



SPECIAL PERMIT	
Petition Received	<u>JUN 21 1983</u>
Maps	_____
Action Span	<u>6/21/83 - 8/5/83</u>
Action Date	_____
Recordation	_____

SP80-347 - GEOTHERMAL EXPL. & DEV. CORP.
(2nd Time Extension) (Hawaii)



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC 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

August 17, 1983

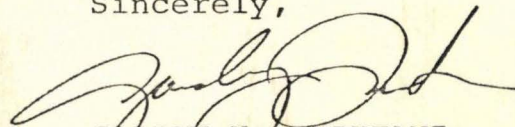
Mr. Sidney Fuke
Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Fuke:

SUBJECT: SP80-347 - GEOTHERMAL EXPLORATION AND
DEVELOPMENT CORPORATION

In reference to our letter to you dated
July 25, 1983, enclosed is a copy of the
Decision and Order on SP80-347 for your information
and records.

Sincerely,


GORDAN Y. FURUTANI
Executive Officer

Enclosure

cc: Mr. E. C. Craddick, President
Geothermal Exploration Development Corporation

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

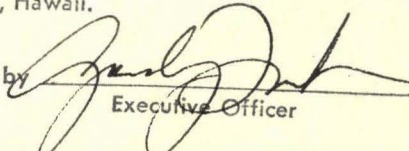
In the Matter of the Petition)
for an Extension of Time to the)
Special Permit of)
GEOHERMAL EXPLORATION AND)
DEVELOPMENT CORPORATION)

SP80-347

GEOHERMAL 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.

4/17/83
Date

by 
Executive Officer

DECISION AND ORDER

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)	SP80-347
)	
GEOHERMAL EXPLORATION AND)	GEOHERMAL EXPLORATION AND
DEVELOPMENT CORPORATION)	DEVELOPMENT CORPORATION
)	

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 a request to delete Condition No. 4 to the Land Use Commission's Decision and Order granting Special Permit filed June 4, 1982 (the "Special Permit") and to modify Condition No. 5 by extending the expiration date of the Special Permit from February 13, 1984 to June 4, 1986.
2. The subject property is located 2,000 feet north of Pohoiki Road and approximately one mile northeast of the existing Hawaii Geothermal Project (HGP-A) well site. The Petitioner has leased the geothermal development rights from the fee simple owner, Daiichi Seiko of Hawaii, Inc.
3. The Land Use Commission originally granted the Special Permit on February 13, 1981 in said SP80-347 to permit the drilling of a maximum of (9) exploratory deep wells for evaluating geothermal resources on approximately 180 acres of land situated within the State Land Use Agricultural District at Puna, Island of Hawaii, Tax Map Key 1-4-02: 10.
4. Since the permit was approved, no drilling activity has occurred on the subject property.

5. Condition No. 4 of the Special Permit requires that drilling of the first well be completed within one year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission.

6. Condition No. 5 states that the length of this Special Permit shall be for a period not to exceed three years from the effective date of the Special Permit.

7. The Petitioner offered the following as evidence of special circumstances to justify the extension:

- a. "Unforeseen delay in the geothermal program has been caused by the necessity of rescheduling our equipment for urgent remedial work on the adjacent Thermal Power Company projects, together with continuing uncertainties of financial planning caused by changing market conditions.
- b. "A more realistic time requirement should allow for completion of the exploratory program in three (3) years until June, 1986 without stipulating when the first well should be started or completed. This prospect must be explored in coordination with other efforts in that area to benefit by the correlation of progressive findings to minimize risks.
- c. "Current increased costs of drilling, together with declining market potential is a bad combination for a developer, and we need your favorable consideration for time leniency if our exploratory efforts are to continue."

8. The imposition of time conditions is to assure that the project is developed in a timely manner. Deletion of the time condition would remove all performance controls over the Petitioner.

9. The County of Hawaii Planning Department acknowledges that further drilling and testing is necessary to properly assess the geothermal potential of the area and that it continues to support exploratory geothermal drilling of the area.

10. The County Planning Department recommended to the Hawaii County Planning Commission that the Petitioner's request be denied and instead grant a one-year time extension to Condition No. 4 which will allow the Petitioner until June 4, 1984 to complete drilling of the first well and to extend the termination date of Condition No. 5 from February 13, 1984 to June 4, 1984.

11. At its meeting on May 26, 1983, the Hawaii County Planning Commission having heard all testimonies, voted to deny the Petitioner's request and approve the County Planning Department's recommendation.

12. The Planning Department transmitted the complete record of the time extension request to the Land Use Commission office on June 21, 1983. On July 20, 1983, the Land Use Commission considered and approved the time extension request recommended by the Hawaii County Planning Commission, subject to the additional condition that "the Petitioner shall indemnify and hold harmless the Land Use Commission from any and all claims and demands for damages arising from the Land Use Commission's approval of this Special Permit and any amendments thereto, including, but not limited to any litigation regarding geothermal and environmental regulations or violations thereof, and any damages, expenses, liabilities, attorney fees and costs incurred by the Land Use Commission resulting from any such claims or demands or for which the Land Use Commission may be determined liable."

CONCLUSIONS OF LAW

1. The Petitioner has shown that unusual circumstances warrant the granting of a time extension to commence drilling of exploratory deep wells 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. 4 and Condition No. 5 of Special Permit No. 80-347 to permit the drilling and testing of exploratory geothermal wells on approximately 180 acres of land at Laepaoo, Puna, Island and County of Hawaii, more particularly identified by Tax Map Key 1-4-02: 10, be and the same is hereby denied and that Condition No. 4 is amended to read as follows:

"4. That the drilling of the first well shall be completed by June 4, 1984."

Condition No. 5 is also amended to read as follows:

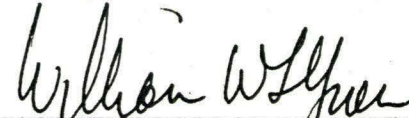
"5. The length of this Special Permit shall be until June 4, 1984.

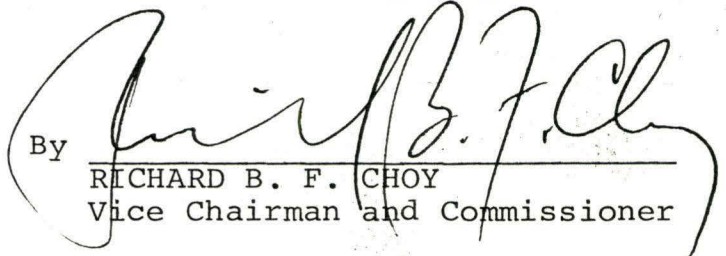
This Special Permit is further amended by adding the following condition:


"The Petitioner shall indemnify and hold harmless the Land Use Commission from any and all claims and demands for damages arising from the Land Use Commission's approval of this Special Permit and any amendments thereto, including, but not limited to any litigation regarding geothermal and environmental regulations or violations thereof, and any damages, expenses, liabilities, attorney fees and costs incurred by the Land Use Commission resulting from any such claims or demands or for which the Land Use Commission may be determined liable."

Done at Honolulu, Hawaii, this 10th day of August,
per motion on July 20, 1983.

LAND USE COMMISSION
STATE OF HAWAII

By 
WILLIAM W. L. YUEN
Chairman and Commissioner

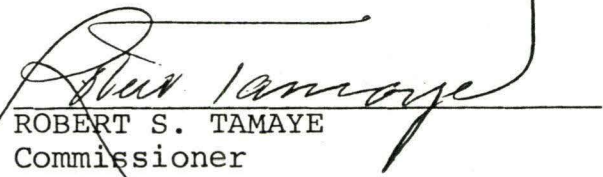
By 
RICHARD B. F. CHOY
Vice Chairman and Commissioner

By 
EVERETT L. CUSKADEN
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 485 842 025

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



**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

Form 3811, July 1982

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

(CONSULT POSTMASTER FOR FEES)

- The following service is requested (check one).
 - Show to whom and date delivered 60¢
 - Show to whom, date, and address of delivery .. _____¢
- RESTRICTED DELIVERY** _____¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 60

3. ARTICLE ADDRESSED TO:

E. C. Craddick

4. TYPE OF SERVICE:

- REGISTERED INSURED
- CERTIFIED COD
- EXPRESS MAIL

ARTICLE NUMBER

485 842 025

(Always obtain signature of addressee or agent)

I have received the article described above.

