHAIRMAN: Thank you, Brian. Commissioners, do you have any questions of staff? If not, is the applicant present? Do you solemnly swear to tell the truth on the application now before the Hawaii County Planning Commission?

CRADDICK: I do.

CHAIRMAN: Will you state your name for the record?

CRADDICK: My name is Ed Craddick. I am president of the applicant's Geothermal Development Exploration Development Corporation.

CHAIRMAN: Mr. Craddick, do you have any comments to make?

EXHIBIT 5

CRADDICK: Yes. I have one request. If I explain something, it will probably help you understand it better. One of the actions we intended to take out there was to do slant hole drillings. Now what that means is that you normally go back in; here's what we do. We go back in that well that we drilled, Ashida No. 1, and see if there's anything we can do with it. Now if we can't do anything with that well to correct it, then our next step would be to do what you call a kick-off in a slant hole drilling operation. Now that's tantamount to drilling the second well because you end up somewhere approximately 1,000 feet away from the the bottom of the other well. What it does though, it saves you the expense of moving over the 1,000 feet and drilling a new or constructing a new cellar and doing all the things you have to do in order to drill your hole down at that point and still probably arrive at the same 1,000 feet distance from the first well.

Now what we would like to do is suggest that the wording on this just be changed slightly in Condition 11 so that where it says that drilling of the second well, we would like to insert then "or a kick-off well drilled at a slant from the first well shall commence within one year", the date, and then this allows us, I understand, until, or suggest March 1984. That would be the, that would be something we could plan on doing. Whereas the other one to actually go on that well and then not be allowed to kick-off and use that for a site and have to go to the trouble of drilling a whole new well offset from that when it would be, you know, it's something that would be unworkable within the time frame.

This, by the way, is something we're going to do at Lanipuna very shortly. In doing that, we will learn whether this technique, how applicable it is and how successful it would be, for instance, moving over and doing it in another well. And this, in fact, may become one of the methods we'll use in developing our well fields, during directional drilling. It would also enable us to drill several holes as they do on the mainland by using what they call a one platform and drilling wells off at a slope from that platform so you don't have to disturb, that minimizes the disturbance at the surface area.

CHAIRMAN: Planning Director?

FUKE: Mr. Chairman, we would have no objections to the proposed amendment. However, it would have to be done with the understanding, that GEDCO right now, the original permit was for the consideration of six wells, so if they're going to do it at a slant then that would constitute a second well being drilled.

CRADDICK: Yes, right, correct.

FUKE: So the proposed amendment to Condition No. 11 would read, "The drilling of the second well or a kick-off well drilled at a slant shall commence within one year from the effective date of approval of the time extension request."

CRADDICK: Yes.

FUKE: So the kick-off well would really be the equivalent of a second well. And they, by the permit originally granted in 1977, they were granted permission for six wells, and so that would count as part of their six wells.

CRADDICK: Correct.

CHAIRMAN: Commissioners, any questions of Mr. Craddick? If not, thank you, Mr. Craddick.

CRADDICK: Thank you.

CHAIRMAN: This is a public hearing. Is there anyone in the audience who would like to testify? Would you please raise your hands? Okay, just one. Ma'am will you step forward. Do you solemnly swear to tell the truth on the application now before the Hawaii County Planning Commission?

SPENCER: I do.

CHAIRMAN: Will you state your name for the record.

SPENCER: Yes, I'm Virginia Spencer, and I live makai where this drilling is supposedly going on. Sometimes I know it's there, sometimes I don't know it's there. But I believe I was at the original hearing where the original special permit was granted; and I do have a question. And that was, the Planning Commission seemed to put a lot of thought into putting time limits on there, and a lot of years has come by. And I just wonder about these extensions or deletions and was that the original intent when the Planning Commission met and gave careful thought to the special permit. And that is one thing I'd like to bring right now before you men of the Commission and, pardon me, ma'am, too. But I was at the original hearing here and now if this brings this other extension, are we going to keep going and going or is the one and final? I'd like for you gentlemen to kind of clarify that.

FUKE: Mrs. Spencer, the extension request of GEDCO deals with when they must commence, you know, the start of the second well. There is a termination point in which all of those activities would have to occur; and that termination date, correct me, Brian, if I'm wrong, yeah, is July 14, 1984.

SPENCER: I see.

FUKE: And that date is not being requested right now or being considered for an extension. So the outer limit is still the same. What is being considered by the Commission is an extension within, from now until 1984, to give them consideration for time to dig that second well. But it does not deal with an extension beyond what was originally considered in 1977.

SPENCER: Thank you very much. I appreciate that.

CHAIRMAN: Thank you, Mrs. Spencer. Is there anyone else in the audience who would like to testify? If not, Commissioners, you can either continue or close the public hearing. What is your pleasure?

KAGAWA: I move to close.

PONTE: Second.

CHAIRMAN: It was moved and seconded that the public hearing be closed. All those in favor signify by saying aye?

COMMISSIONERS: Aye.

CHAIRMAN: Oppose? Public hearing is closed.

Commissioners, we have two actions to take up at this time and one is the denial -.

FUKE: Yeah, the first action is the request by GEDCO for the deletion of Condition No. 11, for which the staff is recommending denial. And the second action deals with an amendment to that condition which gives them essentially a one-year start-up time for the commencement of the second, the drilling of the second well.

KAGAWA: Mr. Chairman?

CHAIRMAN: Commissioner Kagawa.

KAGAWA: I move that the request by GEDCO to delete Condition No. 11 be denied for the reasons presented by staff.

CHAIRMAN: Is there a second?

PONTE: I second the motion.

CHAIRMAN: It was moved and seconded that the deletion of Condition No. 11 be denied for the reasons as outlined by staff. Is there any discussion at this time?

KAGAWA: Question.

CHAIRMAN: Question has been called for.

NISHIMURA: (Took roll call vote.)

Mr. Chairman, there are five ayes. Motion carries.

CHAIRMAN: Thank you, Brian. Commissioners, staff is recommending that we amend Condition No. 11 for their reasons.

KAGAWA: Mr. Chairman?

CHAIRMAN: Commissioner Kagawa.

KAGAWA: On Special Permit No. 77-265, I move that we amend Condition No. 11 for a one-year time extension until March 4, 1984, for the second well or the kick-off well and the amended phrase.

PONTE: Second.

NISHIMURA: Mr. Chairman, I'd like to, for clarifying or for, as a matter of clarification, I'd like to read a suggested revision to Condition No. 11 so that you're aware of what the wording is. I've changed it a little bit from what had previously been stated by the applicant; and that would be "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence within one year from the effective date of approval of the time extension request." I wanted to make it clear that, you know, either option is available.

KAGAWA: Not from the effective, until March 4th.

NISHIMURA: Okay, until March 4, 1984.

CHAIRMAN: Okay, it was moved and seconded. Is there any discussion?

THOMPSON: Question.

CHAIRMAN: Okay, question is called for.

NISHIMURA: (Took roll call vote.)

Mr. Chairman, there are five ayes. Motion carries.

CHAIRMAN: Mr. Craddick, you understand that we denied your, the, the deletion anyway; and approved the other one.

CRADDICK: Yes.

FUKE: Mr. Chairman, one slight clarification. Inasmuch as the area encompasses more than fifteen acres, the request still has to be ratified by the Land Use Commission.

CHAIRMAN: Thank you.

CRADDICK: Thank you.

The public hearing adjourned at 3:42 p.m.

Respectfully submitted,

Sharon M. Nomura

Sharon M. Nomura
Secretary

A T T E S T:

Clyde Imada

Clyde Imada
Chairman, Planning Commission

PLANNING COMMISSION

Planning Department
County of Hawaii

MINUTES
April 28, 1983

The Planning Commission met in regular session at 10:00 a.m. and 7:11 p.m., with Chairman Clyde Imada presiding and at 5:11 p.m. with Vice-Chairman Roy Kagawa presiding in the Councilroom, County Building, South Hilo, Hawaii.

PRESENT: Clyde Imada
Glenn Frias (From 3:45 p.m.)
Roy Kagawa
Barbara Koi
George Ponte
Donald Thompson

Sidney M. Fuke, Planning Director
Keith Kato, Staff Planner
Brian Nishimura, Staff Planner (From 3:20 to 3:42 p.m.)
Royden Yamasato, Staff Planner

Edward Harada, Ex-officio Member (From 10:00 a.m. to 12:12 p.m.)
Quirino Antonio, representing Ex-officio Member H. William Sewake (From 10:00 a.m. to 12:12 p.m.)
R. Ben Tsukazaki, Deputy Corporation Counsel (From 4:33 p.m.)

and approximately 10 people at 10:00 a.m., 8 people at 1:32 p.m., 11 people at 2:32 p.m., 19 people at 3:42 p.m., and 8 people at 5:11 p.m. were in attendance

At 10:00 a.m., the Commission took up the scheduled workshop.

WORKSHOP — Discussion on water and roadway improvements relative to rezoning applications.

The following is a recapitulation of the various speakers:

Planning Director Fuke explained that the purpose of the workshop was to evaluate the directions that have been taken and determine whether the Commission wishes to continue or change that direction. He presented general background information of the infrastructural requirements and how it relates to Planning Commission matters.

Staff Planner Keith Kato gave a description of the UIC program.

Finance Director Stanley Nakamae gave an overview of the County's economic posture (expenditure and revenue trends).

Civil Defense Administrator Harry Kim spoke on the public safety perspective in considering land use matters.

Chief Engineer Edward Harada spoke on the road, sewer and drainage considerations.

Exhibit K

The petitioner, Patrick Edie, gave a lengthy presentation on the various reasons he felt the special permit should be granted, noting they are able to addrress the parking and bus concerns. He added that he has the option of renting either of the two existing buildings, of which one building was granted a special use permit in 1977.

RECESS — The Chair called a short recess at 3:10 p.m. to allow staff an opportunity to review the special permit file granted in 1977 to the Wittigs.

RECONVENED — The meeting reconvened at 3:17 p.m.

Director Fuke stated that after reviewing the special permit file issued to the Wittigs in 1977, it seemed rather clear that the special permit for the expanded portion was for a store; and what Mr. Edie proposes would be acceptable, except that portion dealing with the food area. He added that during the recess he explained to Mr. Edie the following two alternatives: (1) if he wished to continue to have his operation based upon his submittals the hearing should be continued; (2) if he wished to relocate his operation in the expanded portion, then the appropriate measure would be to withdraw this petition and submit a new application which would essentially amend the Wittig permit to allow for the food area, noting in the meantime he would be able to proceed with his other operation, less the food area.

Mr. Edie then stated that inasmuch as the food portion of the business would be approximately 30 to 50 percent of the business, he is withdrawing this special permit application and will submit another application for the other building.

AMEND SP 77-265 GEOTHERMAL EXPLORATION AND DEVELOPMENT CORP. OPIHIKAO, PUNA — Public hearing on the request by Geothermal Exploration and Development Corporation for the deletion of Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District. Condition No. 11 states "That drilling of the second well shall commence within one (1) year from the effective date of approval of the time extension request." (March 4, 1983) The property is located on the northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road, Opihikao, Puna, TMK: 1-3-01:Portion of 24 & 25.

The petitioner's representative, Ed Craddick, explained that their intent is to drill a kick-off well from an already drilled well, which would be tantamount to drilling a second well because it would end up somewhere approximately 1,000 feet away from the bottom of the other well. He, therefore, suggested Condition No. 11 be reworded to read that drilling of the second well or a kick-off well drilled at a slant from the first well shall commence within one year, or March 1984.

Director Fuke said he had no objections to this proposed amendment; however, he stated that any such kick-off well would also count as a separate well under the terms of the permit. Mr. Craddick agreed to consider the kick-off well as a separate well.

Director Fuke clarified for Virginia Spencer, a member of the public, that the request is for a time extension to allow the petitioner to dig a second well and does not deal with an extension beyond what was originally considered in 1977, which would terminate the geothermal activities in July, 1984.

It was moved by Commissioner Kagawa and seconded by Commissioner Ponte that the public hearing be closed. Motion was unanimously carried.

On the request to delete Condition No. 11, it was moved by Commissioner Kagawa and seconded by Commissioner Ponte that it be denied for the reasons as outlined by the staff. A roll call vote was taken and motion carried unanimously with five ayes.

