

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

LAND USE COMMISSION
STATE OF HAWAI'I
HEARING AND ACTION
A87-610 Tom Gentry and Gentry-Pacific, Ltd.)
(O'ahu))
_____)

TRANSCRIPT OF PROCEEDINGS

The above-entitled matter came on for a Public Hearing
at Leiopapa A Kamehameha Building. Rm #405, 235 S.
Beretania Street, Honolulu, Hawai'i, commencing at
9:33 a.m. on October 29, 2014, pursuant to Notice.

REPORTED BY: HOLLY M. HACKETT, CSR #130, RPR
Certified Shorthand Reporter

A P P E A R A N C E S

COMMISSIONERS:

BRANDON AHAKUELO

EDMUND ACZON

KENT HIRANAGA

CHAD MCDONALD (Chair)

JONATHAN SCHEUER

ARNOLD WONG

EXECUTIVE OFFICER: DAN ORODENKER

CHIEF CLERK: RILEY HAKODA

STAFF PLANNER: SCOTT DERRICKSON/BERT SARUWATARI

DEPUTY ATTORNEY GENERAL: RUSSELL SUZUKI, ESQ.

AUDIO TECHNICIAN: WALTER MENCHING

Docket No. A87-610

For the Petitioner: JENNIFER LIM, ATTY. AT LAW

For the County: RICHARD LEWALLEN, ESQ.
Deputy Corporation Counsel
MATT HIGASHIDAFor the State: BRYAN YEE, ESQ.
Deputy Attorney General
RODNEY FUNAKOSHI
Office of Planning

I N D E X

PAGE

Witness: Giorgio Caldarone

Direct Examination by Ms. Lim 15

Cross-Examination by Mr. Lewallen 33

Cross-Examination by Mr. Yee 34

Witness: Thomas S. Witten

Direct Examination by Ms. Lim 45

Cross-Examination by Mr. Lewallen 65

Cross-Examination by Mr. Yee 66

Witness: Nicola Doss

Direct Examination by Ms. Lim 66

Cross-Examination by Mr. Lewallen 90

Cross-Examination by Mr. Yee 91

Redirect Examination by Ms. Lim 100

Witness: Paul Matsuda

Direct Examination by Ms. Lim 126

Cross-Examination by Mr. Lewallen 137

Cross-Examination by Mr. Yee 139

Redirect by Ms. Lim 140

1	Witness: Chris Monahan	
2	Direct Examination by Ms. Lim	143
3		
4	Witness: Jason Jeremiah	
5	Direct Examination by Ms. Lim	158
6		
7	Witness: Catherine Camp	
8	Direct Examination by Ms. Lim	167
9	Cross-Examination by Mr. Yee	186
10	Redirect Examination by Ms. Lim	193
11		
12	Witness: Rodney Funakoshi	
13	Direct Examination by Mr. Yee	200
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 CHAIR McDONALD: I'd like to call the
2 state of Hawai'i Land Use Commission meeting to order.
3 First item of business is the adoption of minutes from
4 our October 8th, 2014 meeting. Commissioners, any
5 revisions or edits? Hearing none, do I have a motion
6 to approve?

7 COMMISSIONER WONG: So moved.

8 COMMISSIONER AHAKUELO: Second.

9 CHAIR McDONALD: All those in favor say
10 aye. (aye) Any opposed? The minutes are adopted.

11 COMMISSIONER SCHEUER: Abstain.

12 CHAIR McDONALD: So noted.

13 Mr. Orodenger, could you please review the tentative
14 meeting schedule for the Commissioners.

15 MR. ORODENKER: Thank you, Mr. Chair. On
16 November 12th, which is a Wednesday, we'll be at the
17 Honolulu International Airport, 7th floor for Halekua
18 Development Company's Motion to Amend Findings of Fact
19 and Conclusions of Law. You'll also be hearing Kapa'a
20 Highlands, Makua Place to determine if the LUC will be
21 the accepting authority for the required EIS.