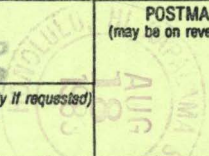
SIGNATURE Addressee Authorized agent

[Handwritten signature]

5. DATE OF DELIVERY

8/18/83

POSTMARK
(may be on reverse side)



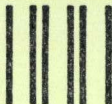
6. ADDRESSEE'S ADDRESS *(Only if requested)*

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

RETURN RECEIPT

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, \$300**

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

**RETURN
TO**

(Name of Sender)

(Street or P.O. Box)

(City, State, and ZIP Code)

P 485 842 024

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	\$ 177

Postmark or Date



**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

PS Form 3811, July 1982

● **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). 60
- Show to whom and date delivered 60¢
- 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 \$** 60

3. ARTICLE ADDRESSED TO:

Sidney Fuke

4. TYPE OF SERVICE:

- REGISTERED INSURED
- CERTIFIED** COD
- EXPRESS MAIL

ARTICLE NUMBER

485 842 02 4

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Addressee Authorized agent

[Handwritten signature]

5. DATE OF DELIVERY

8/18/83

POSTMARK
(may be on reverse side)

AUG
18
1983

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

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

RETURN RECEIPT

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.

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

PENALTY FOR PRIVATE USE, \$300

**RETURN
TO**

(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)
for an Extension of Time to)
the Special Permit of) SP80-347
)
GEOHERMAL EXPLORATION AND) GEOHERMAL EXPLORATION AND
DEVELOPMENT CORPORATION) 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 either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

SIDNEY M. FUKU, 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 17th day of August, 1983.


GORDAN Y. FURUTANI
Executive Officer

SP80-347 - GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

A copy of a certified Decision and Order for the above petition was sent by regular mail to the following on August 17, 1983.

Kent Keith, Director, DPED

Real Property Tax Office, County of Hawaii

City and County of Honolulu

Property Assessment Section, Department of Finance

Property Technical Office, Department of Finance

Mapping Section, Department of Finance

Office of Environmental Quality Control

Division of Land Management, DLNR

July 25, 1983

Hawaii Planning Commission
25 Aupuni Street
Hilo, Hawaii 96720

Attention: Mr. Sidney Fuke, Planning Director

Gentlemen:

At its meeting on July 20, 1983, the Land Use Commission voted to approve a one-year time extension to Condition No. 4 until June 4, 1984 to complete drilling of the first well; and to extend the termination date of Condition No. 5 from February 15, 1984 to June 4, 1984, for the Special Permit request by Geothermal Exploration and Development Corporation (SP80-347).

Approval of this Special Permit is subject to the conditions imposed by the Hawaii Planning Commission and subject also to the following additional condition imposed by the Land Use Commission: "The Petitioner shall indemnify and hold harmless the Land Use Commission from any and all claims and demands for damages arising from the Land Use Commission's approval of this Special Permit and any amendments thereto, including, but not limited to any litigation regarding geothermal and environmental regulations or violations thereof, and any damages, expenses, liabilities, attorney fees and costs incurred by the Land Use Commission resulting from any such claims or demands or for which the Land Use Commission may be determined liable."

Please be advised that 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 SP80-347 will be forwarded to you at a later date. Please call me if you have any questions on the above.

Sincerely,

GORDAN Y. FURUTANI
Executive Officer

GYF:gm

cc: Mr. E. C. Craddick, President
Geothermal Exploration Development Corporation

STATE OF HAWAII
LAND USE COMMISSION

MEMORANDUM

TO: Land Use Commission DATE: July 20, 1983
FROM: Staff
SUBJECT: SP80-347 - Geothermal Exploration and Development Corporation (Amend Time Conditions)

Special Permit 80-347 was approved by the Land Use Commission on February 13, 1981. This permit allows the drilling and testing of a maximum of nine (9) exploratory wells on approximately 180 acres of land situated within the State Land Use Agricultural District at Laepaoo, Puna, Hawaii, Tax Map Key 1-4-2: 10. See attached Map #1.

The applicant, Geothermal Exploration and Development Corporation, (GEDCO), is requesting to delete Condition No. 4 and to modify Condition No. 5 of the subject special permit by extending the expiration date of the special permit from February 13, 1983 to June 4, 1986.

Condition No. 4 states:

"4. That the drilling of the first well shall be completed within (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission."

Condition No. 5 states:

"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."

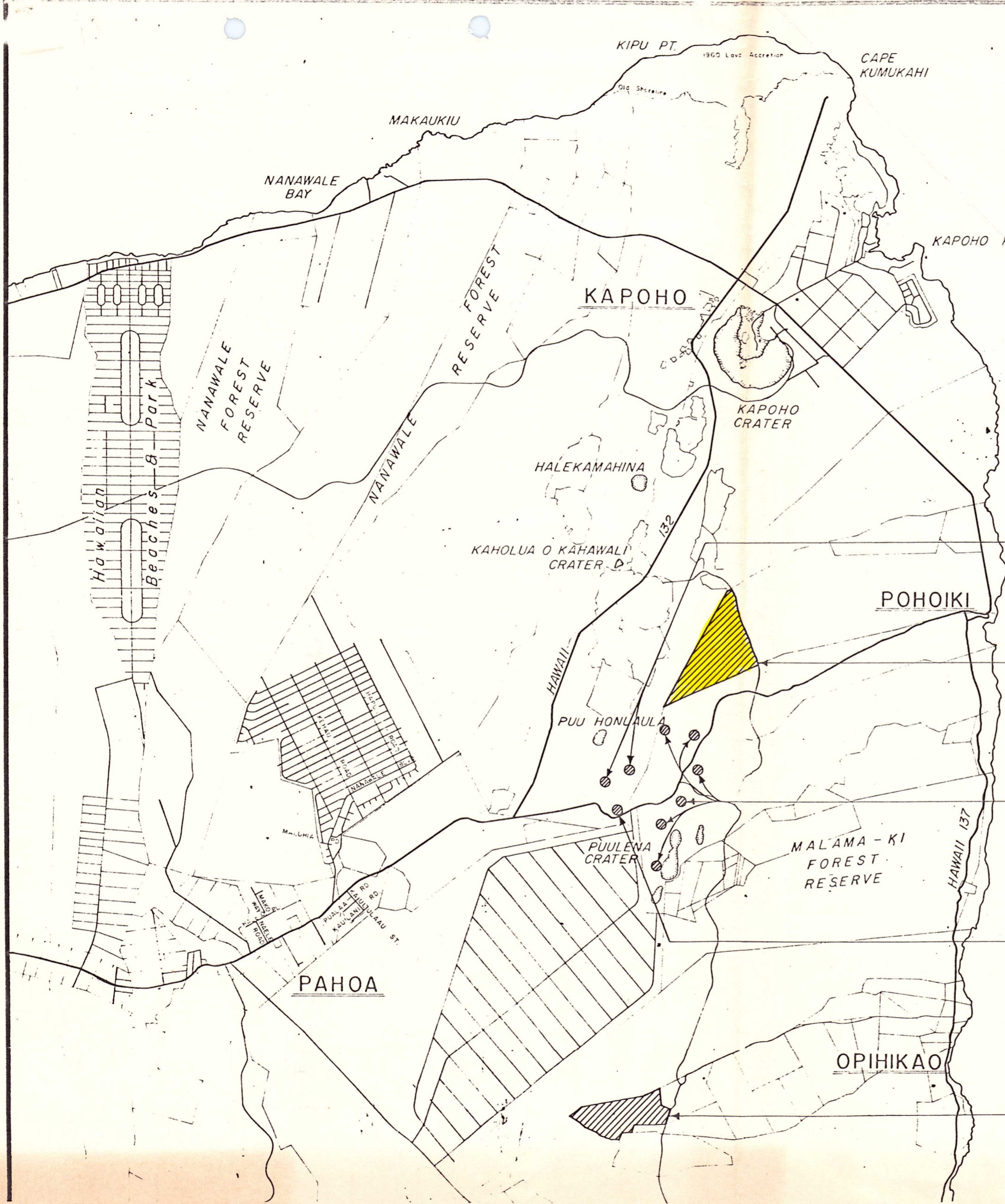
Under this provision, the subject special permit is to expire on February 13, 1984. The applicant's supporting reasons for the request is contained in the attached County Exhibit A.

At its meeting on May 26, 1983, the Hawaii County Planning Commission after having heard all testimonies, voted to deny GEDCO's request to delete Condition No. 4 and the proposed amendment to Condition 5. The Planning Commission instead, voted to recommend approval to the Land Use Commission for one (1) year time extension of Condition No. 4, which will allow the Petitioner until June 4, 1984

to complete drilling of the first well, and to extend the termination date of Condition No. 5 from February 13, 1984 to June 4, 1984.

The record and materials regarding this matter that was transmitted by the Hawaii County Planning Commission is attached for your information.

The complete record of this special permit was received at the Land Use Commission office on June 21, 1983.



TRUE NORTH
SCALE: 1" = 4,000'

SP80-13 -
THERMAL POWER COMPANY/
DILLINGHAM CORPORATION
2 WELLS

SP80-347 -
GEOTHERMAL EXPLORATION
AND DEVELOPMENT CORP.
3 OF 9 WELLS

SP80-8 -
BARNWELL GEOTHERMAL CORP.
6 WELLS

SP79-333 -
HAWAII GEOTHERMAL PROJECT
1 WELL

SP77-265 -
GEOTHERMAL EXPLORATION
AND DEVELOPMENT CORP.
6 WELLS



PLANNING COMMISSION

25 AUPUNI STREET • HILO, HAWAII 96720

COUNTY OF
HAWAII

June 20, 1983

JUN 21 11 23 AM '83
LAND USE COMMISSION
STATE OF HAWAII

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

Dear Mr. Furutani:

Special Permit No. 80-347 (LUC 460)
Petitioner: Geothermal Exploration and Development Corporation
Tax Map Key 1-4-02:10

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 matter.