It was moved by Commissioner Kagawa and seconded by Commissoner Ponte to send a favorable recommendation to the State Land Use Commission that Condition No. 11 be amended to read, "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence within one year from the effective date of approval of the time extension request." A roll call vote was taken and motion carried unanimously with five ayes.

APPEAL -
CHANGE OF ZONE
JAMES COSTA
PONAHAWAI,
SOUTH HILO

Public hearing on the petition for an appeal filed by James Costa on the Planning Director's denial of a change of zone application for 24.4 acres of land from an Agricultural 5-acre (A-5a) to an Agricultural 2-acre (A-2a) zoned district. The property is located on the makai side of Akolea Road, approximately 1,200 feet north of the Akolea Road-Akolea Plantation Subdivision Road intersection, Ponahawai, South Hilo, TMK: 2-5-6:131.

Staff presented background and denial recommendation, on file.

The petitioner, James Costa, and his representative, Hiroshi Kasamoto, were in attendance.

Mr. Kasamoto reiterated the conclusions made in their appeal statement, such as the Agricultural 2-a zoning conforms to the purposes, goals and policies as listed in the County General Plan, Hilo CDP, County Zoning Code and State Land Use Law; the agricultural and open character of the area will be maintained; there will be no loss of recreational facilities or scenic amenities; infrastructure, public services and facilities will not be unduly and unreasonably burdened; the development will be compatible with existing land uses and zoning nearby; and approval of the request will increase value of the land. He noted that land on two sides of the property are zoned for one acre and a large 3-acre zone is located on the Puna side; and said that they contend that the denial of the request was based on erroneous, arbitrary and capricious findings of fact.

In response to Commissioner Kagawa's questioning regarding the floodway plain on Exhibits A and B, Mr. Kasamoto clarified that Exhibit A prepared by the Federal Flood Insurance people is based on a general study of the area; and Exhibit B is based more on a detailed engineering study with proposed improvements that will make the flood plain narrower.

PLANNING COMMISSION

25 AUPUNI STREET • HILO, HAWAII 96720

COUNTY OF
HAWAII

CERTIFIED MAIL

May 5, 1983

Mr. E. C. Craddick, President
Geothermal Exploration Development Corporation
2828 Paa Street, Suite 2085
Honolulu, HI 96819

Gentlemen:

Deletion of Condition No. 11
Special Permit No. 77-265 (LUC 364)
Tax Map Key 1-3-01:Portion of 24 & 25

The Planning Commission at its duly held public hearing on April 28, 1983, considered your request for the deletion of Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District at Puna, Hawaii. Condition No. 11 states "That drilling of the second well shall commence within one year from the effective date of approval of the time extension request." (March 4, 1983)

The Commission voted to deny this request for the deletion of Condition No. 11, as stated above, based on the following findings:

This permit was originally approved by the Land Use Commission on July 14, 1977. Since that time, one well has been drilled on the subject property during the latter part of 1980. Work was later suspended in order to evaluate the findings and to plan for additional work such as drilling deeper or for slant hole drilling. No other activity has occurred on the site since work was suspended in 1980.

The purpose of stipulating time conditions is to assure that the project is developed in a timely manner. As evidenced by the work done to date, there has been only limited activity

EXHIBIT I

on the project since the permit was approved almost six years ago. If the time condition is deleted as requested by the applicant, it is quite possible that no activity will occur during the entire period allowed by the second time extension request. Thus, there would be no performance controls over the applicant once the request is approved. Furthermore, it would be difficult to deny similar requests which may be submitted in the future.

Approval of the subject request would also be contrary to one of the purposes intended in granting the original permit which is to assess the geothermal potential for the area. We are not learning anything more about the area if no additional wells are drilled.

Although the request to delete Condition No. 11 is recommended for denial, it is determined that the reasons for which the permit was originally approved are still valid. Therefore, a one-year extension to Condition No. 11 is recommended until March 4, 1984. This would allow the applicant to do additional work on the subject property should it so desire. If the applicant indicates that it does not intend to drill the second well within the one-year time period, the permit should be nullified at this time.

There is concern that the applicant is retaining the drilling permit for speculation purposes without any plans for additional drilling in the near future. A new application could be submitted and considered when the applicant has more definite plans to resume drilling on the property. Until such time, it would be inappropriate to allow the drilling rights to remain active knowing that there are no immediate plans to utilize those rights.

It should be made clear that these actions do not indicate a lack of support for exploratory geothermal drilling activity for the area. On the contrary, the Planning Department, the Planning Commission and the County remain firmly committed to exploratory and development efforts which bring us closer to our long-term goal of energy self sufficiency. Every effort has been made to assist any and all exploratory work that has been conducted to date and will be continued. However, support cannot be given to applications or requests which have no definite timetable for completion and which could lead to speculation.

The Planning Commission voted to recommend approval of a one-year time extension to Condition No. 11 based on the applicant's

proposal to drill a kick-off well within the stated time period. This was further agreed to with the understanding that any such kick-off well would also count as a separate well under the terms of the permit. Thus, Condition No. 11 is recommended to read: "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence by March 4, 1984."

The last statement of the permit has also been recommended to read "Should any of the foregoing conditions not be met the permit shall be automatically void."

Should you have any questions, please feel free to contact the Planning Department at 961-8288.

Sincerely,

CLYDE IMADA
for Chairman, Planning Commission

cc: State Land Use Commission

PLANNING COMMISSION

25 AUPUNI STREET • HILO, HAWAII 96720

COUNTY OF
HAWAII

May 18, 1983

LAND USE COMMISSION
STATE OF HAWAII
MAY 19 1 13 PM '83

Mr. Gordan Furutani
Executive Officer
Land Use Commission
Old Federal Building, Room 104
335 Merchant Street
Honolulu, HI 96813

Dear Mr. Furutani:

Deletion of Condition No. 11
Special Permit No. 77-265 (LUC 364)
Tax Map Key 1-3-01:Portion of 24 & 25

In accordance with Chapter 205, Section 205-6, Hawaii Revised Statutes, we are transmitting the decision and findings of the County Planning Commission on the above request.

The above-mentioned special permit allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District at Puna, Hawaii. Condition No. 11 states "That drilling of the second well shall commence within one year from the effective date of approval of the time extension request." (March 4, 1983)

The Planning Commission at its public hearing on April 28, 1983, discussed the subject request for deletion of Condition No. 11 of this special permit. The Commission voted to deny this request and amend Condition No. 11 to read: "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence by March 4, 1984." Said action is recommended for approval by the Land Use Commission.

Enclosed is the docket in connection with the request for deletion of Condition No. 11 of this special permit.

Should you have any questions, please feel free to contact the Planning Department.

Sincerely,

for CLYDE IMADA
Chairman, Planning Commission

Enclosure

cc: DPED, Land Use Division
Department of Public Works
Department of Water Supply

EXHIBIT LIST
GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION
SPECIAL PERMIT 77-265 - CONDITION NO. 11

A: Application letter - 2/22/83
B: Acknowledgement letter - 3/3/83
C: Public hearing notice
D: Public hearing notification letter - 4/11/83
E: Background
F: Recommendation
G: Voting sheet to deny request
H: Voting sheet for amendment to Condition No. 11
I: Planning Commission's letter - 5/5/83
J: Planning Commission's hearing transcript - 4/28/83
K: Planning Commission's minutes - 4/28/83

LAND USE COMMISSION
STATE OF HAWAII
MAY 19 1 13 PM '83

GEOTHERMAL EXPLORATION & DEVELOPMENT CORP.

PACIFIC OPERATIONS

February 22, 1983

Mr. Sidney M. Fuke, Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Reference: Your Letter of February 8, 1983
Special Permit No. 364
Opihikao Project
TMK: 1-3-1:Portion of 24 and 25

Dear Mr. Fuke:

Additional information requested is provided item by item as follows:

1. Drilling was suspended at 7,927 feet.

2. Temperature measurements could not be determined at the bottom as the gauge malfunctioned at approximately 600°F.

3. The well did not flash.

4. Work was suspended in order to evaluate findings and plan for additional work such as drilling deeper or for slant hole drilling, also to try and determine any co-relation with the Kapoho reservoir as drilling and testing progressed there.

5. The additional work program is not yet determined.

6. No exact time frame can be projected for the second well, but an estimate would be after drilling a few more wells within Kapoho, approximately 1984-86.

We are enclosing a check, in the amount of $100.00, for filing fee relating to our request to have Condition No. 11 deleted from the Special Use Permit. This condition places undue and unnecessary restriction on our overall exploratory program where recognition must be given

EXHIBIT A

CONSULTING • PLANNING • GEOPHYSICAL STUDIES • EXPLORATORY & PRODUCTION DRILLING

2828 PAA STREET, SUITE 2085 / HONOLULU, HAWAII 96819 / TELEPHONE 839-7720 / TELEX 7238672

to the inter-relation of the Opihikao reservoir and the Kapoho reservoir, which requires flexibility of scheduling based on progressive findings.

Extention of permit time will be applied for as it becomes necessary.

Very truly yours,

GEOTHERMAL EXPLORATION & DEVELOPMENT CORP.

E. C. Craddick, President

ECC/sm

cc: Bill Craddick - Hilo
J. S. Barnwell, Jr. - Shreveport
D. J. Otwell - Honolulu
A. F. Blumenthal - New York
Joe Clark - Honolulu
S. Eisenstat - New York
Vern Yamanaka - Hilo
Clifford Lum - Hilo
Walt Southward - Hilo

March 3, 1983

Mr. E. C. Craddick, President
Geothermal Exploration and
Development Corporation
2828 Paa Street, Suite 2085
Honolulu, HI 96819

Dear Mr. Craddick:

Special Permit No. 364
Geothermal Exploration and Development Corporation
TMK: 1-3-1:Portion of 24 and 25

This is to acknowledge receipt of your letter dated February 22, 1983, responding to our letter of February 8, 1983, regarding the above-described permit. In addition, your request to delete Condition No. 11 along with the $100.00 filing fee is also acknowledged.

Thank you for your prompt reply to our request for additional information on the status report for the above-described permit.

We will begin the processing of your request to delete Condition No. 11. You will be informed of the date, time and place of the meeting as soon as it has been determined.

Should you have any questions in the meantime, please feel free to contact Keith Kato or Brian Nishimura of this office.

Sincerely,

Sidney M. Fuke

SIDNEY FUKE
Planning Director

BN:ds

EXHIBIT B

MAR 4 1993

PUBLIC HEARINGS

PLANNING COMMISSION
COUNTY OF HAWAII

NOTICE IS HEREBY GIVEN of public hearings to be held by the Planning Commission of the County of Hawaii in accordance with the provisions of Section 5-4.3 of the Charter of the County of Hawaii.

PLACE: Councilroom, County Building, South Hilo, Hawaii

DATE: Thursday, April 28, 1983

TIME: 2:00 p.m. (Item Nos. 1-2)
3:00 p.m. (Item Nos. 3-5)

The purpose of the public hearings is to afford all interested persons a reasonable opportunity to be heard on the following requests:

1. PETITIONER: PATRICK AND LISA EDIE

   LOCATION: Site of Tinny Fisher's Antique Shop, Olaa Reservation Lots, Puna.

   TMK: 1-7-10:11

   PURPOSE: Special Permit to allow the establishment of a grocery store, deli, gift shop and art gallery within a portion of the Tinny Fisher's Antique Shop building situated on 9,000 square feet of land within the State Land Use Agricultural District.

EXHIBIT C

2. PETITIONER: GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

LOCATION: Northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road, Opihikao, Puna.

TMK: 1-3-01:Portion of 24 & 25

PURPOSE: Deletion of Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District. Condition No. 11 states "That drilling of the second well shall commence within one (1) year from the effective date of approval of the time extension request." (March 4, 1983)

3. APPELLANT: JAMES COSTA

LOCATION: Makai side of Akolea Road, approximately 1,200 feet north of the Akolea Road-Akolea Plantation Subdivision Road intersection, Ponahawai, South Hilo.

TMK: 2-5-6:131

PURPOSE: Appeal of the Planning Director's denial of a change of zone application for 24.4 acres of land from an Agricultural 5-acre (A-5a) to an Agricultural 2-acre (A-2a) zoned district.

4. APPELLANT: VICTOR BAUTISTA

LOCATION: Along the southwest side of the Pahoa Road, approximately 160 feet Hilo side of the Pahoa Post Office, Pahoa, Waiakahiula, Puna.