22 November 20th, which is Thursday, we'll be
23 at the Maui Arts and Cultural Center to hear the
24 special permit for Jason Glover and Hawaiian Cement,
25 and disposition of DR14-51 Maui Lani Neighbors, Inc.

1 Petition for Declaratory Order.

2 December 10th and 11th we will be at the
3 State Office Building meeting rooms A & B.

4 Tentatively we have Kauai Community College Island
5 School, Kapa'a Highlands, and also a special permit
6 from Kalihi Adventist status report. That fills out
7 the schedule for the rest of the year.

8 CHAIR McDONALD: Thank you, Mr. Orodener.
9 Good morning. This is a hearing and action meeting to
10 consider Motion for Order Amending Findings of Fact,
11 Conclusions of Law and Decision and Order dated May
12 17, 1988 to:

13 (1) Recognize Kamehameha Schools as the
14 successor Petitioner with standing to seek and obtain
15 the relief requested by the Motion and

16 (2) Issue an order modifying the
17 Commission's Findings of Fact, Conclusions of Law and
18 Decision and Order dated May 17, 1988 as amended by
19 the Commission's November 30, 1999 Order amending
20 Condition No. 6 of the D&O dated May 17, 1988
21 to expressly authorize the use of portion of the KS
22 property for solar farm development for an interim
23 period not to exceed 35 years.

24 Will the parties please identify
25 themselves.

1 MS. LIM: Good morning, Chair,
2 Commissioners, and parties. This is Jennifer Benck --
3 excuse me -- this is Jennifer Lim (audience chuckles)
4 representing Successor Petitioner Kamehameha Schools.
5 And to my left is Mr. Giorgio Caldarone from
6 Kamehameha Schools. I won't introduce the rest of the
7 team at this time if that's okay.

8 CHAIR McDONALD: Sure. Go ahead.

9 MR. LEWALLEN: Good morning. Deputy
10 Corporation Counsel Richard Lewallen on behalf of the
11 City and County of Honolulu. With me is Matthew
12 Higashida sitting to my right. He's with the
13 Department of Planning and Permitting and he's a
14 planner.

15 CHAIR McDONALD: Good morning.

16 MR. YEE: Good morning. Deputy Attorney
17 General Bryan Yee on behalf of the Office of Planning.
18 With me is Rodney Funakoshi from the Office of
19 Planning.

20 CHAIR McDONALD: Good morning. Thank you.
21 Let me update the record. On May 13, 2014 the
22 Commission received Petitioner's Motion for Order
23 Amending Findings of Fact, Conclusions of Law and
24 Decision and Order dated May 17, 1988, Exhibits 1-18
25 and the application filing fee.

1 Between May and October 2014 the parties
2 timely filed their respective comments, exhibits,
3 responses, joint stipulations, objections and replies
4 with the Commission.

5 On October 22, 2014 the Commission mailed
6 the agenda for the October 29, 2014 meeting to parties
7 and statewide, Maui and O'ahu mailing lists. Ms. Lim,
8 has our staff informed you of the Commission's policy
9 regarding the reimbursement of hearing expenses? And
10 if so, can you state your client's position on the
11 policy?

12 MS. LIM: We've been informed and our
13 client accepts the policy and we'll comply with the
14 policy.

15 CHAIR McDONALD: Thank you. Let me
16 briefly describe our procedures for today on this
17 docket. First, I will call those individuals desiring
18 to provide public testimony to identify themselves.
19 All such individuals will be called in turn to our
20 witness box where they'll be sworn in prior to their
21 testimony.

22 After public testimony the Commission will
23 then hear evidence from each of the parties. The
24 parties will be given an opportunity to make
25 concluding arguments on the motion. At the conclusion

1 of arguments on the motion and after questions from
2 the Commissioners and answers thereto, the Commission
3 will conduct its formal deliberations. Are there any
4 questions on procedures for today?