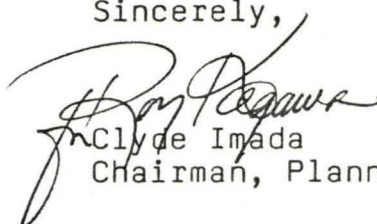
The request was to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." Also requested was an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1984, to June 4, 1986. The property is located approximately 2,000 feet north of Pohoiki Road and about 1 mile northeast of the existing Hawaii Geothermal Project (HGP-A) site, Laepaoo, Puna, Hawaii.

The Planning Commission at its duly advertised public hearing held on May 26, 1983, discussed and voted to deny both requests. However, the Commission voted to recommend approval to the Land Use Commission of a one-year time extension to Condition No. 4 and the termination date of Condition No. 5 be extended to June 4, 1984, to correspond with the extension to Condition No. 4. Enclosed is the entire docket on the application.

Mr. Gordon Furutani
Page 2

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

Sincerely,

A handwritten signature in dark ink, appearing to read "Clyde Imada", written in a cursive style.

Clyde Imada
Chairman, Planning Commission

Encl.

cc: Department of Public works
Department of Water Supply

GEOHERMAL EXPLORATION & DEVELOPMENT CORP.

PACIFIC OPERATIONS

April 4, 1983

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

Reference: Daiichi Seiko Project
TMK: 1-4-2:10
Special Permit No. 460
Approved - February 13, 1981
Extended - June 4, 1982
Expires - February 10, 1984
First Well to be completed by June 4, 1983

Dear Mr. Fuke:

Site work for the Daiichi Well No. 1 has been completed on this project but further work has been suspended pending a restructuring of financial planning.

The present permit conditions require that the first well be completed by June 4, 1983. However, unforeseen delay in the geothermal program has been caused by the necessity of rescheduling our equipment for urgent remedial work on the adjacent Thermal Power Company projects, together with continuing uncertainties of financial planning caused by changing market conditions.

We must, therefore, request additional time if our exploratory efforts are to remain alive.

A more realistic time requirement should allow for completion of the exploratory program in three (3) years until June, 1986 without stipulating when the first well should be started or completed. This prospect must be explored in coordination with other efforts in that area to benefit by the correlation of progressive findings to minimize risks.

Current increased costs of drilling, together with declining market potential is a bad combination for a developer, and we need your favorable consideration for time leniency if our exploratory efforts are to continue.

Very truly yours,

GEOHERMAL EXPLORATION & DEVELOPMENT CORP.

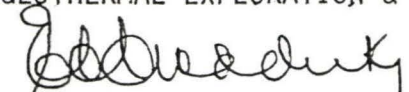

E. C. Craddick, President

EXHIBIT A

ECC/sm cc: Bill Craddick - Hilo; Andy Blumenthal - N.Y.; S. Eisenstat - N.Y.

CONSULTING • PLANNING • GEOPHYSICAL STUDIES • EXPLORATORY & PRODUCTION DRILLING

AMENDMENT/SPECIAL PERMIT NO. 80-347: GEDCO

Geothermal Exploration and Development Corporation has submitted a request to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." Also requested is an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1983, to June 4, 1986. The property is located approximately 2,000 feet north of Pohoiki Road and about 1 mile northeast of the Hawaii Geothermal Project (HGP-A) site, Laepaoo, Puna, TMK: 1-4-2:10.

The Special Permit was originally granted by the Land Use Commission on February 13, 1981. One previous time extension, for the drilling of the first well, was approved by the Land Use Commission on June 4, 1982. The Land Use Commission amended the original Condition No. 4, which required that drilling of the first well commence within one year of the date of approval, to read that drilling of the first well shall be completed within one year from the date of the time extension.

In a letter dated April 4, 1983, the petitioner stated the following:

EXHIBIT G

"Site work for the Daiichi Well No. 1 has been completed on this project but further work has been suspended pending a restructuring of financial planning.

"The present permit conditions require that the first well be completed by June 4, 1983. However, unforeseen delay in the geothermal program has been caused by the necessity of rescheduling our equipment for urgent remedial work on the adjacent Thermal Power Company projects, together with continuing uncertainties of financial planning caused by changing market conditions.

"We must, therefore, request additional time if our exploratory efforts are to remain alive.

"A more realistic time requirement should allow for completion of the exploratory program in three (3) years until June, 1986 without stipulating when the first well should be started or completed. This prospect must be explored in coordination with other efforts in that area to benefit by the correlation of progressive findings to minimize risks.

"Current increased costs of drilling, together with declining market potential, is a bad combination for a developer, and we need your favorable consideration for time leniency if our exploratory efforts are to continue."

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.

<u>SPECIAL PERMIT</u>	<u>EFF. DATE</u>	<u>REQUIRED STARTING DATE</u>	<u>TERMINATION DATE</u>
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.....		3/14/84***.....	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 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 February 13, 1981. Since that time, no drilling activity has occurred on the subject property. Site preparation for the first well has been completed but no further activity has occurred.

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 over two years ago. One time extension has already been granted on this permit and no drilling activity has occurred to date. If the time condition is deleted as requested 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.

EXHIBIT H

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. 4 be approved until June 4, 1984. In addition, the Department recommends that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to condition no. 4. This would allow the applicant to begin drilling on the subject property should it so desire. If the applicant indicates that it does not intend to complete the first 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 definite plans for drilling in the near future. A new application could be submitted and considered when the applicant has firm commitments to begin drilling on the property. Until such time, it would be inappropriate to allow the drilling rights to remain active knowing that there are no definite 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 Department 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.



PLANNING COMMISSION

25 AUPUNI STREET • HILO, HAWAII 96720

COUNTY OF
HAWAII

CERTIFIED MAIL

May 31, 1983

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

Gentlemen:

Deletion of Condition No. 4 and Amendment to Condition No. 5
Special Permit No. 80-347 (LUC 460)
Tax Map Key 1-4-02:10

The Planning Commission at its duly held public hearing on May 26, 1983, considered your request to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." The Commission also considered your request for an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1984, to June 4, 1986.

The Commission voted to deny the requests for the deletion of Condition No. 4 and the amendment to Condition No. 5, as stated above, based on the following findings:

This permit was originally approved by the Land Use Commission on February 13, 1981. Since that time, no drilling activity has occurred on the subject property. Site preparation for the first well has been completed but no further activity has occurred.

EXHIBIT K

Mr. E. C. Craddick
Page 2
May 31, 1983

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 over two years ago. One time extension has already been granted on this permit and no drilling activity has occurred to date. If the time condition is deleted as requested 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 Commission has denied your requests, it is determined that the reasons for which the permit was originally approved are still valid. Therefore, the Commission is recommending to the State Land Use Commission that a one-year extension to condition no. 4 be approved until June 4, 1984. In addition, the Commission is recommending that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to condition no. 4. This would allow you to begin drilling on the subject property should you so desire.

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

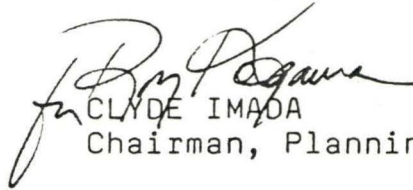
It should be made clear that this recommendation does not indicate a lack of support for exploratory geothermal drilling activity for the area. On the contrary, the Department, Commission and the County remains firmly committed to exploratory and development efforts which brings us closer to our long 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

Mr. E. C. Craddick
Page 3
May 31, 1983

do not support applications or requests which have no definite timetable for completion and which could lead to speculation.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Clyde Imada".

CLYDE IMADA
Chairman, Planning Commission

cc: ✓ State Land Use Commission

PLANNING COMMISSION

Planning Department
County of Hawaii

HEARING TRANSCRIPT
May 26, 1983

A regularly advertised public hearing on the application of Geothermal Exploration and Development Corporation was called to order at 2:07 p.m. in the Councilroom, County Building, South Hilo, Hawaii, with Chairman Clyde Imada presiding.

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

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

Sidney M. Fuke, Planning Director
Norman Hayashi, Staff Planner
Royden Yamasato, Staff Planner
Brian Nishimura, Staff Planner

R. Ben Tsukazaki, Deputy Corporation Counsel

and approximately 13 people from the public in attendance

CHAIRMAN: Public hearing on the request filed by Geothermal Exploration and Development Corporation to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." Also requested is an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1984, to June 4, 1986. The property is located approximately 2,000 feet north of Pohoiki Road and about 1 mile northeast of the existing Hawaii Geothermal Project (HGP-A) site, Laepaoo, Puna, TMK: 1-4-02:10. Staff?