TMK: 1-5-13:22 & 31

PURPOSE: Appeal of the Planning Director's denial of a change of zone application for 50,274 square feet of land from a Single Family Residential - 15,000 square foot (RS-15) to a Village Commercial - 10,000 square foot (CV-10) zoned district.

5. APPELLANT: RAYMOND NAKAMOTO

LOCATION: Northern corner of the Kinoole Street-Kawili Street intersection, Waiakea House Lots, 2nd Series, South Hilo.

TMK: 2-2-26:3

PURPOSE: Appeal of the Planning Director's denial of a change of zone application for 20,663 square feet of land from a Single Family Residential - 10,000 square foot (RS-10) to a Neighborhood Commercial - 10,000 square foot (CN-10) zoned district.

Maps showing the general locations and boundaries of the areas under consideration and/or plans of the proposed developments are on file in the office of the Planning Department in the County Building

at 25 Aupuni Street, Hilo, Hawaii, and are open to inspection during office hours. All comments should be filed with the Planning Commission before that date, or in person at the public hearing.

PLANNING COMMISSION,
Clyde Imada, Chairman
By Sidney M. Fuke
Planning Director

(Hawaii Tribune Herald: April 17, 1983)

April 11, 1983

Mr. E. C. Craddick, President
Geothermal Exploration and Development Corp.
2828 Paa Street, Suite 2085
Honolulu, HI 96819

Dear Mr. Craddick:

Notice of a Public Hearing
Deletion of Condition No. 11
Special Permit No. 77-265 (LUC 364)
Tax Map Key 1-3-01:Portion of 24 & 25

This is to inform you that your request has been scheduled for a public hearing. Said hearing among others will be held beginning at 2:00 p.m. on Thursday, April 28, 1983, in the Councilroom, County Building, South Hilo, Hawaii.

The presence of a representative will be appreciated in order that all questions relative to the request may be clarified.

A copy of the hearing notice and agenda are attached for your information.

Sincerely,

Sidney M Fuke

SIDNEY FUKE
Planning Director

smn

Att.

EXHIBIT D

AMENDMENT/SPECIAL PERMIT NO. 77-265: GEDCO

Geothermal Exploration and Development Corporation has submitted a request to delete Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on approximately 120 acres of land situated within the State Land Use Agricultural District. Condition No. 11 states "That drilling of the second well which may be a kick off well drilled at a slant from the first well shall commence ~~within one year from the effective date of approval of the time extension request.~~ by March 4, 1984." This performance condition expired on March 4, 1983. The area involved is located on the northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road, Opihikao, Puna, TMK: 1-3-01:Portion of 24 and 25.

The Special Permit was originally granted by the Land Use Commission on July 14, 1977. To date, two time extensions have been approved for the permit. The first extension was approved on July 18, 1978 and allowed a one year extension within which to commence drilling of the first well. The second extension was approved on March 4, 1982 and this extended the life of the permit until July 14, 1984. Condition No. 11, the subject of the present request, was attached to the second time extension approval.

The area where the drilling is proposed to take place consists of two parcels with a combined area of approximately 120 acres. Within the 120-acre area the petitioner has identified six possible drilling locations. The first well, identified as Ashida Well

EXHIBIT E

No. 1, was drilled during the latter part of 1980 when work was suspended at 7,927 feet. The well did not flash and temperature measurements could not be determined at the bottom as the gauge malfunctioned at approximately 600° F. Work was suspended in order to evaluate the findings and plan for additional work such as drilling deeper or for slant hole drilling.

In a status report dated January 24, 1983, the petitioner stated the following:

"Ashida Well No. 1 was drilled in 1980, but work was suspended when initial evaluation indicated additional work would be necessary. Timing for such work has been delayed until further knowledge is acquired in the Kapoho area which may or may not indicate a common reservoir with Opihikao. Present plans call for this additional work before a second well will be drilled.

"We would anticipate that commencement on the second well, therefore, will be sometime much later than March 4, 1983, and would like to request that this time stipulation be removed on the second well and the permit amended accordingly in accordance with usual procedures for doing so."

In a letter dated February 22, 1983, the petitioner further stated, in part, that:

"This condition places undue and unnecessary restriction on our overall exploratory program where recognition must be given to the inter-relation of the Opihikao reservoir and the Kapoho

reservoir, which requires flexibility of scheduling based on progressive findings."

"No exact time frame can be projected for the second well, but an estimate would be after drilling a few more wells within Kapoho, approximately 1984-86."

"Extension (sic) of permit time will be applied for as it becomes necessary."

For the Commissioners' information, the following table has been prepared to indicate the time requirements applicable to all of the Special Permits granted for geothermal exploratory drilling. It should be noted that there is only one drilling rig serving all four of the approved permits.

SPECIAL PERMIT	EFF. DATE	REQUIRED STARTING DATE	TERMINATION DATE
SP No. 77-265 (LUC 364) GEDCO - Permit for 6 wells	7/14/77	7/17/78 7/14/79 (ext.) 7/14/80 (ext.)*	7/14/80 7/14/81(ext.)
Request 3-yr. time ext.....		3/14/83**.....	7/14/84
SP No. 80-3 (LUC 460) GEDCO Permit for 3 success-ful or 9 maximum wells	2/10/81	6/4/83***	2/10/84
SP No. 80-13 (LUC 468) Thermal/Dillingham Permit for 2 wells	10/15/80	10/15/81*	10/15/83
SP No. 80-8 (LUC 471) Barnwell Geothermal Corp. Permit for 6 wells	12/16/80	12/16/81*	12/16/83

*Time condition has been met.
**Completion of the first well required by this date.
***Drilling of the ~~second~~ 1st well shall commence by this date.

FINDINGS: AMENDMENT/SPECIAL PERMIT NO. 77-265: GEDCO

Upon review of the subject request, the Planning Department recommends that it be denied based on the following findings:

This permit was originally approved by the Land Use Commission on July 14, 1977. Since that time, one well has been drilled on the subject property during the latter part of 1980. Work was later suspended in order to evaluate the findings and to plan for additional work such as drilling deeper or for slant hole drilling. No other activity has occured on the site since work was suspended in 1980.

The purpose of stipulating time conditions is to assure that the project is developed in a timely manner. As evidenced by the work done to date, there has been only limited activity on the project since the permit was approved almost six years ago. If the time condition is deleted as requested by the applicant, it is quite possible that no activity will occur during the entire period allowed by the second time extension request. Thus, there would be no performance controls over the applicant once the request is approved. Furthermore, it would be difficult to deny similar requests which may be submitted in the future.

Approval of the subject request would also be contrary to one of the purposes intended in granting the original permit

EXHIBIT F

which is to assess the geothermal potential for the area. We are not learning anything more about the area if no additional wells are drilled.

Although the Department is recommending denial of this request, it is determined that the reasons for which the permit was originally approved are still valid. Therefore, the Department further recommends that a one-year extension to condition no. 11 be approved until March 4, 1984. This would allow the applicant to do additional work on the subject property should it so desire. If the applicant indicates that it does not intend to drill the second well within the one year time period, the permit should be nullified at this time.

The Department is concerned that the applicant is retaining the drilling permit for speculation purposes without any plans for additional drilling in the near future. A new application could be submitted and considered when the applicant has more definite plans to resume drilling on the property. Until such time, it would be inappropriate to allow the drilling rights to remain active knowing that there are no immediate plans to utilize those rights.

It should be made clear that this recommendation does not indicate a lack of support for exploratory geothermal drilling activity for the area. On the contrary, the Depratment and the County remains firmly committed to exploratory and development

efforts which brings us closer to our long term goal of energy self sufficiency. We have made every effort to assist any and all exploratory work that has been conducted to date and will continue to do so. However, we do not support applications or requests which have no definite timetable for completion and which could lead to speculation.

It is further recommended that the last statement of the permit be amended to read "Should any of the foregoing conditions not be met the permit shall be automatically void."

PLANNING COMMISSION

County of Hawaii

Date April 28, 1983

Petitioner GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

~~Deletion of Condition No. 11 of Special~~ Permit LUC 364

____ Preliminary hearing ____ Public hearing ____ Request ✓ Ac

ACTION: ____ Approve

✓ Deny

____ Defer

____ Continue

____ Schedule for public hearing

Other:

Commissioners	Aye	No	Excused	Abstain
FRIAS, Glenn				
IMADA, Clyde	✓			
KAGAWA, Roy M	✓			
KOI, Barbara Ann	✓			
PONTE, George	✓			
THOMPSON, Donald	✓			

EXHIBIT G

PLANNING COMMISSION

County of Hawaii

Date ~~GEDCO~~

Petitioner GEDCO 364

Amendment to condition no. 11

____ Preliminary hearing ____ Public hearing ____ Request ✓ Ac

ACTION: ✓ Approve

____ Deny

____ Defer

____ Continue

____ Schedule for public hearing

Other: That drilling of the second well, which may be a kick off well drilled at a slant from the first well, shall commence by March 4, 1984

Commissioners	Aye	No	Excused	Abstain
FRIAS, Glenn				
IMADA, Clyde	✓			
KAGAWA, Roy	✓			
KOI, Barbara Ann	✓			
PONTE, George	✓			
THOMPSON, Donald	✓			

EXHIBIT H

PLANNING COMMISSION

25 AUPUNI STREET • HILO, HAWAII 96720

COUNTY OF
HAWAII

CERTIFIED MAIL

May 5, 1983

Mr. E. C. Craddick, President
Geothermal Exploration Development Corporation
2828 Paa Street, Suite 2085
Honolulu, HI 96819

Gentlemen:

Deletion of Condition No. 11
Special Permit No. 77-265 (LUC 364)
Tax Map Key 1-3-01:Portion of 24 & 25

The Planning Commission at its duly held public hearing on April 28, 1983, considered your request for the deletion of Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District at Puna, Hawaii. Condition No. 11 states "That drilling of the second well shall commence within one year from the effective date of approval of the time extension request." (March 4, 1983)

The Commission voted to deny this request for the deletion of Condition No. 11, as stated above, based on the following findings:

This permit was originally approved by the Land Use Commission on July 14, 1977. Since that time, one well has been drilled on the subject property during the latter part of 1980. Work was later suspended in order to evaluate the findings and to plan for additional work such as drilling deeper or for slant hole drilling. No other activity has occurred on the site since work was suspended in 1980.

The purpose of stipulating time conditions is to assure that the project is developed in a timely manner. As evidenced by the work done to date, there has been only limited activity

EXHIBIT I

on the project since the permit was approved almost six years ago. If the time condition is deleted as requested by the applicant, it is quite possible that no activity will occur during the entire period allowed by the second time extension request. Thus, there would be no performance controls over the applicant once the request is approved. Furthermore, it would be difficult to deny similar requests which may be submitted in the future.

Approval of the subject request would also be contrary to one of the purposes intended in granting the original permit which is to assess the geothermal potential for the area. We are not learning anything more about the area if no additional wells are drilled.

Although the request to delete Condition No. 11 is recommended for denial, it is determined that the reasons for which the permit was originally approved are still valid. Therefore, a one-year extension to Condition No. 11 is recommended until March 4, 1984. This would allow the applicant to do additional work on the subject property should it so desire. If the applicant indicates that it does not intend to drill the second well within the one-year time period, the permit should be nullified at this time.

There is concern that the applicant is retaining the drilling permit for speculation purposes without any plans for additional drilling in the near future. A new application could be submitted and considered when the applicant has more definite plans to resume drilling on the property. Until such time, it would be inappropriate to allow the drilling rights to remain active knowing that there are no immediate plans to utilize those rights.

It should be made clear that these actions do not indicate a lack of support for exploratory geothermal drilling activity for the area. On the contrary, the Planning Department, the Planning Commission and the County remain firmly committed to exploratory and development efforts which bring us closer to our long-term goal of energy self sufficiency. Every effort has been made to assist any and all exploratory work that has been conducted to date and will be continued. However, support cannot be given to applications or requests which have no definite timetable for completion and which could lead to speculation.

The Planning Commission voted to recommend approval of a one-year time extension to Condition No. 11 based on the applicant's

proposal to drill a kick-off well within the stated time period. This was further agreed to with the understanding that any such kick-off well would also count as a separate well under the terms of the permit. Thus, Condition No. 11 is recommended to read: "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence by March 4, 1984."