5 Hearing none, for those that are providing
6 public testimony the Commission would appreciate if
7 you could confine the testimony to issues consistent
8 with this matter and avoid repetitive testimony. Are
9 there any?

10 MR. ORODENKER: Mr. Chair, we don't have
11 anyone signed up at this point.

12 CHAIR McDONALD: Anybody in the audience
13 wishing to provide public testimony? Seeing none --

14 COMMISSIONER SCHEUER: Mr. Chair, are you
15 receiving disclosures?

16 CHAIR McDONALD: Sure, if there's any
17 disclosure to make.

18 COMMISSIONER SCHEUER: (off mic) My wife
19 works for Group 70 International --

20 THE REPORTER: Could you use your
21 microphone.

22 COMMISSIONER SCHEUER: Sorry. My wife
23 works as a planner, land use planner for Group 70
24 International which is one of the subconsultants on
25 this Project. She's had no involvement in this

1 matter.

2 CHAIR McDONALD: Do the parties have any
3 objection to Commissioner Scheuer's participation
4 here?

5 MR. YEE: No objection.

6 MS. LIM: No objection.

7 MR. LEWALLEN: No objection.

8 CHAIR McDONALD: Thank you.

9 COMMISSIONER ACZON: Mr. Chair, I have to
10 make a disclosure as well.

11 CHAIR McDONALD: Go ahead.

12 COMMISSIONER ACZON: My mother-in-law
13 works for Kamehameha Schools at, I want to say at the
14 clerical office. I don't think she'd have anything to
15 do with this proceeding but I'll disclose it.

16 CHAIR McDONALD: Parties, any objection?

17 MS. LIM: No objection.

18 MR. YEE: No objection.

19 CHAIR McDONALD: Thank you, Commissioners.
20 Ms. Lim, please provide and describe exhibits you wish
21 to have admitted into the record.

22 MS. LIM: Thank you, Chair. The successor
23 Petitioner filed in total 39 exhibits. Would you like
24 me to read the title of each exhibit or is it
25 sufficient just to identify -- we marked them all as

1 KS Exhibit 1, KS Exhibit 2 and so forth through to KS
2 Exhibit 39. The original KS Exhibit 8 we withdrew.
3 There was an error and we filed a KS Exhibit 8 errata.
4 So that's what should be in the record right now. So
5 it's KS Exhibits 1 through 39 including KS Exhibit 8
6 errata minus original KS Exhibit 8.

7 CHAIR McDONALD: I don't think it's
8 necessary to read through all these new exhibits. I
9 trust that the County and the State had a chance to
10 review the exhibits, and if there are any objections
11 at this point.

12 MR. LEWALLEN: We think we have had an
13 opportunity to review. No objections.

14 MR. YEE: No objections.

15 CHAIR McDONALD: Okay. KS Exhibits 1
16 through 34, correct?

17 MS. LIM: I'm sorry --

18 CHAIR McDONALD: Exhibits 1 through 34?

19 MS. LIM: It's 1 through 39. Maybe I can
20 offer it. It would be KS Exhibits 1 through 7, KS
21 Exhibit 8 errata and then KS Exhibit 9 through KS
22 Exhibit 39. And that's the total exhibits submitted
23 by Successor Petitioner.

24 PUBLIC TESTIMONY: Point of information.
25 I'm sorry. I don't it in the file 39 exhibits. I

1 only see 34 (inaudible). Is there more?

2 CHAIR McDONALD: Excuse me, sir. Can you
3 identify yourself.

4 PUBLIC SPEAKER: Yes, Dan Purcell, member
5 of the public, which she mentioned 39 exhibits. And I
6 downloaded all the time to the website. I see 34
7 exhibits. There were 5 exhibits that were not
8 available on the website. Was there a discrepancy
9 with the number of exhibits?