NISHIMURA: (Presented denial recommendation of the petitioner's requests and recommendation to send a favorable recommendation to the State Land Use Commission for a one-year time extension to Condition No. 4, until June 4, 1984; and also, that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to Condition No. 4, 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: Yes, I do.

EXHIBIT L

CHAIRMAN: Will you state your name for the record.

CRADDICK: My name is Ed Craddick. I'm president of the Geothermal Exploration and Development Corporation, the petitioner.

CHAIRMAN: Mr. Craddick, do you have any comments you'd like to make at this time?

CRADDICK: No. I believe our position is that we go along with this recommendation; and we'll do our best to abide by it.

CHAIRMAN: Commissioners, do you have any questions of Mr. Craddick? If not, anything else?

CRADDICK: No.

CHAIRMAN: Okay, this is a public hearing. Is there anyone in the audience who would like to testify on this application? Madam Secretary, let the record show that there's no one here from the public to testify on this application. Commissioners, you can either continue or close the public hearing. What is your pleasure?

KAGAWA: Mr. Chairman, I move to close the public hearing.

CHAIRMAN: Is there a second?

THOMPSON: I second the motion.

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

COMMISSIONERS: Aye.

CHAIRMAN: Opposed? Public hearing is closed.

It was moved by Commissioner Kagawa and seconded by Commissioner Thompson that the requests of Geothermal Exploration and Development Corporation to delete Condition No. 4 and amend Condition No. 5 be denied. A roll call vote was taken and motion carried unanimously with six ayes.

It was moved by Commissioner Kagawa and seconded by Commissioner Thompson to send a favorable recommendation to the State Land Use Commission for a one-year time extension to Condition No. 4, until June 4, 1984; and also, that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to Condition No. 4. A roll call vote was taken and motion carried unanimously with six ayes.

The public hearing adjourned at 2:24 p.m.

Respectfully submitted,



Sharon M. Nomura
Secretary

A T T E S T:



Clyde Imada
Chairman, Planning Commission

PLANNING COMMISSION

Planning Department
County of Hawaii

MINUTES
May 26, 1983

The Planning Commission met for a field trip at 1:04 p.m. at James Costa's property, Ponahawai, South Hilo, Hawaii, and for its regular session at 2:07 p.m. in the Councilroom, County Building, South Hilo, Hawaii, with Chairman Clyde Imada presiding.

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

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

Sidney M. Fuke, Planning Director
Norman Hayashi, Staff Planner
Royden Yamasato, Staff Planner
Brian Nishimura, Staff Planner

R. Ben Tsukazaki, Deputy Corporation Counsel

APPEAL - James Costa's property for which an appeal has
CHANGE OF ZONE been filed on the Planning Director's denial of a
JAMES COSTA change of zone application for 24.4 acres of land
PONAHAWAI, from an Agricultural 5-acre (A-5a) to an
SOUTH HILO 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.

At 1:04 p.m. the Commission were met in front of the subject site on Akolea Road by the petitioner, James Costa, and his representative, Hiroshi Ksamoto.

Mr. Costa pointed out and also indicated on a presentation map the north and south boundaries of the subject property; the two streams the run through the property that ends up near the Central Fire Station; and where they will be making their drainage improvements to alleviate the flooding concerns and building the land up for their driveway.

In response to the Commission's questioning, Mr. Costa said he was prepared to make all the necessary improvements to control the water and noted that a D-9 will be brought in to make the channel wider and deeper so that the stream will not overflow.

A surrounding property owner, Manuel Rapozo, commented that the subject property floods because the adjoining mauka property was paved. He said the flooding problem would be resolved if the water is diverted in two separate areas and not all going in one area.

EXHIBIT M

denied. A roll call vote was taken and motion carried unanimously with six ayes.

It was moved by Commissioner Kagawa and seconded by Commissioner Thompson to send a favorable recommendation to the State Land Use Commission for a one-year time extension to Condition No. 4, until June 4, 1984; and also, that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to Condition No. 4. A roll call vote was taken and motion carried unanimously with six ayes.

AMEND CHANGE OF ZONE ORD. 171
CLARENCE CHING
KAIMU, PUNA

Public hearing on the request filed by Clarence Ching to delete Condition D of Change of Zone Ordinance No. 171 which rezoned a 1-acre property from a Residential-Agricultural .5 acre (RA-.5a) to a Resort-Hotel 1,500 square foot (V-1.5) zoned district. Condition D states that "The land shall only be used for the proposed drive-in restaurant and gift shop and the existing single family dwelling." The property is the present site of the Blacksand Beach Drive Inn & Gift Shop located along the mauka side of the Kalapana-Kaimu Beach Road and the Kaimu Beach Park (Blacksands Beach), Kaimu-Makena Homesteads, Kaimu, Puna, TMK: 1-2-04:92.

Staff presented background, various letters submitted, and recommendation for approval with conditions, on file; and noted that the recommendation has been corrected to say that all essential private and public services and facilities are available to the area inasmuch as it was just brought to the staff's attention that electrical power is now available to the subject property.

Commissioner Kagawa suggested Condition No. 4 be amended to say that the method of sewage disposal, with the exception of a cesspool, shall meet with the approval of the appropriate governmental agencies inasmuch as he did have concern about seepage into the coastal waters.

The petitioner's representatives, Dorothy Ching and Hiroshi Kasamoto, were in attendance.

Mr. Kasamoto pointed out that because of the density, they will have to comply with the Department of Health's requirements of a sewage treatment works type of disposal, which would be a much higher standard than just dumping the sewage into a cesspool. He noted that the proposed 14-unit two-story apartment will be inconspicuous as it will be built in the back 200-foot section of the 400-foot depth lot; and also that because of the SMA and PDP requirements, this matter will again come up for a public hearing.

Commissioner Kagawa questioned whether the petitioner would object to his proposing the amendment to Condition No. 4 and noted that he would not recommend approval of the deletion of Condition D unless he has a commitment that there will be no cesspools for this type of a development. In response, Mr. Kasamoto suggested that the sewage disposal method comply with the Department of Health's regulations inasmuch it is a stricter standard.

Director Fuke at this time clarified that the Department of Health's present regulations do not allow cesspools if there are eight or more units on the property; noting that even if there are less than

MEMORANDUM

May 17, 1983

RE: Special Use Permits for a Consolidated
Drilling Program

A meaningful exploratory program on our three leases requires the completion of at least seven (7) successful wells as follows:

Opihikao/Ashida Prospect	2 Wells
Daiichi Prospect	2 Wells
Lanipuna Prospect	3 Wells

We have only drilled four (4) geothermal wells in the last forty (40) months, two for us and two for Thermal Power Company, using our drilling rig. All four wells need reworking, perhaps as much as two months each. This means, the Exploratory Program 1980-83 will yield at best four successfully completed exploratory geothermal wells.

In retrospect, this means that time limitations heretofore placed on the Special Use Permits have been much too restrictive. Without recognizing this, and without allowing for realistic time we will be constantly applying for extensions in order to keep our geothermal program alive.

We must also assume that our rig will be needed by Thermal Power Company (Puna Ventures) for at least one and possibly two more wells in the next year or two.

Assuming that some of the past construction problems are solved, we would expect to improve the present rate of one well per year to two wells per year. This translates to a time requirement of at least four (4) years to accomplish a minimum program.

We, therefore, request that all existing permits be extended for a period of four (4) years from present termination dates, without specifying any order of work. It is necessary to keep the drilling program flexible, as the location of each successive well drilled will depend upon the information obtained from prior wells. Therefore, any attempt to schedule unnecessarily restricts a meaningful and economical development of information.

The likelihood of S.B. 903 (if signed by the Governor) not being fully implemented for at least one year makes it even more imperative that current Special Use Permits remain active and workable to insure an ongoing geothermal program. We would regard any lengthy lapse (of six months or more) of the present geothermal activity as seriously jeopardizing the future of geothermal power in Hawaii.

May 17, 1983

We, therefore, urge you to seriously consider the necessity for leniency in time restrictions, and adjust future needs on the basis of actual past experience, recognizing that it is in the public interest to keep the geothermal effort alive in Hawaii.

Attached hereto is a summary of our current Special Use Permits, and our remarks applicable to each. Emphasis will be placed upon first exploring the Lanipuna and Daiichi prospects and then following with the Opihikao/Ashida prospect, which is more remote from the HGP-A area.

PERMIT: Opihikao/Ashida Prospect
SP77-265 (LUC 364)
Geothermal Exploration & Development Corp.
6 Wells

EFFECTIVE DATE: July 14, 1977 (starting date July 17, 1978)
July 14, 1979 (extended)
July 14, 1980 (extended)
March 14, 1983 (extended)

CONDITIONS: Second well to commence March 4, 1984

TERMINATION DATE: July 14, 1980
July 14, 1981 (extended)
July 14, 1984 (extended)

Requesting that additional time to complete exploratory work for at least two successful wells of the 5 remaining well sites with elimination of conditions requiring a specific start or finish of any well, including current conditions to commence the second well by March 4, 1984.