The last statement of the permit has also been recommended to read "Should any of the foregoing conditions not be met the permit shall be automatically void."

Should you have any questions, please feel free to contact the Planning Department at 961-8288.

Sincerely,

Roy T. Fogawa

CLYDE IMADA
for Chairman, Planning Commission

cc: State Land Use Commission

PLANNING COMMISSION

Planning Department
County of Hawaii

HEARING TRANSCRIPT
April 28, 1983

A regularly advertised public hearing on the application of Geothermal Exploration and Development Corporation was called to order at 3:20 p.m. in the Councilroom, County Building, South Hilo, Hawaii, with Chairman Clyde Imada presiding.

PRESENT: Clyde Imada
Glenn Frias
Barbara Koi
Roy Kagawa
George Ponte
Donald Thompson

ABSENT: Ex-officio Member
Edward Harada
Ex-officio Member
H. William Sewake

R. Ben Tsukazaki, Deputy
Corporation Counsel

Sidney M. Fuke, Planning Director
Keith Kato, Staff Planner
Brian Nishimura, Staff Planner
Royden Yamasato, Staff Planner

and approximately 25 people from the public in attendance

CHAIRMAN: Public hearing on the request by Geothermal Exploration and Development Corporation for the deletion of Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District. Condition No. 11 states "That drilling of the second well shall commence within one (1) year from the effective date of approval of the time extension request." (March 4, 1983) The property is located on the northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road, Opihikao, Puna, TMK: 1-3-01:Portion of 24 & 25. Staff?

NISHIMURA: (Presented background, indicating that on page 3, the last sentence with the three asterisks should read, "Drilling of the first well shall commence by this date", denial recommendation of the deletion of Condition No. 11, and an amended phrase, on file.)

CHAIRMAN: Thank you, Brian. Commissioners, do you have any questions of staff? If not, is the applicant present? Do you solemnly swear to tell the truth on the application now before the Hawaii County Planning Commission?

CRADDICK: I do.

CHAIRMAN: Will you state your name for the record?

CRADDICK: My name is Ed Craddick. I am president of the applicant's Geothermal Development Exploration Development Corporation.

CHAIRMAN: Mr. Craddick, do you have any comments to make?

EXHIBIT 5

CRADDICK: Yes. I have one request. If I explain something, it will probably help you understand it better. One of the actions we intended to take out there was to do slant hole drillings. Now what that means is that you normally go back in; here's what we do. We go back in that well that we drilled, Ashida No. 1, and see if there's anything we can do with it. Now if we can't do anything with that well to correct it, then our next step would be to do what you call a kick-off in a slant hole drilling operation. Now that's tantamount to drilling the second well because you end up somewhere approximately 1,000 feet away from the the bottom of the other well. What it does though, it saves you the expense of moving over the 1,000 feet and drilling a new or constructing a new cellar and doing all the things you have to do in order to drill your hole down at that point and still probably arrive at the same 1,000 feet distance from the first well.

Now what we would like to do is suggest that the wording on this just be changed slightly in Condition 11 so that where it says that drilling of the second well, we would like to insert then "or a kick-off well drilled at a slant from the first well shall commence within one year", the date, and then this allows us, I understand, until, or suggest March 1984. That would be the, that would be something we could plan on doing. Whereas the other one to actually go on that well and then not be allowed to kick-off and use that for a site and have to go to the trouble of drilling a whole new well offset from that when it would be, you know, it's something that would be unworkable within the time frame.

This, by the way, is something we're going to do at Lanipuna very shortly. In doing that, we will learn whether this technique, how applicable it is and how successful it would be, for instance, moving over and doing it in another well. And this, in fact, may become one of the methods we'll use in developing our well fields, during directional drilling. It would also enable us to drill several holes as they do on the mainland by using what they call a one platform and drilling wells off at a slope from that platform so you don't have to disturb, that minimizes the disturbance at the surface area.

CHAIRMAN: Planning Director?

FUKE: Mr. Chairman, we would have no objections to the proposed amendment. However, it would have to be done with the understanding, that GEDCO right now, the original permit was for the consideration of six wells, so if they're going to do it at a slant then that would constitute a second well being drilled.

CRADDICK: Yes, right, correct.

FUKE: So the proposed amendment to Condition No. 11 would read, "The drilling of the second well or a kick-off well drilled at a slant shall commence within one year from the effective date of approval of the time extension request."

CRADDICK: Yes.

FUKE: So the kick-off well would really be the equivalent of a second well. And they, by the permit originally granted in 1977, they were granted permission for six wells, and so that would count as part of their six wells.

CRADDICK: Correct.

CHAIRMAN: Commissioners, any questions of Mr. Craddick? If not, thank you, Mr. Craddick.

CRADDICK: Thank you.

CHAIRMAN: This is a public hearing. Is there anyone in the audience who would like to testify? Would you please raise your hands? Okay, just one. Ma'am will you step forward. Do you solemnly swear to tell the truth on the application now before the Hawaii County Planning Commission?

SPENCER: I do.

CHAIRMAN: Will you state your name for the record.

SPENCER: Yes, I'm Virginia Spencer, and I live makai where this drilling is supposedly going on. Sometimes I know it's there, sometimes I don't know it's there. But I believe I was at the original hearing where the original special permit was granted; and I do have a question. And that was, the Planning Commission seemed to put a lot of thought into putting time limits on there, and a lot of years has come by. And I just wonder about these extensions or deletions and was that the original intent when the Planning Commission met and gave careful thought to the special permit. And that is one thing I'd like to bring right now before you men of the Commission and, pardon me, ma'am, too. But I was at the original hearing here and now if this brings this other extension, are we going to keep going and going or is the one and final? I'd like for you gentlemen to kind of clarify that.

FUKE: Mrs. Spencer, the extension request of GEDCO deals with when they must commence, you know, the start of the second well. There is a termination point in which all of those activities would have to occur; and that termination date, correct me, Brian, if I'm wrong, yeah, is July 14, 1984.

SPENCER: I see.

FUKE: And that date is not being requested right now or being considered for an extension. So the outer limit is still the same. What is being considered by the Commission is an extension within, from now until 1984, to give them consideration for time to dig that second well. But it does not deal with an extension beyond what was originally considered in 1977.

SPENCER: Thank you very much. I appreciate that.

CHAIRMAN: Thank you, Mrs. Spencer. Is there anyone else in the audience who would like to testify? If not, Commissioners, you can either continue or close the public hearing. What is your pleasure?

KAGAWA: I move to close.

PONTE: Second.

CHAIRMAN: It was moved and seconded that the public hearing be closed. All those in favor signify by saying aye?

COMMISSIONERS: Aye.

CHAIRMAN: Oppose? Public hearing is closed.

Commissioners, we have two actions to take up at this time and one is the denial -.

FUKE: Yeah, the first action is the request by GEDCO for the deletion of Condition No. 11, for which the staff is recommending denial. And the second action deals with an amendment to that condition which gives them essentially a one-year start-up time for the commencement of the second, the drilling of the second well.

KAGAWA: Mr. Chairman?

CHAIRMAN: Commissioner Kagawa.

KAGAWA: I move that the request by GEDCO to delete Condition No. 11 be denied for the reasons presented by staff.

CHAIRMAN: Is there a second?

PONTE: I second the motion.

CHAIRMAN: It was moved and seconded that the deletion of Condition No. 11 be denied for the reasons as outlined by staff. Is there any discussion at this time?

KAGAWA: Question.

CHAIRMAN: Question has been called for.

NISHIMURA: (Took roll call vote.)

Mr. Chairman, there are five ayes. Motion carries.

CHAIRMAN: Thank you, Brian. Commissioners, staff is recommending that we amend Condition No. 11 for their reasons.

KAGAWA: Mr. Chairman?

CHAIRMAN: Commissioner Kagawa.

KAGAWA: On Special Permit No. 77-265, I move that we amend Condition No. 11 for a one-year time extension until March 4, 1984, for the second well or the kick-off well and the amended phrase.

PONTE: Second.

NISHIMURA: Mr. Chairman, I'd like to, for clarifying or for, as a matter of clarification, I'd like to read a suggested revision to Condition No. 11 so that you're aware of what the wording is. I've changed it a little bit from what had previously been stated by the applicant; and that would be "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence within one year from the effective date of approval of the time extension request." I wanted to make it clear that, you know, either option is available.

KAGAWA: Not from the effective, until March 4th.

NISHIMURA: Okay, until March 4, 1984.

CHAIRMAN: Okay, it was moved and seconded. Is there any discussion?

THOMPSON: Question.

CHAIRMAN: Okay, question is called for.

NISHIMURA: (Took roll call vote.)

Mr. Chairman, there are five ayes. Motion carries.

CHAIRMAN: Mr. Craddick, you understand that we denied your, the, the deletion anyway; and approved the other one.

CRADDICK: Yes.

FUKE: Mr. Chairman, one slight clarification. Inasmuch as the area encompasses more than fifteen acres, the request still has to be ratified by the Land Use Commission.

CHAIRMAN: Thank you.

CRADDICK: Thank you.

The public hearing adjourned at 3:42 p.m.

Respectfully submitted,

Sharon M. Nomura

Sharon M. Nomura
Secretary

A T T E S T:

Clyde Imada

Clyde Imada
Chairman, Planning Commission

PLANNING COMMISSION

Planning Department
County of Hawaii

MINUTES
April 28, 1983

The Planning Commission met in regular session at 10:00 a.m. and 7:11 p.m., with Chairman Clyde Imada presiding and at 5:11 p.m. with Vice-Chairman Roy Kagawa presiding in the Councilroom, County Building, South Hilo, Hawaii.

PRESENT: Clyde Imada
Glenn Frias (From 3:45 p.m.)
Roy Kagawa
Barbara Koi
George Ponte
Donald Thompson

Sidney M. Fuke, Planning Director
Keith Kato, Staff Planner
Brian Nishimura, Staff Planner (From 3:20 to 3:42 p.m.)
Royden Yamasato, Staff Planner

Edward Harada, Ex-officio Member (From 10:00 a.m. to 12:12 p.m.)
Quirino Antonio, representing Ex-officio Member H. William Sewake (From 10:00 a.m. to 12:12 p.m.)
R. Ben Tsukazaki, Deputy Corporation Counsel (From 4:33 p.m.)

and approximately 10 people at 10:00 a.m., 8 people at 1:32 p.m., 11 people at 2:32 p.m., 19 people at 3:42 p.m., and 8 people at 5:11 p.m. were in attendance

At 10:00 a.m., the Commission took up the scheduled workshop.

WORKSHOP — Discussion on water and roadway improvements relative to rezoning applications.

The following is a recapitulation of the various speakers:

Planning Director Fuke explained that the purpose of the workshop was to evaluate the directions that have been taken and determine whether the Commission wishes to continue or change that direction. He presented general background information of the infrastructural requirements and how it relates to Planning Commission matters.

Staff Planner Keith Kato gave a description of the UIC program.

Finance Director Stanley Nakamae gave an overview of the County's economic posture (expenditure and revenue trends).

Civil Defense Administrator Harry Kim spoke on the public safety perspective in considering land use matters.

Chief Engineer Edward Harada spoke on the road, sewer and drainage considerations.

EXHIBIT K

The petitioner, Patrick Edie, gave a lengthy presentation on the various reasons he felt the special permit should be granted, noting they are able to addrress the parking and bus concerns. He added that he has the option of renting either of the two existing buildings, of which one building was granted a special use permit in 1977.

RECESS — The Chair called a short recess at 3:10 p.m. to allow staff an opportunity to review the special permit file granted in 1977 to the Wittigs.

RECONVENED — The meeting reconvened at 3:17 p.m.

Director Fuke stated that after reviewing the special permit file issued to the Wittigs in 1977, it seemed rather clear that the special permit for the expanded portion was for a store; and what Mr. Edie proposes would be acceptable, except that portion dealing with the food area. He added that during the recess he explained to Mr. Edie the following two alternatives: (1) if he wished to continue to have his operation based upon his submittals the hearing should be continued; (2) if he wished to relocate his operation in the expanded portion, then the appropriate measure would be to withdraw this petition and submit a new application which would essentially amend the Wittig permit to allow for the food area, noting in the meantime he would be able to proceed with his other operation, less the food area.

Mr. Edie then stated that inasmuch as the food portion of the business would be approximately 30 to 50 percent of the business, he is withdrawing this special permit application and will submit another application for the other building.