10 MR. YEE: Chair, just for your
11 information, there were 5 exhibits that were submitted
12 as rebuttal exhibits on October 10th. I didn't look
13 at the website so I don't know if that was noted. But
14 they're filed separately. So you would have had
15 Exhibits 1-34 and you would have had Exhibits 35
16 through 39 filed separately.

17 CHAIR McDONALD: Thank you, Mr. Yee.
18 That's what I see. Exhibits 35 through 39 are
19 rebuttal exhibits.

20 MS. LIM: That's correct, yes. And I do
21 understand from Ms. Doss, who's one of our witnesses
22 who you'll be hearing from later, that she did, in
23 fact, go to the website and download those rebuttal
24 exhibits last night. In any event, they've all been
25 filed properly with the Commission, I believe, and

1 served on the parties.

2 CHAIR McDONALD: The Chair will admit
3 these exhibits into the record. County, please
4 describe the exhibits you wish to have admitted into
5 the record.

6 MR. LEWALLEN: We have none, Chair.

7 CHAIR McDONALD: Mr. Yee, can you describe
8 OP's list of exhibits for the record.

9 MR. YEE: OP would submit OP Exhibits 1
10 through 8. We thought it was 1 through 6 then 7 and 8
11 subsequently.

12 CHAIR McDONALD: Parties, any objections
13 to the exhibits?

14 MS. LIM: No objection.

15 MR. LEWALLEN: No objections.

16 CHAIR McDONALD: Exhibits are admitted.

17 MS. LIM: Thank you.

18 CHAIR McDONALD: Ms. Lim, are you prepared
19 to proceed with your presentation?

20 MS. LIM: Yes. Thank you, Chair. If I
21 may I'll give a very, very brief overview. That's
22 just simply to let the Commissioners know the order of
23 witnesses we'll be hearing from. I'll quickly turn it
24 over to our first witness. So you'll first hear from
25 Mr. Giorgio Caldarone who's from Kamehameha Schools.

1 In total we propose to put on seven witnesses today.
2 Mr. Caldarone will be followed by Tom Witten from PBR
3 Hawai'i. Then the third witness will be Nicola Doss
4 from SunEdison. Our fourth witness will be Paul
5 Matsuda from Group 70. He'll be followed by the
6 archaeologist Chris Monahan who is with TCP Hawaii,
7 LLC. Our 6th witness being Jason Jeremiah who is a
8 cultural expert. And he's with Kamehameha Schools.
9 Then our last witness will be Catherine Camp from
10 Kamehameha Schools.

11 So those are the witnesses successor
12 Petitioner will put on today. And if I may I'll now
13 introduce Mr. Giorgio Caldarone. Do you want to swear
14 him in?

15 CHAIR McDONALD: Yes.

16 GIORGIO CALDARONE
17 being first duly sworn to tell the truth, was examined
18 and testified as follows:

19 THE WITNESS: Yes.

20 CHAIR McDONALD: Please state your name
21 and address for the record.

22 THE WITNESS: Giorgio Caldarone, 567 South
23 King Street, Suite 200, Honolulu, Hawai'i, 96813.

24 CHAIR McDONALD: Thank you. Please
25 proceed.

1 DIRECT EXAMINATION

2 BY MS. LIM:

3 Q Giorgio, you've already told the
4 Commissioners that you work at Kamehameha Schools.
5 Would you please explain what your position is there
6 and how long you've been with Kamehameha Schools.

7 A I'm a regional asset manager in the land
8 assets division. I've been working there about 10
9 years.

10 Q Did you provide a copy of your resumé for
11 this proceeding?

12 A No.

13 Q And that's because we're not seeking to
14 qualify Mr. Caldarone as an expert. He's simply here
15 to give Project detail. Would you briefly describe
16 your educational background.

17 A Yeah. I graduated from West Point in 1992
18 with a Bachelor's of Science, Environmental Science
19 and an MBA from the University of Hawai'i in 2002.