Require extension of termination date to July 14, 1987.

PERMIT: Lanipuna Prospect
SP80-8 (LUC 471)
Barnwell Geothermal Corporation
6 Wells

EFFECTIVE DATE: December 16, 1980

CONDITIONS: December 16, 1981 (First Well completed)

TERMINATION DATE: December 16, 1983

Requesting that additional time to complete exploratory work by drilling at least three successful wells, without stipulating when any well should be started or completed.

Require extension of termination date to December 16, 1987.

PERMIT: Daiichi Prospect
SP80-347 (LUC 460)
Geothermal Exploration & Development Corp.
9 Wells - (3 Successful)

EFFECTIVE DATE: February 10, 1981

CONDITIONS: June 4, 1983 (First Well completed)

TERMINATION DATE: February 10, 1984

Requesting that additional time to complete exploratory work by drilling at least two successful wells, without stipulating when any well should be started or completed.

Require extension of termination date to February 10, 1987.

STATE OF HAWAII
LAND USE COMMISSION

VOTE RECORD

ITEM SP80-347 - GEOTHERMAL EXPLORATION
& DEVELOPMENT CORPORATION DATE July 20, 1983

PLACE Conf. Rms. A, B & C, State Bldg. TIME 9:00 a.m.
Lihue, Kauai

	NAME	YES	NO	ABSTAIN	ABSENT
S	WHITTEMORE, FREDERICK	X			
	CHUN, LAWRENCE F.				X
	TACBIAN, TEOFILO PHIL	X			
	TAMAYE, ROBERT S.	X			
	MIYASATO, SHINSEI	X			
	CUSKADEN, EVERETT L.	X			
M	CHOY, RICHARD B. F.	X			
	RUBIN, WINONA E.	X			
	YUEN, WILLIAM W. L.	X			

Comments: I move to approve SP80-347, Geothermal Exploration & Development Corporation, to amend conditions 4 and 5, subject to the additional condition that the petitioner shall indemnify and hold harmless the Land Use Commission from any and all claims and demands for damages arising from the LUC approval of this special permit and any amendments thereto, including but not limited to any litigation regarding geothermal and environmental regulations or violations thereof and any damages, expenses and liabilities, attorney's fees and costs incurred by the LUC resulting from such claims or demands or for which the LUC may be determined liable.

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

Conference Rooms A, B & C
State Building
3060 Eiwa Street
Lihue, Kauai

Approved
10/4/83

July 20, 1983 - 9:00 a.m.

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

COMMISSIONER ABSENT: Lawrence Chun

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

Phyllis Kushiner, Court Reporter

Vice Chairman Choy moved to amend the meeting agenda to add the adoption of the Decision and Orders for A82-545, Stanley G. Friel, A82-543, The Episcopal Church in Hawaii, and a Declaratory Order regarding use in an Agricultural District. It was seconded by Commissioner Tacbian and carried by voice vote.

ACTION

SP83-357 - HAWAIIAN MEMORIAL PARK CEMETERY ASSOCIATION

The Executive Officer pointed out the location of the subject property on the map and oriented its location with various surrounding landmarks.

The Commission went into executive session to receive counsel from the Deputy Attorney General, upon motion by Commissioner Cuskaden and seconded by Commissioner Tacbian.

The Commission was in executive session from 9:30 a.m. to 9:37 a.m.

Chairman Yuen explained that the Commission had received legal advice from its Deputy Attorney General regarding the legality of the subject request for a cemetery use and legal interpretations with respect to the Land Use Regulations for special permits in an Agricultural District.

Commissioner Whittemore moved to approve an existing cemetery as a special permit use on approximately 18 acres of land situated within the State Land Use Agricultural District at Pauwela, Makawao, Maui, SP83-357, seconded by Commissioner Miyasato.

Commissioner Tacbian moved to amend the motion to add a condition that the petitioner be required to petition the Land Use Commission for a boundary amendment from the Agricultural District into the Urban District within 5 years. The motion was seconded by Commissioner Cuskaden and the Commissioners were polled as follows:

Ayes: Commissioners Tamaye, Rubin, Tacbian, Cuskaden

Nays: Commissioners Whittemore, Choy, Miyasato, Chairman Yuen

The motion did not carry.

The motion to approve the special permit was unanimously passed.

✓ SP80-347 - GEOTHERMAL EXPLORATION & DEVELOPMENT CORPORATION

The Executive Officer offered a description of the property and presented background information on the subject request.

Vice Chairman Choy moved to approve SP80-347, Geothermal Exploration and Development Corporation, to amend conditions 4 and 5 for time extensions to this special permit which allows geothermal exploration on approximately 180 acres of land situated within the Agricultural District at Laepaoo, Puna, Hawaii; subject to the additional condition that the petitioner shall indemnify and hold harmless the Land Use Commission from any and all claims and demands for damages arising from the approval of this special permit and any amendments thereto, including but not limited to any litigation regarding geothermal and environmental regulations or violations thereof and any damages, expenses and liabilities, attorney's fees and costs incurred by the Land Use Commission resulting from such claims or demands or for which the Land Use Commission may be determined liable. Should any of the foregoing conditions not be met, the special permit may be deemed null and void. The motion was seconded by Commissioner Whittemore.

The Vice Chairman affirmed that, by his motion, it was his intent to approve the special permit request as recommended by the Hawaii County Planning Commission. The motion was unanimously carried.

HEARING

A83-546 - GRAHAM BEACH PARTNERS

Pursuant to a notice published in the Maui News and the Honolulu Advertiser on June 13, 1983 and notices sent to all parties, a hearing was called by the Land Use Commission in the matter of the petition by Graham Beach Partners to reclassify approximately 1 acre of land currently in the Conservation District into the Urban District at Hanamaulu, Lihue, Kauai, for a resort development, Docket A83-546.

Appearances

Walton Hong, Attorney, representing petitioner

Warren Perry, County Attorney's Office, representing the Kauai Planning Department

Annette Chock, Deputy Attorney General, representing the Department of Planning & Economic Development

Linda Levy, representing the Committee to Save Nukolii

Mr. Gordan Furutani, Executive Officer, described the property and oriented its location with various surrounding landmarks.

Petition of Committee to Save Nukolii to Associate Counsel

Chairman Yuen stated that the petition to associate counsel will be deferred until such time as Mr. Wolinsky can appear before the Commission.

All of the statements and testimony presented before the Commission are recorded in the transcript as noted.

Petition of Committee to Save Nukolii to Intervene in Proceedings for District Boundary Amendment

Statement by Ms. Levy-----18 to 19

Arguments by Mr. Hong-----20 to 22

Statement by Miss Chock-----22 to 23

STATE OF HAWAII
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME AND PLACE

July 20, 1983 - 9:00 a.m.
Conference Rooms A, B & C
State Building
3060 Eiwa Street
Lihue, Kauai

REC'D. BY

1983 JUL 13 AM 9 37

LI. GOVERNOR'S OFFICE

A G E N D A

I. ACTION

1. SP80-347 - Geothermal Exploration and Development Corporation (Hawaii)
(Amendment of Conditions)

To amend Condition No. 4 and No. 5 for time extensions to this Special Permit which allows geothermal exploration on approximately 180 acres of land situated within the State Land Use Agricultural District at Laepaoo, Puna, Hawaii.

2. SP83-357 - Hawaiian Memorial Park Cemetery Association (Maui)

To approve an existing cemetery as a Special Permit use on approximately 18 acres of land situated within the State Land Use Agricultural District at Pauwela, Makawao, Maui.

II. HEARING

1. A83-546 - Graham Beach Partners (Kauai)

To reclassify approximately 1 acre of land currently in the Conservation District into the Urban District at Hanamaulu, Lihue, Kauai, Hawaii, for a resort development.

III. MISCELLANEOUS

1. ~~Adoption of Minutes~~
2. Tentative Meeting Schedule

7/12/83 - A copy of this agenda was mailed to all persons and organizations on the attached mailing lists:

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

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

July 12, 1983

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

Dear Mr. Fuke:

Enclosed is a Land Use Commission meeting agenda.

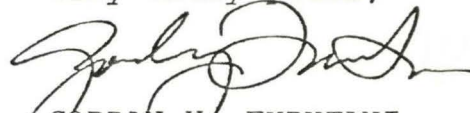
Please note that petition(s)

SP80-347 - GEOTHERMAL EXPLORATION AND DEVELOPMENT
CORPORATION (HAWAII) (AMENDMENT OF CONDITIONS)

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

July 12, 1983

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

Dear Mr. Craddick:

Enclosed is a Land Use Commission meeting agenda.