AMEND SP 77-265
GEOTHERMAL EXPLORATION AND DEVELOPMENT CORP.
OPIHIKAO, PUNA

Public hearing on the request by Geothermal Exploration and Development Corporation for the deletion of Condition No. 11 of Special Permit No. 77-265 (LUC 364) which allowed the drilling of exploratory geothermal wells on 120 acres of land situated within the State Land Use Agricultural District. Condition No. 11 states "That drilling of the second well shall commence within one (1) year from the effective date of approval of the time extension request." (March 4, 1983) The property is located on the northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road, Opihikao, Puna, TMK: 1-3-01:Portion of 24 & 25.

The petitioner's representative, Ed Craddick, explained that their intent is to drill a kick-off well from an already drilled well, which would be tantamount to drilling a second well because it would end up somewhere approximately 1,000 feet away from the bottom of the other well. He, therefore, suggested Condition No. 11 be reworded to read that drilling of the second well or a kick-off well drilled at a slant from the first well shall commence within one year, or March 1984.

Director Fuke said he had no objections to this proposed amendment; however, he stated that any such kick-off well would also count as a separate well under the terms of the permit. Mr. Craddick agreed to consider the kick-off well as a separate well.

Director Fuke clarified for Virginia Spencer, a member of the public, that the request is for a time extension to allow the petitioner to dig a second well and does not deal with an extension beyond what was originally considered in 1977, which would terminate the geothermal activities in July, 1984.

It was moved by Commissioner Kagawa and seconded by Commissioner Ponte that the public hearing be closed. Motion was unanimously carried.

On the request to delete Condition No. 11, it was moved by Commissioner Kagawa and seconded by Commissioner Ponte that it be denied for the reasons as outlined by the staff. A roll call vote was taken and motion carried unanimously with five ayes.

It was moved by Commissioner Kagawa and seconded by Commissoner Ponte to send a favorable recommendation to the State Land Use Commission that Condition No. 11 be amended to read, "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence within one year from the effective date of approval of the time extension request." A roll call vote was taken and motion carried unanimously with five ayes.

APPEAL -
CHANGE OF ZONE
JAMES COSTA
PONAHAWAI,
SOUTH HILO

Public hearing on the petition for an appeal filed by James Costa on the Planning Director's denial of a change of zone application for 24.4 acres of land from an Agricultural 5-acre (A-5a) to an Agricultural 2-acre (A-2a) zoned district. The property is located on the makai side of Akolea Road, approximately 1,200 feet north of the Akolea Road-Akolea Plantation Subdivision Road intersection, Ponahawai, South Hilo, TMK: 2-5-6:131.

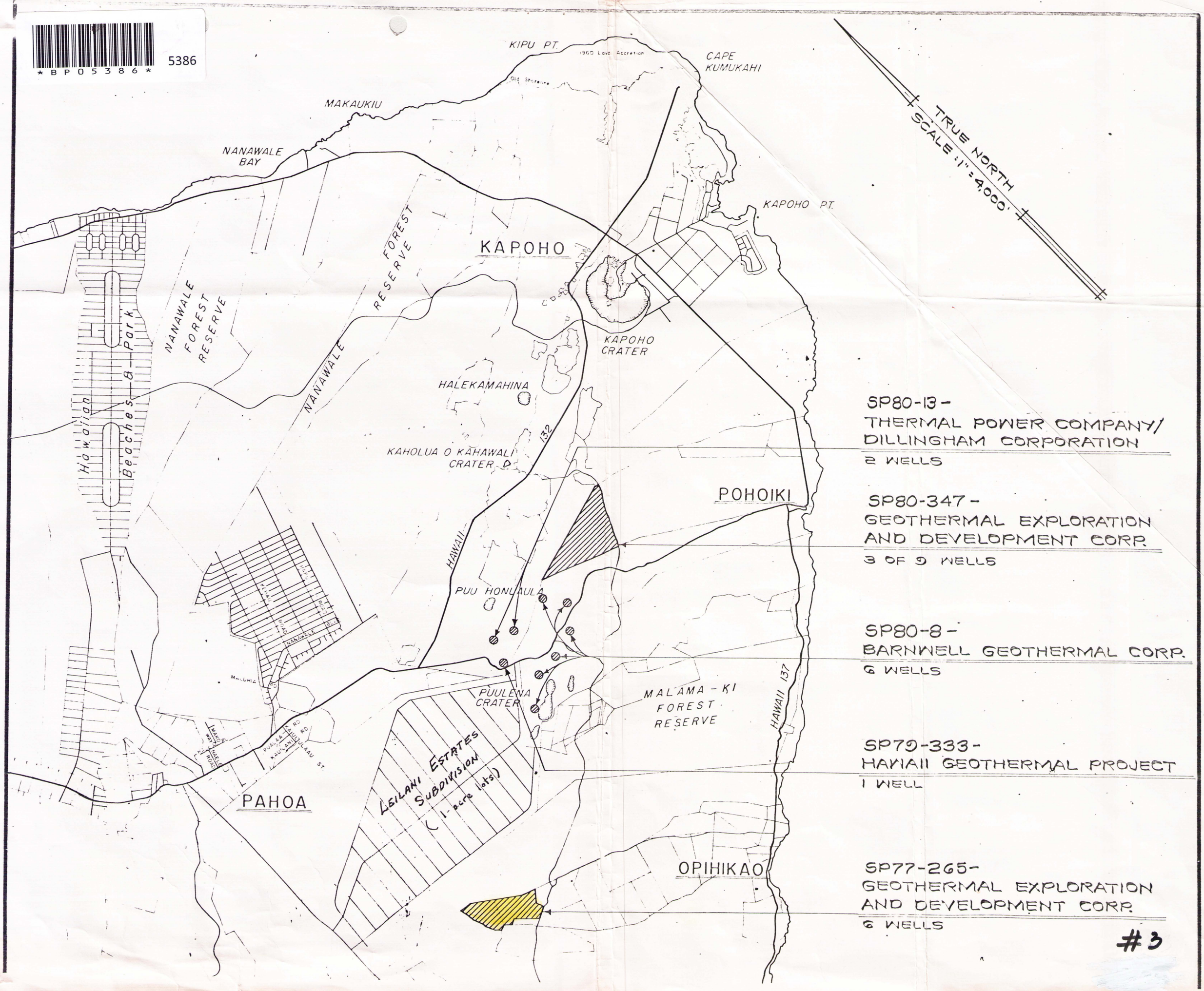
Staff presented background and denial recommendation, on file.

The petitioner, James Costa, and his representative, Hiroshi Kasamoto, were in attendance.

Mr. Kasamoto reiterated the conclusions made in their appeal statement, such as the Agricultural 2-a zoning conforms to the purposes, goals and policies as listed in the County General Plan, Hilo CDP, County Zoning Code and State Land Use Law; the agricultural and open character of the area will be maintained; there will be no loss of recreational facilities or scenic amenities; infrastructure, public services and facilities will not be unduly and unreasonably burdened; the development will be compatible with existing land uses and zoning nearby; and approval of the request will increase value of the land. He noted that land on two sides of the property are zoned for one acre and a large 3-acre zone is located on the Puna side; and said that they contend that the denial of the request was based on erroneous, arbitrary and capricious findings of fact.

In response to Commissioner Kagawa's questioning regarding the floodway plain on Exhibits A and B, Mr. Kasamoto clarified that Exhibit A prepared by the Federal Flood Insurance people is based on a general study of the area; and Exhibit B is based more on a detailed engineering study with proposed improvements that will make the flood plain narrower.

5386
BP05386



STA[illegible] HAWAII
DEPARTM[illegible] OF PLANNING
AND ECON[illegible] DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

WILLIAM W. L. YUEN
Chairman

RICHARD B. F. CHOY
Vice Chairman

COMMISSION MEMBERS:

Lawrence F. Chun
Everett L. Cuskaden
Shinsei Miyasato
Winona E. Rubin
Teofilo Phil Tacbian
Robert S. Tamaye
Frederick P. Whittemore

GORDAN Y. FURUTANI
Executive Officer

July 29, 1983

Mr. Sidney Fuke
Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Fuke:

SUBJECT: SP77-265 - GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

In reference to our letter to you dated July 5, 1983, enclosed is a copy of the Decision and Order on SP77-265 for your information and records.

Sincerely,

GORDAN Y. FURUTANI
Executive Officer

Enclosure

cc: Geothermal Exploration and Development Corporation

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition To Amend Condition No. 11 of the Special Permit of	)	SP77-265
GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION	)	GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

This is to certify that this is a true and correct copy of the Decision and Order on file in the office of the State Land Use Commission, Honolulu, Hawaii.

7/29/83
Date

by _____
Executive Officer

DECISION AND ORDER

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition To Amend Condition No. 11 of the Special Permit of GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION	)	SP77-265 FINDINGS OF FACT, CONCLUSIONS OF LAW, DECISION AND ORDER

FINDINGS OF FACT, CONCLUSIONS OF LAW, DECISION AND ORDER

This proceeding was initiated by Geothermal Exploration and Development Corporation (GEDCO) pursuant to Section 205-6, Hawaii Revised Statutes, and Part IX of the Land Use Commission's Rules of Practice and Procedure. The Land Use Commission, having considered the entire record in the matter, hereby makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. On July 14, 1977, Geothermal Exploration and Development Corporation (hereinafter "Petitioner") was granted a Special Permit which allows the drilling and testing of exploratory geothermal wells on approximately 120 acres of land situated within the State Land Use Agricultural District at Opihikao, Puna, Hawaii, Tax Map Key 1-3-01: Portions of 24 and 25.

2. The subject property is located on the northwestern, or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road.

3. Condition No. 11 of the Special Permit, as amended, requires that the Petitioner commence drilling of the second exploratory well by March 4, 1983. The Petitioner, as yet, has not started drilling the second well.

4. By letter dated February 22, 1983, the Petitioner

requested that Condition No. 11 be deleted from the subject Special Permit.

5. At its meeting on April 28, 1983 the Hawaii County Planning Commission voted to deny the request to delete Condition No. 11 because performance time conditions are essential in assuring that timely progress be made toward achieving the major purpose of the Special Permit, which is to assess the geothermal potential of the area.

6. If the time condition is deleted as requested by the Petitioner, there would be no performance control over the applicant. It is therefore possible that no activity will occur during the entire period allowed by the second time extension request.

7. A one-year time extension would allow the Petitioner to do additional work in the subject area.

8. To serve the purpose of the Special Permit, the Planning Commission voted to amend Condition No. 11 to read:

> "11. That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence by March 4, 1984."

9. The complete record of the proceeding was received at the Land Use Commission office on May 19, 1983.

CONCLUSIONS OF LAW

1. Unusual circumstances warrant the granting of a time extension to commence drilling of a second exploratory deep well on the subject property as defined in Rule 9-3 of the Rules of Practice and Procedure of the Land Use Commission.

2. Granting of the time extension will in no way alter the reasons for which the permit was originally approved, and will not be contrary to the purpose and intent of imposing time conditions.

DECISION AND ORDER

IT IS HEREBY ORDERED that the Petitioner's request to delete Condition No. 11 of Special Permit No. 77-265 be denied and the Special Permit be amended to read as follows:

"11. That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence by March 4, 1984."

BE IT FURTHER ORDERED that the following additional conditions be added to the Special Permit:

"15. Petitioner shall indemnify and hold harmless the Land Use Commission from any litigation filed regarding this Special Permit.

"16. Should any of the foregoing conditions not be met, the Special Permit may be deemed null and void."

DOCKET NO. SP77-265 - GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

Done at Honolulu, Hawaii this 20th day of July, 1983 by motion on June 27, 1983.

LAND USE COMMISSION
STATE OF HAWAII

By _____
WILLIAM W. L. YUEN
Chairman and Commissioner

By _____
RICHARD B. F. CHOY
Vice Chairman and Commissioner

By _____
LAWRENCE F. CHUN
Commissioner

By _____
SHINSEI MIYASATO
Commissioner

By _____
WINONA E. RUBIN
Commissioner

By _____
TEOFILO PHIL TACBIAN
Commissioner

By _____
ROBERT S. TAMAYE
Commissioner

By _____
FREDERICK P. WHITTEMORE
Commissioner

P 484 929 980

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to E. C. Craddick	
Street and No.	
P.O., State and ZIP Code	
Postage	$ .37
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.60
Return Receipt Showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$ 1.77
Postmark or Date	

USPO HONOLULU, HI DOWNTOWN STA. JUL 29 1983

PS Form 3800, Feb. 1982 SP77-265 - GEOTHERMAL EXPL. & DEV. CORP.

STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE, CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)

2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.

3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.

4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse RESTRICTED DELIVERY on the front of the article.

5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in Item 1 of Form 3811.

6. Save this receipt and present it if you make inquiry.

SP77-265 - GEOTHERMAL EXPL. & DEV. CORP

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
   - [X] Show to whom and date delivered ..... ___¢
   - [ ] Show to whom, date, and address of delivery.. ___¢
2. [ ] RESTRICTED DELIVERY ___¢
   (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $_____

3. ARTICLE ADDRESSED TO:

E. C. Craddick

4. TYPE OF SERVICE:
   - [ ] REGISTERED
   - [ ] INSURED
   - [X] CERTIFIED
   - [ ] COD
   - [ ] EXPRESS MAIL

ARTICLE NUMBER
484 929 980

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE [X] Addressee [ ] Authorized agent

5. DATE OF DELIVERY
8/1/83

POSTMARK
AUG 1 1983
U.S.P.O. HONOLULU HI
STA. MALAMA

6. ADDRESSEE'S ADDRESS (*Only if requested*)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

U.S.MAIL ®

RETURN TO

State of Hawaii
LAND USE COMMISSION
Room 104, Old Federal Building
335 Merchant Street
Honolulu, Hawaii 96813

(Name of Sender)

(Street or P.O. Box)

(City, State, and ZIP Code)

P 484 929 979

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Sidney Fuke	
Street and No.	
P.O., State and ZIP Code	
Postage	$ 37
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.60
Return Receipt Showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$ 1.72
Postmark or Date	

JUL 29 1983
HONOLULU, HI DOWNTOWN STA

PS Form 3800, Feb. 1982

5977-265

STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE, CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)

2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.

3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.

4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse RESTRICTED DELIVERY on the front of the article.

5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in Item 1 of Form 3811.

6. Save this receipt and present it if you make inquiry.

SP77-265 - GEOTHERMAL EXPL. & DEV. CORP

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
   - [X] Show to whom and date delivered ..... ___¢
   - [ ] Show to whom, date, and address of delivery.. ___¢
2. [ ] RESTRICTED DELIVERY ___¢
   (*The restricted delivery fee is charged in addition to the return receipt fee.*)

TOTAL $_____

3. ARTICLE ADDRESSED TO:

Sidney Fuke

4. TYPE OF SERVICE:
   - [ ] REGISTERED
   - [ ] INSURED
   - [X] CERTIFIED
   - [ ] COD
   - [ ] EXPRESS MAIL

ARTICLE NUMBER

484 929 979

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE [ ] Addressee [ ] Authorized agent

E. Haraguchi

5. DATE OF DELIVERY

8-1-83

POSTMARK

AUG 1 1983 REC'D

6. ADDRESSEE'S ADDRESS (*Only if requested*)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

U.S.MAIL

RETURN TO

State of Hawaii
LAND USE COMMISSION
Room 104, Old Federal Building
335 Merchant Street
Honolulu, Hawaii 96813

(Name of Sender)

(Street or P.O. Box)

(City, State, and ZIP Code)

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition To Amend Condition No. 11 of the Special Permit of	)	SP77-265
GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION	)	GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

CERTIFICATE OF SERVICE

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

SIDNEY FUKE, Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

E. C. CRADDICK, President
Geothermal Exploration and
Development Corporation
2828 Paa Street, Suite 2085
Honolulu, Hawaii 96819

DATED: Honolulu, Hawaii, this 29th day of July, 1983.

GORDAN Y. FURUTANI
Executive Officer

SP77-265 - GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

A copy of a certified Decision and Order for SP77-265 - Geothermal Exploration and Development Corporation to Amend Condition No. 11 of the Special Permit was sent to the following by regular mail:

Kent Keith, Director, DPED
Mapping Section, Real Property Assessment Division
Property Technical Office, Real Property Assessment Division
Property Assessment Section, Real Property Assessment Division
Office of Environmental Quality Control
Division of Land Management, DLNR
Real Property Tax Office, Hawaii

July 5, 1983

Hawaii Planning Department
25 Aupuni Street
Hilo, HI 96720

Attention: Mr. Sidney Fuke, Planning Director

Gentlemen:

This is to advise you, in advance of the service of our Decision and Order, that at its meeting on June 27, 1983, the Land Use Commission voted to deny Geothermal Exploration and Development Corporation's request to delete condition No. 11 and approve the recommendation of the Hawaii County Planning Commission to amend condition No. 11 in Special Permit 77-265, Geothermal Exploration and Development Corporation. The following additional conditions were also imposed by the Land Use Commission:

1. "Petitioner shall indemnify the Land Use Commission of any litigation filed regarding this special permit."

2. "Should any of the foregoing conditions not be met, the Special Permit may be deemed null and void."

The Petitioner's failure to comply with any of the delineated conditions of approval, particularly those relating to time, shall be reason for termination of the Special Permit. The Land Use Commission will not consider any request for time extension which is filed after the stipulated commencement or expiration dates.

The Land Use Commission's Decision and Order on the above action regarding SP77-265 will be forwarded to you at a later date.

Sincerely,

GORDAN Y. FURUTANI
Executive Officer

GYF:gm
cc: Geothermal Exploration
and Development Corporation

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

Approved 9/22/83

Conference Rooms A, B & C
Kalanimoku Building
Honolulu, Hawaii

June 27, 1983 - 9:00 a.m.

COMMISSIONERS PRESENT: William Yuen, Chairman
Richard Choy, Vice Chairman
Lawrence Chun
Shinsei Miyasato
Winona Rubin
Teofilo Tacbian
Robert Tamaye
Frederick Whittemore

COMMISSIONER ABSENT: Everett Cuskaden

STAFF PRESENT: Gordan Furutani, Executive Officer
Joseph Chu, Planner
Carolee Aoki, Deputy Attorney General
Dora Horikawa, Chief Clerk

Barbara Moore, Court Reporter

ACTION

A82-536 - HALEAKALA RANCH COMPANY

In the matter of the petition by Haleakala Ranch Company, A82-536, a hearing was conducted by the Land Use Commission on January 26 and 27, 1983. Action on this petition was conducted by Vice Chairman Choy due to a previously declared conflict of interest by Chairman Yuen.

It was determined that all of the Commissioners present today were eligible to participate in the deliberation and decision of the subject petition.

Mr. Chu, staff Planner, pointed out the area involved in the petition and oriented it with surrounding landmarks.

Appearances

Paul Mancini, Attorney representing the petitioner

Guy Archer, Deputy Corporation Counsel, representing the Maui Planning Department

Commissioner Rubin moved to approve A83-545 to reclassify approximately 0.579 acre of land currently in the Rural District into the Urban District at Moana Beach Lots Subdivision, Makawao, Maui. It was seconded by Commissioner Tacbian and unanimously passed.

SP77-265 - GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

Mr. Chu, staff Planner, presented a resume of the subject request and pointed to the property on the USGS and tax maps.

Vice Chairman Choy moved to approve SP77-265, Geothermal Exploration and Development Corporation, to amend condition 11 for the drilling of exploratory geothermal wells within the State Land Use Agricultural District at Opihikao, Puna, Hawaii, subject to the condition that the Petitioner indemnify the Land Use Commission from any suits that may be filed against the Commission. It was seconded by Commissioner Tamaye.

Commissioner Rubin moved to amend the motion by adding the condition that "should any of the foregoing conditions not be met, the permit shall be automatically void". It was seconded by Commissioner Chun and the motion was carried.

The Commissioners were polled as follows on the motion to approve the request and as amended:

Ayes: Commissioners Tamaye, Choy, Tacbian, Rubin, Miyasato, Chun, Whittemore and Chairman Yuen

SP82-353 - THE ESTATE OF JAMES CAMPBELL
First Circuit Court's Remand

Appearances

Diane Kishimoto, Attorney representing the Petitioner

Steven Lim, Deputy Corporation Counsel, representing the City Planning Commission

There was no representative from the Legal Aid Society.

The property was described on the maps by staff Planner, who also presented background information on the remand order from the First Circuit Court.

Closing Arguments

By Miss Kishimoto----------63 to 64

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Building
335 Merchant Street
Honolulu, Hawaii 96813

June 22, 1983

LT. GOVERNOR'S OFFICE
1983 JUN 22 PM 4 02
REC'D. BY

ADDITION TO AGENDA

TO WHOM IT MAY CONCERN:

SUBJECT: Land Use Commission Meeting
June 27, 1983 - 9:00 a.m.
Conference Rooms 322-A, B & C
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawaii

This is to advise you that the following items have been added to the June 27, 1983 Agenda:

I. ACTION

9. A83-554 - Farms of Kapua (Hawaii)

To determine whether the anticipated effects discussed in Farms of Kapua's Environmental Assessment to reclassify approximately 6,102 acres of land currently in the Conservation District into the Agricultural District at Kapua, South Kona, Hawaii, for mixed agricultural uses constitute a "significant effect" pursuant to Chapter 343, HRS.

10. Election of officers

Should you have any questions, please feel free to call us.

Sincerely,

GORDAN Y. FURUTANI
Executive Officer

6/22/83 - A copy of this Additon to Agenda was mailed to all persons and organizations on the attached mailing lists and also to all parties:

1. STATEWIDE 2. OAHU 3. HAWAII 4. MAUI-MOLOKAI-LANAI
5. KAUAI

STATE OF HAWAII
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME AND PLACE

June 27, 1983 - 9:00 a.m.
Conference Rooms A, B & C
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawaii

LT. GOVERNOR'S OFFICE
1983 JUN 17 AM 9 20
REC'D. BY

A G E N D A

I. ACTION

1. A82-530 - Amfac Property Development Corporation (Kauai)

   To reclassify approximately 78 acres of land currently in the Agricultural District into the Urban District at Lihue, Kauai, for a light industrial and resort development.

2. A82-536 - Haleakala Ranch Company (Maui)

   To reclassify approximately 189.7 acres of land currently in the Agricultural District into the Urban District at Kihei, Maui, for a planned residential community.

3. A82-543 - The Episcopal Church in Hawaii (Maui)

   To reclassify approximately 9.36 acres of land currently in the Agricultural District into the Urban District at Hamakuapoko, Makawao, Maui, for a private coeducational school.

4. A83-545 - Stanley G. Friel (Molokai)

   To reclassify approximately 0.579 acres of land currently in the Rural District into the Urban District at Moana Beach Lots Subdivision, Portion of Kaluaaha, Molokai, for a subdivision.

5. SP77-265 - Geothermal Exploration and Development Corporation (Hawaii)
   (Amendment of Condition)

   To amend Condition No. 11 of Special Permit SP77-265 for the drilling of exploratory geothermal wells within the State Land Use Agricultural District at Opihikao, Puna, Hawaii.

6. SP82-353 - The Estate of James Campbell (Oahu)
   (Civil No. 72140 - Remand of SP82-353)

   To act on the First Circuit Court's remand of SP82-353 which allows stockpiling of dredged coral spoil on approximately 152 acres of land within the Agricultural District at Barbers Point, Ewa, Oahu.

7. A83-550 - A. R. Nylen and Raymond H. Nylen (Oahu)

To determine whether the anticipated effects discussed in A. R. Nylen's and Raymond H. Nylen's Environmental Assessment to reclassify approximately 19 acres of land currently in the Conservation District into the Urban District at Kahaluu, Koolaupoko, Oahu, for residential development constitute a "significant effect" pursuant to Chapter 343, HRS.

8. A82-544 - Iolani School (Oahu)

To act on the request for reconsideration of the Land Use Commission's non-acceptance of Iolani School's Environmental Impact Statement to reclassify approximately 201.4 acres of land currently in the Conservation District into the Urban District at Kaneohe, Koolaupoko, Oahu, for residential purposes.