20 Q I'm sorry. You said you've been with
21 Kamehameha Schools for how many years?

22 A Ten years.

23 Q What do you generally do?

24 A I manage our residential portfolio and
25 currently a lot of our Ag and Conservation lands on

1 O'ahu, Maui, Molokai. And I'm also the sector lead
2 for all of the utilities renewable energy projects.

3 Q Okay. Renewable energy projects. Can you
4 talk a little bit more about that? What is Kamehameha
5 Schools doing with respect to renewable energy?

6 A Yeah. A few years ago we looked at our,
7 mainly our agricultural portfolio to integrate
8 renewable energy into our agricultural production. We
9 kind of view it holistically.

10 So basically we did a portfolio plan for
11 all different types of renewable energy: wind, solar
12 -- probably wind and solar. We have some biofuel and
13 some small-scale hydro that we're also looking at.

14 Basically it's a big part of our Ag
15 portfolio. We use those revenues actually to help
16 sort of subsidize our agricultural investments. When
17 we took a lot of our plantation infrastructure came
18 back to us, they were over a hundred years old. And
19 we made significant investments using renewable energy
20 projects to help support our investment in
21 agriculture.

22 Q So we're here today to ask the
23 Commission's approval to use the Waiawa lands for
24 renewable energy.

25 A Yeah.

1 Q Why don't you describe that Project. And
2 Tom Witten will give more details on the land use
3 aspects of it. But, Giorgio, if you'd explain the
4 nuts and bolts of the Project.

5 A Yes. So if the Commission grants our
6 request, portions of the 1395-acre Urban District
7 Petition Area would be developed as a solar farm.
8 Phase 1 of the solar farm is designed to produce 50
9 megawatts of power. Phase 1 would be installed within
10 approximately 387 acres. If you look at the maps you
11 can see Phase 1 over here on the upper left. It's
12 hash marked in blue.

13 Q And if I could, Giorgio, what you're
14 pointing to is KS Exhibit 8 errata, correct?

15 A Yes.

16 Q Thank you.

17 A The actual footprint of the actual panels
18 themselves, so it'd be about 250 acres. Phase 2 of
19 the solar Project designed to produce 65 megawatts.
20 They'll be installed approximately 260-acre area Phase
21 2 as you see right there that Tom's highlighting.

22 The solar farm will consist of
23 substations, battery storage systems, potentially PV
24 panels, mount inverters, electrical equipment,
25 substations, perimeter fencing, security system, et

1 cetera.

2 Q Will there be battery storage somewhere?

3 A There's a possibility. I'll defer to
4 Nicola on talks with Hawaiian Electric. But there's a
5 possibility there could be a battery storage system.

6 Q Giorgio, you said that you're the sector
7 lead on KS's renewable energy. Why is renewable
8 energy important right now in the state of Hawai'i?

9 A We all know that Hawai'i imports over 90
10 percent, approximately 90 percent of our oil -- our
11 energy's imported via oil which makes us the most
12 dependent state in the U.S. We're also vulnerable to
13 disruptions in energy markets.

14 But also our high cost of electricity also
15 I think acts as a headwind on our economy. It really
16 exports a lot of money out of the economy. So with
17 Projects like this they align with the Hawaii Clean
18 Energy Initiative, but also help reduce the cost to
19 the ratepayers.

20 Q So renewable energy is important to the
21 state of Hawaii. We're here before the Commission to
22 talk about renewable energy on state land use Urban
23 District lands. Was renewable energy contemplated
24 when this property was initially reclassified into the
25 Urban District?

1 A I was not part of the original project but
2 I think it's safe to say no, it's not.

3 Q What sort of project was originally
4 planned at that time?

5 A To treat, plan a master planned community
6 called Waiawa Ridge. The plan was for a mixture of
7 residential dwellings, parks, open space, 2 golf
8 courses, commercial/light industrial uses.