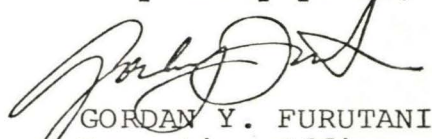
Please note that petition(s)

SP80-347 - GEOTHERMAL EXPLORATION AND DEVELOPMENT
CORPORATION (HAWAII) (AMENDMENT OF CONDITIONS)

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



PLANNING COMMISSION

25 AUPUNI STREET • HILO, HAWAII 96720

COUNTY OF
HAWAII

June 20, 1983

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

LAND USE COMMISSION
STATE OF HAWAII
JUN 21 11 23 AM '83

Dear Mr. Furutani:

Special Permit No. 80-347 (LUC 460)
Petitioner: Geothermal Exploration and Development Corporation
Tax Map Key 1-4-02:10

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 matter.

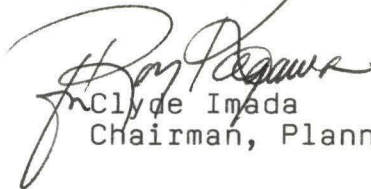
The request was to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." Also requested was an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1984, to June 4, 1986. The property is located approximately 2,000 feet north of Pohoiki Road and about 1 mile northeast of the existing Hawaii Geothermal Project (HGP-A) site, Laepaoo, Puna, Hawaii.

The Planning Commission at its duly advertised public hearing held on May 26, 1983, discussed and voted to deny both requests. However, the Commission voted to recommend approval to the Land Use Commission of a one-year time extension to Condition No. 4 and the termination date of Condition No. 5 be extended to June 4, 1984, to correspond with the extension to Condition No. 4. Enclosed is the entire docket on the application.

Mr. Gordon Furutani
Page 2

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Clyde Imada".

Clyde Imada
Chairman, Planning Commission

Encl.

cc: Department of Public works
Department of Water Supply

EXHIBIT LIST
GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION
SPECIAL PERMIT NO. 77-265/LUC 460
CONDITION NOS. 4 AND 5

- Exhibit A - GEDCO's April 4, 1983, letter
- Exhibit B - Planning Director's April 12, 1983, letter
- Exhibit C - GEDCO's April 15, 1983, letter
- Exhibit D - Planning Director's April 28, 1983, letter
- Exhibit E - Public hearing notice
- Exhibit F - Planning Director's May 6, 1983, letter
- Exhibit G - Background report
- Exhibit H - Findings
- Exhibit I - Voting sheet
- Exhibit J - Voting sheet
- Exhibit K - Planning Commission's May 31, 1983, letter
- Exhibit L - Planning Commission's May 26, 1983, transcript
- Exhibit M - Planning Commission's May 26, 1983, minutes

GEOHERMAL EXPLORATION & DEVELOPMENT CORP.

PACIFIC OPERATIONS

April 4, 1983

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

Reference: Daiichi Seiko Project
TMK: 1-4-2:10
Special Permit No. 460
Approved - February 13, 1981
Extended - June 4, 1982
Expires - February 10, 1984
First Well to be completed by June 4, 1983

Dear Mr. Fuke:

Site work for the Daiichi Well No. 1 has been completed on this project but further work has been suspended pending a restructuring of financial planning.

The present permit conditions require that the first well be completed by June 4, 1983. However, unforeseen delay in the geothermal program has been caused by the necessity of rescheduling our equipment for urgent remedial work on the adjacent Thermal Power Company projects, together with continuing uncertainties of financial planning caused by changing market conditions.

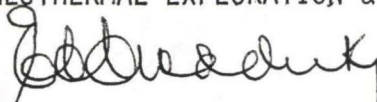
We must, therefore, request additional time if our exploratory efforts are to remain alive.

A more realistic time requirement should allow for completion of the exploratory program in three (3) years until June, 1986 without stipulating when the first well should be started or completed. This prospect must be explored in coordination with other efforts in that area to benefit by the correlation of progressive findings to minimize risks.

Current increased costs of drilling, together with declining market potential is a bad combination for a developer, and we need your favorable consideration for time leniency if our exploratory efforts are to continue.

Very truly yours,

GEOHERMAL EXPLORATION & DEVELOPMENT CORP.


E. C. Craddick, President

ECC/sm cc: Bill Craddick - Hilo; Andy Blumenthal - N.Y.; S. Eisenstat - N.Y.

EXHIBIT A

April 12, 1983

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

Dear Mr. Craddick:

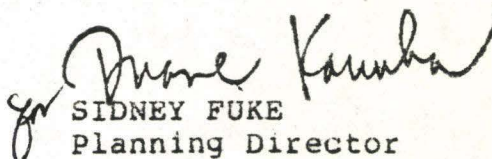
Special Permit No 460
GEDCO
TMK: 1-4-2:10

This is to acknowledge receipt of your letter dated April 4, 1983, requesting that the above-described permit be extended until June, 1986 and deleting the requirement for completing the first well by June 4, 1983.

Please be advised that such a request must be accompanied by a \$100.00 filing fee. As such, we will not be able to process your request until the \$100.00 filing fee is submitted.

Should you have any questions regarding the subject matter, please do not hesitate to contact this office.

Sincerely,


SIDNEY FUKE
Planning Director

BN:lgv

EXHIBIT B

APR 13 1983

GEOHERMAL EXPLORATION & DEVELOPMENT CORP.

PACIFIC OPERATIONS

April 15, 1983

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

Reference: Special Use Permit No. 460
Daiichi Prospect
TMK: 1-4-2:10

Dear Mr. Fuke:

In response to your letter of April 12, 1983, enclosed is our check #1014, in the amount of \$100.00, covering the filing fee for this permit extension requested.

Very truly yours,

GEOHERMAL EXPLORATION & DEVELOPMENT CORP.



E. C. Craddick, President

ECC/sm
Encl.

EXHIBIT C

April 28, 1983

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

Dear Mr. Craddick:


Special Permit No. 460
GEDCO
TMK: 1-4-2:10

This is to acknowledge receipt of your letter dated April 15, 1983, transmitting a \$100.00 filing fee to extend the above-described permit until June, 1986 and deleting the requirement for completing the first well by June 4, 1983.

We will notify you as soon as the meeting date is finalized for the subject request.

Should you have any questions regarding the above-described matter, please do not hesitate to contact Brian Nishimura or Keith Kato of this office.

Sincerely,

for 
SIDNEY FUKU
Planning Director

BN:ds

EXHIBIT D

APR 29 1983

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: State Building, Conference Rooms A & B,
Waiakea, South Hilo, Hawaii

DATE: Thursday, May 26, 1983

TIME: 2:00 p.m. (Item Nos. 1-2)
3:00 p.m. (Item Nos. 3-4)

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

1. PETITIONER: GEOTHERMAL EXPLORATION AND DEVELOPMENT CORPORATION

LOCATION: Approximately 2,000 feet north of Pohoiki Road and about 1 mile northeast of the existing Hawaii Geothermal Project (HGP-A) site, Laepaoo, Puna.

TMK: 1-4-02:10

PURPOSE: Request to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural

EXHIBIT E

District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." Also requested is an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1984, to June 4, 1986.

2. PETITIONER: CLARENCE CHING

LOCATION: Site of the Blacksand Beach Drive Inn & Gift Shop located along the mauka side of the Kalapana-Kaimu Beach Road and the Kaimu Beach Park (Blacksands Beach), Kaimu-Makena Homesteads, Kaimu, Puna.

TMK: 1-2-04:92

PURPOSE: Request to delete Condition D of Change of Zone Ordinance No. 171 which rezoned a 1-acre property from a Residential-Agricultural .5 acre (RA-.5a) to a Resort-Hotel 1,500 square foot (V-1.5) zoned district. Condition D states that "The land shall only be used for the proposed drive-in restaurant and gift shop and the existing single family dwelling."

3. PETITIONER: JAMES KAWANO
LOCATION: Along the west (mauka) side of Kehaulani Street, approximately 640 feet south (Puna side) of the Kehaulani Street-Kawailani Street intersection, Waiakea Homesteads, South Hilo.
TMK: 2-4-10:33
PURPOSE: Change of zone for 22,200 square feet of land from a Single Family Residential - 15,000 square foot (RS- 15) to a Single Family Residential - 10,000 square foot (RS-10) zoned district.
4. PETITIONER: ROBERT AND BESS DAVIDS
LOCATION: Along the northeast (makai) side of the Pahoa-Keaau Road, approximately 1,500 feet Hilo side of the Pahoa-Keaau Road and Paradise Drive intersection, Hawaiian Paradise Park Subdivision, Keaau, Puna.
TMK: 1-5-33:252
PURPOSE: Special Permit to allow the establishment of a pre-school within an existing single family dwelling situated on 1 acre of land within the State Land Use Agricultural 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: May 15, 1983)

May 6, 1983

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

Dear Mr. Craddick:

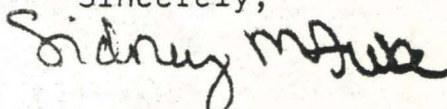
Notice of a Public Hearing
Requests to Delete Condition No. 4, as amended,
and Amend Condition No. 5
of Special Permit No. 80-347 (LUC 460)
Tax Map Key 1-4-02:10

This is to inform you that your requests have been scheduled for a public hearing. Said hearing among others will be held beginning at 2:00 p.m. on Thursday, May 26, 1983, in the State Building, Conference Rooms A & B, South Hilo, Hawaii.