II. MISCELLANEOUS

1. Adoption of Minutes MAR 21 1983 MAR 22 1983 APR 7 1983

2. Tentative Meeting Schedule APR 8 1983

6/16/83 - A copy of this agenda was mailed to all persons and organizations on the attached mailing lists:

1. STATEWIDE 2. OAHU 3. HAWAII 4. MAUI-MOLOKAI-LANAI
5. KAUAI

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 15, 1983

Mr. Sidney M. Fuke
Planning Director
Hawaii County Planning Department
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Fuke:

Enclosed is a Land Use Commission meeting agenda.

Please note that the motion to amend the conditions on petition

SP77-265 - Geothermal Exploration and Development Corporation

will be considered at that time.

Should you have any questions on this matter, please contact this office.

Very truly yours,

GORDAN Y. FURUTANI
Executive Officer

Enclosure: Agenda

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 15, 1983

Mr. E. C. Craddick, President
Geothermal Exploration and
Development Corproation
2828 Paa Street, Suite 2085
Honolulu, Hawaii 96819

Dear Mr. Craddick:

Enclosed is a Land Use Commission meeting agenda.

Please note that the motion to amend the conditions on petition

SP77-265 - Geothermal Exploration and Development Corporation

will be considered at that time.

Should you have any questions on this matter, please contact this office.

Very truly yours,

GORDAN Y. FURUTANI
Executive Officer

Enclosure: Agenda

MEMORANDUM

TO: Land Use Commission June 27, 1983
9:00 a.m.

FROM: Staff

SUBJECT: SP77-265 - Geothermal Exploration and Development Corporation (Amendment of Condition)

Geothermal Exploration and Development Corporation (GEDCO) has submitted a request to delete Condition No. 11 from Special Permit 77-265. This Special Permit allows the drilling of a maximum of six exploratory geothermal wells on approximately 120 acres of land situated within the State Land Use Agricultural District at Opihikao, Puna, Hawaii, Tax Map Key 1-3-1: portions of 24 and 25. The permit was approved on July 14, 1977. A copy of the staff report to provide the Commission with background information on this Special Permit is attached, #1.

The subject property is located on the northwestern or Pahoa side of Opihikao Road, approximately 2.5 miles from the junction of Opihikao Road and the Pahoa-Kalapana Road. The Leilani Estates Subdivision is situated less than a mile away to the north. The subject property is shown in yellow on attached maps #2 and #3.

Condition No. 11 states:

> "That drilling of the second well shall commence within one (1) year from the effective date of approval of the time extension request."

According to the provision of Condition No. 11, drilling of the second well should have commenced by March 3, 1983. However, the petitioner as yet, has not started drilling the second well.

By letter dated February 22, 1983 the Petitioner requested that Condition No. 11 be deleted from the subject special permit. A copy of this letter is attached, EXHIBIT A.

Since the special permit was originally approved by the Land Use Commission on July 14, 1977, the following amendments to conditions of the subject special permit have been made:

LUC Decision and Order Date	Modification Approved
1. February 9, 1979	One-year time extension to commence drilling of first well (to July 14, 1979)
2. September 7, 1979	One-year time extension to commence drilling of first well (to July 14, 1980)
3. March 4, 1982	Three-year time extension to the duration of the permit (until July 14, 1984) Added conditions Nos.10, 11, 12, 13, 14

For the Commissioner's information, Condition No. 11 was added to the special permit through the Decision and Order served by the Land Use Commission on March 4, 1982. A copy of this document is attached, #4.

At its meeting on April 28, 1983, the Hawaii County Planning Commission heard Geothermal Exploration and Development Corporation's request to delete Condition No. 11. The Hawaii County Planning Department recommended against deletion of the condition. A copy of the Planning Departments' analysis and recommendation is attached, EXHIBITS E and F. Transcripts and minutes of the hearing are also attached, EXHIBITS J and K respectively.

After due consideration of all the evidence presented on this matter the Hawaii County Planning Commission voted to deny the applicant's request to delete Condition No. 11 and voted to amend the condition to read:

> "That drilling of the second well, which may be a kick-off well drilled at a slant from the first well, shall commence by March 4, 1984."

A copy of the letter advising the applicant of the Planning Commission's decision is attached, EXHIBIT I.

The materials, documents and record of proceedings on SP77-265 Geothermal Exploration and Development Corporation were received by the Land Use Commission on May 19, 1983.

STATE OF HAWAII
LAND USE COMMISSION

MEMORANDUM

TO: Land Use Commission July 14, 1977
9:30 a.m.

FROM: Staff

SUBJECT: SP77-265 - Geothermal Exploration and Development Corporation

The petitioner, Geothermal Exploration and Development Corporation (GEDCO), is requesting a Special Permit to allow the drilling of exploratory geothermal wells on a 120 acre site within the State Land Use Agricultural District at Opihikao, Puna, Hawaii, Tax Map Key 1-3-1: portions of 24 and 25. The subject property is located along the northwestern side of Opihikao Road, approximately 2.5 miles northeast of the Opihikao Road and Pahoa-Kalapana Road junction. Access to the site is via the Opihikao Road.

The purpose of the proposed exploratory wells is to assess the geothermal potential and ultimate development of geothermal energy. The petitioner has identified six possible drilling locations within the 120 acre subject site. The first exploratory well is expected to be drilled to a depth of nearly 6,000 feet. Until this first well has been drilled and evaluated, it is not known whether additional wells will be drilled.

Drilling is expected to be continuous, running 24 hours a day and seven days a week. Equipment to be used consists of a drilling rig with a 100 foot-high tower as well as generator and other accessory equipment. The petitioner has estimated that 20 to 30 local families would be supported through direct labor and indirect services required for the project.

The subject site is comprised of two land parcels owned by Mr. Vern Yamanaka and Mr. Harold Ashida. They have leased their geothermal rights to the petitioner.

The petitioner has submitted a certificate of title search and an opinion of the State Attorney General to show that the subject property's geothermal rights are not reserved to the State of Hawaii.

In support of the request, the petitioner has in part stated the following:

"Regarding the guidelines established in the Land Use Regulations of the Land Use Commission, it is submitted that the requested use is a reasonable one even though unusual for agriculturally classified land. In addition, it is the kind of use

#1

that should be permitted as a special use in the more general and overriding public interest, and as not in any substantial way at variance with the general purposes for which Hawaiian land classifications are established, in that:

'(a) The use requested is in furtherance and in keeping with needs and objectives of public interest in the County of Hawaii and is within the needs and objectives of the Land Use Law and Regulations and the public interest of the State of Hawaii. Energy requirements are the single most unsolved element in the economic well-being equation for the County and State of Hawaii. Dependence on imported energy stands to limit the potential well-being and economic growth of the County and State. The use requested is to the purpose of determining the quality and extent of geothermal resources available to serve needs for non-imported energy sources. Previous drilling results at a nearby site have demonstrated that geothermal resources are present in the area, but do not sufficiently prove the extent and viability.

'(b) The use requested will probably produce a net beneficial effect to the surrounding property with minimal, if any, adverse effect on surrounding property. The operations necessary to the use will be strictly confined to an area of three acres, including access road. It is predicted that a net product of useful irrigation water can result at minimum, as one beneficial effect of the proposed use.

'(c) Public agencies will not be required to provide roads, streets, schools, sewers, water, drainage, or additional police and fire protection as a result of the use requested, without a commensurate net benefit out of which these services can be funded, and in no case before additional work beyond the use requested is considered by the County of Hawaii as being in keeping with planning policies of the County.

It is proposed that the energy prospect will be available as electricity to be used off the site and that any other use on the surrounding land will be self-supporting, in terms of burden on public agencies, by way of increased value for tax purposes.

'(d) District boundaries and regulations were established prior to the realization that geothermal resources were likely to be present and certainly before

particular locations of these resources were known. The use requested is in furtherance of an attempt to know more about the existence and extent of geothermal resources so as to apprise land owners and appropriate public authorities of their potential for beneficial use within the County and the State of Hawaii.

Only in the past four to five years have the dual facts of an energy crisis and the potential availability of geothermal energy been within the category of general information. It is natural, therefore, that the requested use should not have appeared as one of the officially recognized uses of land in this classification.

'(e) From all appearances and contact with present uses of the land proposed for the requested use, it is not feasible to conduct agricultural operations within the present means of technology and methods. It is possible that a by-product of the development of geothermal energy will make possible more extensive agricultural use of the land nominated and surrounding land for the near- and long-term future.

The area of the requested use is generally characterized as covered by recent lava flows and is of the least desirable category from the standpoint of agricultural operations. It is generally covered with rocks and not commercially useful growth of grasses, etc., not even suitable for stock grazing in a commercially or productive life-supportive way.

'(f) The requested use will not preclude future agricultural use of the land. Even full-scale development of geothermal energy would occupy and alter no more than ten (10%) percent of the total surface area of the land, included in the geothermal development district. The balance of the land within this area would be allowed to remain as it now is and would be suitable for the present uses designated in the land use laws and regulations, at least to the extent it is now useful for these purposes.

It is the nature of geothermal development, in the active fields worldwide, that particularly agricultural operations can continue in about the same form as they did, or would have, were geothermal resources not being taken from the area. If anything is changed, it is usually to initiate an improvement over previous possibilities in the same area.

'(g) The public welfare will be benefited in all respects by the use proposed and, considering the general public interest, is the highest and best use of the land nominated in this special use application. By proving and producing this form of energy in this location a large step toward energy independence for the Island of Hawaii will be taken. Geothermal energy is probably the most efficient and least disturbing form of energy available in the general geographic area of this application.

The district, and the Island of Hawaii, can benefit in many ways from the proposed use. At present, the lack of water and power is critical to the best use of resources and manpower in this area. The prospective higher costs of energy tend to exacerbate the situation. Independence from imported energy, even from other locations on the Island of Hawaii, could be a great benefit to these local resources, especially in view of the benign nature of this form of energy on environment and people in the immediate environs.

'(h) In addition to a physical survey to determine the exact geographical location of the proposed drilling sites, the immediate area has been surveyed to discover the presence of historical sites and evidence of the habitat of an endangered species. Such evidence as has been adduced by this survey does not indicate a condition on the property nominated that would be harmed or altered to the detriment of any specie. In addition, the Divisions of State Parks, Forestry and Fish and Game, of the Department of Land and Natural Resources, have indicated that no known historic sites are present in the property and, as well, that no endangered species are known to be present with the rare exception of the Hawaiian owl and Hawaiian hawk, present throughout the County of Hawaii, but not particularly occupying this property. Reference is also taken to a recent (November, 1976) Environmental Impact Statement published by the Energy Research and Development Administration of the United States Government which was made for a very nearby site in the Puna district. For general purposes, the findings of that document are germane to this application.

With reference to the Hawaii County General Plan, it appears that the policy of the County regarding development of power for use by the consumers of the County of Hawaii and with respect to economic developments are in harmony with the proposed project. The proposed project is of an investigatory nature which can lead to the type of large development referred to on page 10 of the General

Plan, but is not now at a stage of certainty, in terms of magnitude, that would permit a prediction of kinds of social, economic, and physical impact that are referred to at that point in the plan."

The General Plan Land Use Pattern Allocation Guide Map designates the subject area as Orchard. The County zoning designation is Agriculture with a 20-acre minimum lot size (A-20a).

The area under consideration is part of the Kilauea Volcano geologic system. Soils consist of Malama extremely stony muck which overlies relatively young 'a'a lava flows on the windward side of Kilauea Crater. The surface layer is about 3 inches thick. The Soil Conservation Service's capability class for the Malama series is VII, which apply to those soils that have very severe limitations and which make them unsuited to cultivation. The Land Study Bureau's overall master productivity rating for agricultural suitability is "C", or fair.

The subject site presently contains one residence. Lands surrounding the subject site are in either agricultural use or vacant.

Pertinent comments from governmental agencies:

1. Fire Department

The Hawaii County Fire Department had the following comments with regard to the subject permit request:

"No fire protection other than the one man Pahoa Fire Station. This station provides 8-hour service to the community. No fire hydrants in the area."

2. State Department of Health

The State Department of Health provided the following comments:

"Noise and hydrogen sulfide odor complaints have been reported by a resident who lives near the present Hawaii Geothermal Project. Scrubbing of the hydrogen sulfide gases and effective noise mufflers need to be identified at future test plants."

3. Police Department

In its review of the subject request, the Hawaii County Police Department made the following comments:

"Although the proposed use of the area has no direct adverse effects on police operations, it is suggested that your office weigh the impact that the noise generated by the geothermal wells may have on residents in the surrounding area."