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

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

Sincerely,



SIDNEY FUKU
Planning Director

smn

Att.

EXHIBIT F

MAY 6 1983

AMENDMENT/SPECIAL PERMIT NO. 80-347: GEDCO

Geothermal Exploration and Development Corporation has submitted a request to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." Also requested is an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1983, to June 4, 1986. The property is located approximately 2,000 feet north of Pohoiki Road and about 1 mile northeast of the Hawaii Geothermal Project (HGP-A) site, Laepaoo, Puna, TMK: 1-4-2:10.

The Special Permit was originally granted by the Land Use Commission on February 13, 1981. One previous time extension, for the drilling of the first well, was approved by the Land Use Commission on June 4, 1982. The Land Use Commission amended the original Condition No. 4, which required that drilling of the first well commence within one year of the date of approval, to read that drilling of the first well shall be completed within one year from the date of the time extension.

In a letter dated April 4, 1983, the petitioner stated the following:

EXHIBIT G

"Site work for the Daiichi Well No. 1 has been completed on this project but further work has been suspended pending a restructuring of financial planning.

"The present permit conditions require that the first well be completed by June 4, 1983. However, unforeseen delay in the geothermal program has been caused by the necessity of rescheduling our equipment for urgent remedial work on the adjacent Thermal Power Company projects, together with continuing uncertainties of financial planning caused by changing market conditions.

"We must, therefore, request additional time if our exploratory efforts are to remain alive.

"A more realistic time requirement should allow for completion of the exploratory program in three (3) years until June, 1986 without stipulating when the first well should be started or completed. This prospect must be explored in coordination with other efforts in that area to benefit by the correlation of progressive findings to minimize risks.

"Current increased costs of drilling, together with declining market potential, is a bad combination for a developer, and we need your favorable consideration for time leniency if our exploratory efforts are to continue."

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.

<u>SPECIAL PERMIT</u>	<u>EFF. DATE</u>	<u>REQUIRED STARTING DATE</u>	<u>TERMINATION DATE</u>
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.....		3/14/84***.....	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 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 February 13, 1981. Since that time, no drilling activity has occurred on the subject property. Site preparation for the first well has been completed but no further activity has occurred.

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 over two years ago. One time extension has already been granted on this permit and no drilling activity has occurred to date. If the time condition is deleted as requested 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.

EXHIBIT H

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. 4 be approved until June 4, 1984. In addition, the Department recommends that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to condition no. 4. This would allow the applicant to begin drilling on the subject property should it so desire. If the applicant indicates that it does not intend to complete the first 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 definite plans for drilling in the near future. A new application could be submitted and considered when the applicant has firm commitments to begin drilling on the property. Until such time, it would be inappropriate to allow the drilling rights to remain active knowing that there are no definite 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 Department 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.

FIDELITY COMMISSION

County of Hawaii

Date May 26, 1983

Petitioner GEDCO - Delete Condition 4, SP 80-347 (LUC 460)

 Preliminary hearing Public hearing Request Ac

ACTION: Approve

 Deny

 Defer

 Continue

 Schedule for public hearing

Other: to delete condition no. 4

Commissioners	Aye	No	Excused	Abstain
FRIAS, Glenn	✓			
IMADA, Clyde	✓			
KAGAWA, Poy M	✓			
KOI, Barbara Ann	✓			
PONTE, George	✓			
THOMPSON, Donald 2 nd	✓			

County of Hawaii

Date _____

Petitioner _____

____ Preliminary hearing ____ Public hearing ____ Request A

ACTION: Approve

____ Deny

____ Defer

____ Continue

____ Schedule for public hearing

Other: ~~request for~~ 1 yr. ext. to condition
no. 4 and the time condition to no. 5
made to coincide w/no. 4

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



PLANNING COMMISSION

25 AUPUNI STREET • HILO, HAWAII 96720

COUNTY OF
HAWAII

CERTIFIED MAIL

May 31, 1983

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

Gentlemen:

Deletion of Condition No. 4 and Amendment to Condition No. 5
Special Permit No. 80-347 (LUC 460)
Tax Map Key 1-4-02:10

The Planning Commission at its duly held public hearing on May 26, 1983, considered your request to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." The Commission also considered your request for an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1984, to June 4, 1986.

The Commission voted to deny the requests for the deletion of Condition No. 4 and the amendment to Condition No. 5, as stated above, based on the following findings:

This permit was originally approved by the Land Use Commission on February 13, 1981. Since that time, no drilling activity has occurred on the subject property. Site preparation for the first well has been completed but no further activity has occurred.

EXHIBIT K

Mr. E. C. Craddick
Page 2
May 31, 1983

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 over two years ago. One time extension has already been granted on this permit and no drilling activity has occurred to date. If the time condition is deleted as requested 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 Commission has denied your requests, it is determined that the reasons for which the permit was originally approved are still valid. Therefore, the Commission is recommending to the State Land Use Commission that a one-year extension to condition no. 4 be approved until June 4, 1984. In addition, the Commission is recommending that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to condition no. 4. This would allow you to begin drilling on the subject property should you so desire.

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

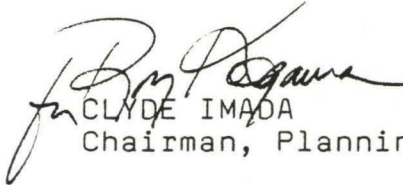
It should be made clear that this recommendation does not indicate a lack of support for exploratory geothermal drilling activity for the area. On the contrary, the Department, Commission and the County remains firmly committed to exploratory and development efforts which brings us closer to our long 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

Mr. E. C. Craddick
Page 3
May 31, 1983

do not support applications or requests which have no definite timetable for completion and which could lead to speculation.

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

Sincerely,



for
CLYDE IMADA

Chairman, Planning Commission

cc: ✓ State Land Use Commission

PLANNING COMMISSION

Planning Department
County of Hawaii

HEARING TRANSCRIPT
May 26, 1983

A regularly advertised public hearing on the application of Geothermal Exploration and Development Corporation was called to order at 2:07 p.m. in the Councilroom, County Building, South Hilo, Hawaii, with Chairman Clyde Imada presiding.

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

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

Sidney M. Fuke, Planning Director
Norman Hayashi, Staff Planner
Royden Yamasato, Staff Planner
Brian Nishimura, Staff Planner

R. Ben Tsukazaki, Deputy Corporation Counsel

and approximately 13 people from the public in attendance

CHAIRMAN: Public hearing on the request filed by Geothermal Exploration and Development Corporation to delete Condition No. 4, as amended, of Special Permit No. 80-347 (LUC 460) which allowed the drilling and testing of a maximum of nine exploratory geothermal wells on approximately 180 acres of land situated within the State Land Use Agricultural District. Condition No. 4 states "That the drilling of the first well shall be completed within one (1) year from June 4, 1982, the effective date of approval of a time extension by the Land Use Commission." Also requested is an amendment to Condition No. 5 by extending the life of the Special Permit from February 13, 1984, to June 4, 1986. The property is located approximately 2,000 feet north of Pohoiki Road and about 1 mile northeast of the existing Hawaii Geothermal Project (HGP-A) site, Laepaoo, Puna, TMK: 1-4-02:10. Staff?

NISHIMURA: (Presented denial recommendation of the petitioner's requests and recommendation to send a favorable recommendation to the State Land Use Commission for a one-year time extension to Condition No. 4, until June 4, 1984; and also, that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to Condition No. 4, 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: Yes, I do.

EXHIBIT L

CHAIRMAN: Will you state your name for the record.

CRADDICK: My name is Ed Craddick. I'm president of the Geothermal Exploration and Development Corporation, the petitioner.

CHAIRMAN: Mr. Craddick, do you have any comments you'd like to make at this time?

CRADDICK: No. I believe our position is that we go along with this recommendation; and we'll do our best to abide by it.

CHAIRMAN: Commissioners, do you have any questions of Mr. Craddick? If not, anything else?

CRADDICK: No.

CHAIRMAN: Okay, this is a public hearing. Is there anyone in the audience who would like to testify on this application? Madam Secretary, let the record show that there's no one here from the public to testify on this application. Commissioners, you can either continue or close the public hearing. What is your pleasure?

KAGAWA: Mr. Chairman, I move to close the public hearing.

CHAIRMAN: Is there a second?

THOMPSON: I second the motion.

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

COMMISSIONERS: Aye.

CHAIRMAN: Opposed? Public hearing is closed.