4. Department of Public Works

The Hawaii County Department of Public Works noted that a grading permit would be required should the exploratory excavation exceed 50 cubic yards of material.

5. Department of Research and Development

"The County's highest priority in geothermal power exploration and development is to provide the contributing means for expanding our tax base, to provide the employment opportunities and thereby set the stage for economic development to occur.

"The perspective from which we view geothermal energy potential on the island of Hawaii encompasses a broader spectrum than the obvious benefits of 'cheap' power. Rather, we view geothermal energy as an opportunity, an opportunity which allows us to dream of a better life for our residents and future generations.

"The Department of Research and Development has been involved in the 'geothermal project' since its inception and will continue in this role to insure that the concerns of our residents are met. Our optimism stems from the belief that the doors can now be opened for economic development of a nature and magnitude beyond the realm of reality a few years ago. We foresee the utilization of our multitude of talents in a revitalized economy. And, finally, the development of the Big Island as a scientific model whereby research and development is in concert with the needs of the community.

"We ask that you share our optimism and explore with us the tremendous potentials ahead of us offered by geothermal energy.

"Relative to the special permit before the Planning Commission involving the drilling of a geothermal well, we ask that you allow them to proceed for the following reasons: a) the County would be derelict in its responsibility by declining private industry's initiative, and b) as a 'test case' whereby careful and thorough evaluation can be done to assure proper action for subsequent requests. The qualification on our position to allow the developers to proceed is that the total project should be closely monitored and held accountable to stringent standards to insure minimal damage to our total environment. The County of Hawaii is cognizant of the possible dangers to health of our residents and will require all possible preventative measures.

"Nothing is implied that the entrepreneur is assured economic viability in this venture. We also wish to point

out that the proposed regulations on leasing of geothermal resources and drilling for geothermal resources in Hawaii have not been adopted by the Department of Land and Natural Resources."

All other cooperating agencies, including the Hawaii County Department of Water Supply, State Department of Agriculture, and Hawaii Electric Light Company, Inc. had no comments on or objections to the subject request.

On March 14, 1977, the Hawaii County Planning Commission held a public hearing for the Special Permit request. The hearing was continued to April 14, 1977, in order to allow the Commission members to inspect the subject property and to view an existing drilling operation utilizing similar equipment at Waikoloa (Boise Cascade's project).

During the course of the hearing, eight persons testified in support of the request, eleven persons in opposition, and three persons sought additional information relating to the proposed project. Persons testifying in support of the permit request cited the need to develop alternative energy sources, the project's economic boost to the Puna area, the possible development of needed water sources, and the more beneficial use of present lands. Those testifying in opposition voiced concerns relating to the noise, noxious fumes (hydrogen sulfide) and socio-economic impact of the proposed project upon surrounding areas.

On May 12, 1977, the Hawaii County Planning Commission voted to recommend approval of the Special Permit to the Land Use Commission based upon the following findings:

"1. Electricity is the major form of energy utilized in Hawaii County. Power rate on this island is among the highest in the nation. A factor which contributes to this situation is the present method of power generation. Most of the electricity is obtained through the burning of imported oil. The cost of fuel coupled with transportation costs cause higher rates. Recognizing this concern, the General Plan has stated as a policy that 'The County shall encourage the continuation of studies concerning the development of power which can be distributed at lower costs to consumers.' One of the major economic significance of geothermal energy is that it would presumably provide cheap power. It is therefore determined that the granting of this particular request would be in the direction of fulfilling the above-stated policy as well as the goals of the General Plan's Public Utilities Element of 'Ensuring that adequate, efficient and dependable public utility service will be available to users,' and 'Maximizing efficiency and economy in the provision of public utility service.'

The nation is embarking on an aggressive program to develop its indigenous resources of geothermal energy. For over a decade, geothermal energy has been proclaimed as one of the more promising forms of alternate energy supply. It has been the County and State's policy to encourage the development of alternative energy power. Both levels of government has provided substantial funding and services for energy resource research and development to reduce the State's dependence on imported fuels. The island of Hawaii is believed to possess a vast resource base of geothermal heat. The existing test well at Pohoiki in the Puna District, a project jointly sponsored by the County, State and Federal governments, demonstrated the existence of a valuable geothermal energy source. However, the extent and magnitude of geothermal resources in Hawaii must still be determined. There is no way of knowing if the island actually has a geothermal resource of economic importance unless further drilling and testing are done. As a potential power source, geothermal may either prove to be of major importance or no importance at all. Only by drilling and testing can this uncertainty be resolved. It is from these exploratory wells that data for evaluating the suitability of the resource as a production reservoir are obtained. Therefore, by allowing the proposed use, we would also be in the direction of fulfilling the County's goal of encouraging and supporting the expansion of the research and development industry. Reduction of energy costs by the development of geothermal power will bring the County closer to becoming a scientific model as articulated under the Economic Element of the General Plan.

"2. Geothermal energy source could have tremendous benefits for people of this County as well as the rest of the State. Aside from providing cheap power, geothermal power can also be a major factor in accomplishing several other goals. A reduction in the County's current high cost of energy will aid existing industries as well as possibly attract new endeavors. Should the tests prove successful, it can open the doors for economic development of a nature and magnitude beyond the realm of reality a few year ago. The success of geothermal energy could possible stimulate economic activity which would provide new employment opportunities for the residents of the County. New industries will be attracted into the area in the event that large amounts of power become available. These industries would provide job opportunities for construction, operation and other essential services. Thus, if the source of geothermal energy is successful and

properly developed, it will be of great importance to the future of Hawaii.

"3. The proposed use will not substantially alter or change the essential character of the land and its present use. Although an area of 120 acres is involved in this request, at the most, only about three (3) acres of land will be used for the drill sites. The remaining area can still be used for agricultural purposes should the landowners so desire. Furthermore, should the proposed project prove to be successful, the geothermal water could be used for agricultural irrigation purposes. The by-products of the geothermal water could also be used for agricultural purposes. It is therefore determined that the granting of this particular request would not be in conflict with the State and County's Agricultural policies.

"4. Although it has been pointed out that the proposed use of the land for its intended purpose may have some adverse effects, such as problems of noise and fumes, to the surrounding properties and the residents in the immediate area, stringent controls and conditions will be attached to this Special Permit in order that the concerns may be alleviated. The petitioner will be required to comply with all applicable requirements of the State of Hawaii Department of Health.

"5. That the proposed use will not unreasonably burden public agencies to provide roads, water, and other essential infrastructures and services.

"Finally, we are cognizant of the fact, that the granting of this particular Special Permit may lead to similar types of requests. As such, it should be pointed out that we are working on a policy of such exploratory programs to minimize rampant development of test wells. The qualification of our favorable recommendation to allow the petitioner to proceed with this development is that the total project shall be closely monitored and the petitioner will be held accountable to stringent standards to insure minimal damage to our environment. We are cognizant of the possible dangers to health of residents in the immediate area, and as stated earlier, will require preventative measures as conditions of approval of the Special Permit."

The favorable recommendation was subject to the following conditions:

"1. That prior to commencement of any operation, the petitioner or its authorized representative(s) shall receive approval from the State Board of Land and Natural Resources to conduct the proposed project.

"2. That the petitioner/representative(s) shall secure a building permit for all structures which are to be constructed on the subject property.

"3. That prior to commencement of any drilling activity, the petitioner/representative(s) shall submit plans to the Planning Department showing the location of the well site(s) to be drilled.

"4. That the drilling of the first well shall commence within one (1) year from the effective date of approval of the Special Permit.

"5. That the length of this Special Permit shall be for a period not to exceed three (3) years from the effective date of the Special Permit.

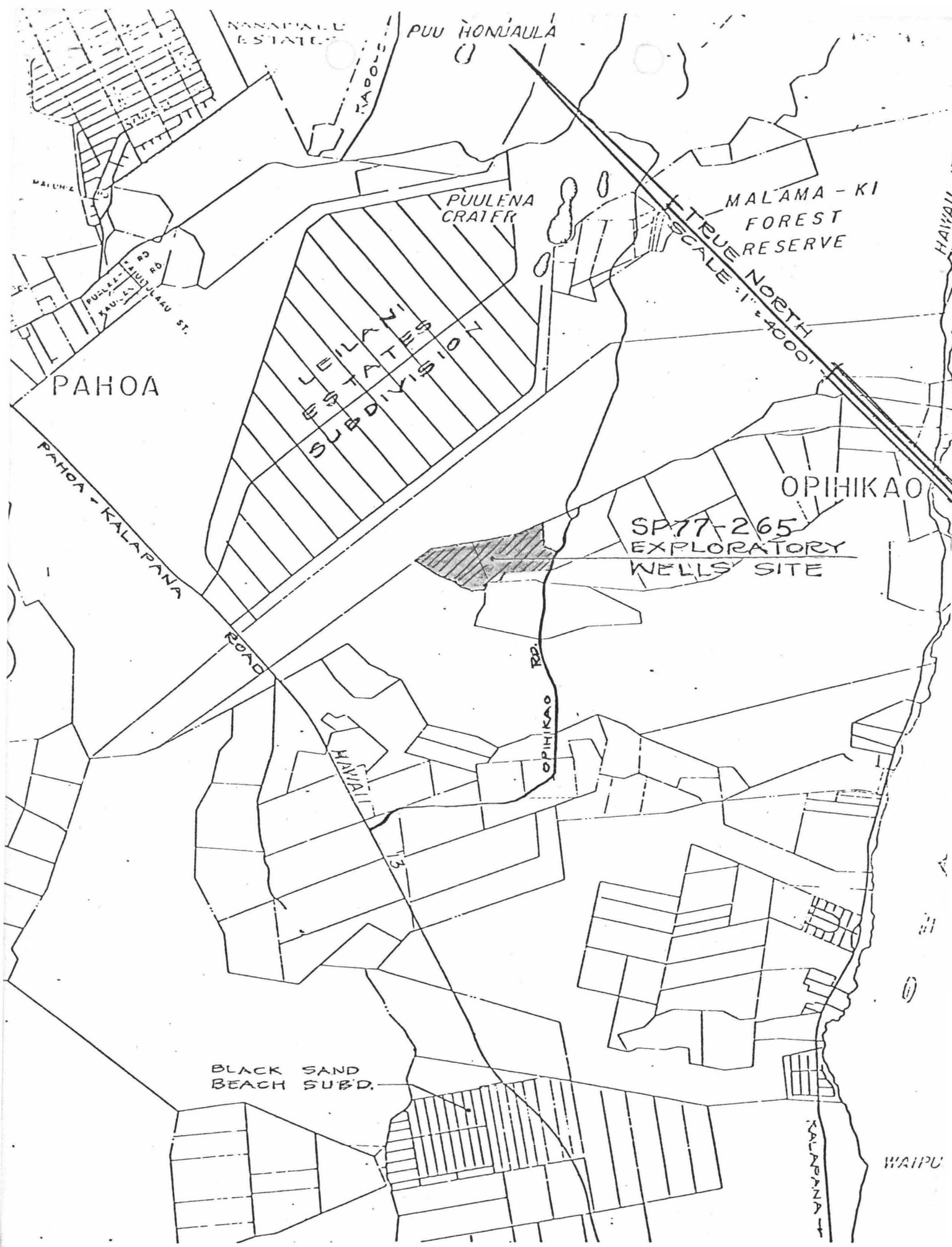
"6. That the rules, regulations and requirements of the State Department of Health shall be complied with.

"7. That the petitioner/representative(s) shall be responsible to assure that every precaution is taken to reduce any nuisances, whether it be noise or fumes, which may affect the residents and properties in the immediate area. Should it be determined that these precautionary measures are not being applied, the Planning Department is authorized to cease any further activity in the area.

"8. That upon termination of the operation or if the petitioner determined that the project is not feasible, all structures erected shall be dismantled and removed from the site(s).

"9. That all other applicable rules and regulations shall complied with."

In addition, the Planning Commission pointed out that any further development beyond the drilling and testing shall require another Special Permit and that: "Should any of the foregoing conditions not be met, the Special Permit may be deemed null and void."



SPECIAL PERMIT REQUEST

TO DRILL EXPLORATORY GEOTHERMAL WELLS

#2

OPIHIKAO, PUNA, HAWAII

TAX MAP KEY: 1-3-01:24 & 25

APPLICANT: GEOTHERMAL EXPLORATION &