It was moved by Commissioner Kagawa and seconded by Commissioner Thompson that the requests of Geothermal Exploration and Development Corporation to delete Condition No. 4 and amend Condition No. 5 be denied. A roll call vote was taken and motion carried unanimously with six ayes.

It was moved by Commissioner Kagawa and seconded by Commissioner Thompson to send a favorable recommendation to the State Land Use Commission for a one-year time extension to Condition No. 4, until June 4, 1984; and also, that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to Condition No. 4. A roll call vote was taken and motion carried unanimously with six ayes.

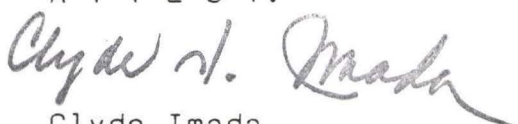
The public hearing adjourned at 2:24 p.m.

Respectfully submitted,



Sharon M. Nomura
Secretary

A T T E S T:



Clyde Imada
Chairman, Planning Commission

PLANNING COMMISSION

Planning Department
County of Hawaii

MINUTES
May 26, 1983

The Planning Commission met for a field trip at 1:04 p.m. at James Costa's property, Ponahawai, South Hilo, Hawaii, and for its regular session at 2:07 p.m. in the Councilroom, County Building, South Hilo, Hawaii, with Chairman Clyde Imada presiding.

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

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

Sidney M. Fuke, Planning Director
Norman Hayashi, Staff Planner
Royden Yamasato, Staff Planner
Brian Nishimura, Staff Planner

R. Ben Tsukazaki, Deputy Corporation Counsel

APPEAL - James Costa's property for which an appeal has
CHANGE OF ZONE been filed on the Planning Director's denial of a
JAMES COSTA change of zone application for 24.4 acres of land
PONAHAWAI, from an Agricultural 5-acre (A-5a) to an
SOUTH HILO 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.

At 1:04 p.m. the Commission were met in front of the subject site on Akolea Road by the petitioner, James Costa, and his representative, Hiroshi Ksamoto.

Mr. Costa pointed out and also indicated on a presentation map the north and south boundaries of the subject property; the two streams the run through the property that ends up near the Central Fire Station; and where they will be making their drainage improvements to alleviate the flooding concerns and building the land up for their driveway.

In response to the Commission's questioning, Mr. Costa said he was prepared to make all the necessary improvements to control the water and noted that a D-9 will be brought in to make the channel wider and deeper so that the stream will not overflow.

A surrounding property owner, Manuel Rapozo, commented that the subject property floods because the adjoining mauka property was paved. He said the flooding problem would be resolved if the water is diverted in two separate areas and not all going in one area.

EXHIBIT M

denied. A roll call vote was taken and motion carried unanimously with six ayes.

It was moved by Commissioner Kagawa and seconded by Commissioner Thompson to send a favorable recommendation to the State Land Use Commission for a one-year time extension to Condition No. 4, until June 4, 1984; and also, that the termination date for the permit be extended until June 4, 1984, to correspond with the extension to Condition No. 4. A roll call vote was taken and motion carried unanimously with six ayes.

AMEND CHANGE OF ZONE ORD. 171
CLARENCE CHING
KAIMU, PUNA

Public hearing on the request filed by Clarence Ching to delete Condition D of Change of Zone Ordinance No. 171 which rezoned a 1-acre property from a Residential-Agricultural .5 acre (RA-.5a) to a Resort-Hotel 1,500 square foot (V-1.5) zoned district. Condition D states that "The land shall only be used for the proposed drive-in restaurant and gift shop and the existing single family dwelling." The property is the present site of the Blacksand Beach Drive Inn & Gift Shop located along the mauka side of the Kalapana-Kaimu Beach Road and the Kaimu Beach Park (Blacksands Beach), Kaimu-Makena Homesteads, Kaimu, Puna, TMK: 1-2-04:92.

Staff presented background, various letters submitted, and recommendation for approval with conditions, on file; and noted that the recommendation has been corrected to say that all essential private and public services and facilities are available to the area inasmuch as it was just brought to the staff's attention that electrical power is now available to the subject property.

Commissioner Kagawa suggested Condition No. 4 be amended to say that the method of sewage disposal, with the exception of a cesspool, shall meet with the approval of the appropriate governmental agencies inasmuch as he did have concern about seepage into the coastal waters.

The petitioner's representatives, Dorothy Ching and Hiroshi Kasamoto, were in attendance.

Mr. Kasamoto pointed out that because of the density, they will have to comply with the Department of Health's requirements of a sewage treatment works type of disposal, which would be a much higher standard than just dumping the sewage into a cesspool. He noted that the proposed 14-unit two-story apartment will be inconspicuous as it will be built in the back 200-foot section of the 400-foot depth lot; and also that because of the SMA and PDP requirements, this matter will again come up for a public hearing.

Commissioner Kagawa questioned whether the petitioner would object to his proposing the amendment to Condition No. 4 and noted that he would not recommend approval of the deletion of Condition D unless he has a commitment that there will be no cesspools for this type of a development. In response, Mr. Kasamoto suggested that the sewage disposal method comply with the Department of Health's regulations inasmuch it is a stricter standard.

Director Fuke at this time clarified that the Department of Health's present regulations do not allow cesspools if there are eight or more units on the property; noting that even if there are less than

MEMORANDUM

May 17, 1983

RE: Special Use Permits for a Consolidated
Drilling Program

A meaningful exploratory program on our three leases requires the completion of at least seven (7) successful wells as follows:

Opihikao/Ashida Prospect	2 Wells
Daiichi Prospect	2 Wells
Lanipuna Prospect	3 Wells

We have only drilled four (4) geothermal wells in the last forty (40) months, two for us and two for Thermal Power Company, using our drilling rig. All four wells need reworking, perhaps as much as two months each. This means, the Exploratory Program 1980-83 will yield at best four successfully completed exploratory geothermal wells.

In retrospect, this means that time limitations heretofore placed on the Special Use Permits have been much too restrictive. Without recognizing this, and without allowing for realistic time we will be constantly applying for extensions in order to keep our geothermal program alive.

We must also assume that our rig will be needed by Thermal Power Company (Puna Ventures) for at least one and possibly two more wells in the next year or two.

Assuming that some of the past construction problems are solved, we would expect to improve the present rate of one well per year to two wells per year. This translates to a time requirement of at least four (4) years to accomplish a minimum program.

We, therefore, request that all existing permits be extended for a period of four (4) years from present termination dates, without specifying any order of work. It is necessary to keep the drilling program flexible, as the location of each successive well drilled will depend upon the information obtained from prior wells. Therefore, any attempt to schedule unnecessarily restricts a meaningful and economical development of information.

The likelihood of S.B. 903 (if signed by the Governor) not being fully implemented for at least one year makes it even more imperative that current Special Use Permits remain active and workable to insure an ongoing geothermal program. We would regard any lengthy lapse (of six months or more) of the present geothermal activity as seriously jeopardizing the future of geothermal power in Hawaii.

May 17, 1983

We, therefore, urge you to seriously consider the necessity for leniency in time restrictions, and adjust future needs on the basis of actual past experience, recognizing that it is in the public interest to keep the geothermal effort alive in Hawaii.

Attached hereto is a summary of our current Special Use Permits, and our remarks applicable to each. Emphasis will be placed upon first exploring the Lanipuna and Daiichi prospects and then following with the Opihikao/Ashida prospect, which is more remote from the HGP-A area.

PERMIT: Opihikao/Ashida Prospect
SP77-265 (LUC 364)
Geothermal Exploration & Development Corp.
6 Wells

EFFECTIVE DATE: July 14, 1977 (starting date July 17, 1978)
July 14, 1979 (extended)
July 14, 1980 (extended)
March 14, 1983 (extended)

CONDITIONS: Second well to commence March 4, 1984

TERMINATION DATE: July 14, 1980
July 14, 1981 (extended)
July 14, 1984 (extended)

Requesting that additional time to complete exploratory work for at least two successful wells of the 5 remaining well sites with elimination of conditions requiring a specific start or finish of any well, including current conditions to commence the second well by March 4, 1984.

Require extension of termination date to July 14, 1987.

PERMIT: Lanipuna Prospect
SP80-8 (LUC 471)
Barnwell Geothermal Corporation
6 Wells

EFFECTIVE DATE: December 16, 1980

CONDITIONS: December 16, 1981 (First Well completed)

TERMINATION DATE: December 16, 1983

Requesting that additional time to complete exploratory work by drilling at least three successful wells, without stipulating when any well should be started or completed.

Require extension of termination date to December 16, 1987.

PERMIT: Daiichi Prospect
SP80-347 (LUC 460)
Geothermal Exploration & Development Corp.
9 Wells - (3 Successful)

EFFECTIVE DATE: February 10, 1981

CONDITIONS: June 4, 1983 (First Well completed)

TERMINATION DATE: February 10, 1984

Requesting that additional time to complete exploratory work by drilling at least two successful wells, without stipulating when any well should be started or completed.

Require extension of termination date to February 10, 1987.