9 A big component of the project was that 50
10 percent of the roughly almost 8,000 proposed units
11 were planned as retirement leisure homes for
12 owner/occupants age 55 and older. Then over time
13 Gentry actually, I think, revised that unit count down
14 a little bit to about 5,000.

15 Q So is Kamehameha Schools actively involved
16 in planning the Gentry plan?

17 A No.

18 Q Okay. No involvement.

19 A No. At the time Gentry attained
20 Commission's approval and reclass on KS-owned property
21 but was subject to a development agreement between
22 Gentry and KS, KS really wasn't involved in the actual
23 development of the project. They were sort of
24 passive.

25 Q So that was several years ago that the

1 Commission approved the Gentry plan. Did that
2 development go forward?

3 A No, it did not. I think they did some
4 additional entitlement work. They got a lot of the
5 land rezoned by the city council. I think Tom can talk
6 a little bit more about the entitlements received.
7 But no actual development took place.

8 There was some significant infrastructure
9 challenges in developing the property for intensive
10 residential, industrial uses such as building a land
11 bridge and other, other infrastructure that needed to
12 go in to support the project.

13 Q So you've explained that KS wasn't at all
14 involved in the Gentry plan but that was approved by
15 the Commission several years ago. How did this
16 property come back to Kamehameha Schools?

17 A Basically around 2008 it became apparent
18 that they were having trouble developing the property.
19 In 2008 with the financial crisis probably exacerbated
20 those difficulties. In any event, after the financial
21 crisis Gentry and KS began the process for turning
22 full control of the property to Kamehameha Schools.
23 And full control was returned to KS in late 2012.

24 Q So was it in 2012 that KS said, "Oh, we
25 should start looking at renewable energy"?

1 A Actually we started a little bit earlier
2 in anticipation of getting the reversion of these
3 urban lands. We started looking at potential uses.
4 In 2011 we actually sent out a request for proposal
5 for developers, to a group of experienced solar
6 developers, solicited proposals developing utility
7 scale, solar energy project.

8 In December 2011 roughly we selected
9 SunEdison to develop the Project.

10 Q Okay. You know, one of the Commissioners'
11 criteria is to consider what is the social impacts
12 approving a development. And that we know this
13 development already got approved by the Commission,
14 meaning the Urban reclassification. But,
15 nevertheless, can you talk a little bit about
16 potential social impacts that could result from using
17 this property, a portion of this property for solar
18 energy production?

19 A Yeah. The current property's been vacant
20 for many years. There's no active agriculture
21 production since 1983. KS has no immediate plans to
22 develop the Petition Area with or without solar farm.
23 We still need time to review the property, and we just
24 got the property back, to kinda align it with things
25 like TOD. A lot has changed since 1983. So this

1 development is really not preventing or delaying the
2 rest of the development potentially on the rest of the
3 property.

4 I think the other thing that's important,
5 when we got it back we're always looking to sort of
6 -- we're looking for different uses on our property to
7 support our mission. So one of the things, we look
8 from sort of a fiduciary lense. Really our
9 obligation, our beneficiaries, and support of
10 educational mission it's important that it provides
11 some revenue-producing uses on the property. So solar
12 energy is very appropriate.

13 Q So rather than just leaving it vacant,
14 Wakea's plans and figures out what's the best thing to
15 do.

16 A Yes.

17 Q Can you give the Commission some rough
18 estimate on what money KS spends on an annual basis to
19 support that mission?

20 A In 2012-13 we spent over \$360 million.

21 Q Over \$360 million --

22 A On educational programs.

23 Q On education. And you were saying earlier
24 that the existing KS renewable energy projects are
25 throwing off *some* revenue.

1 A Yes.

2 Q That's getting put into promoting the
3 agricultural activities and presumably other
4 educational activities. Briefly, and of course the
5 Commissioners will jump in at any time if there's
6 questions, I hope.

7 You indicated that you put out a request
8 for proposals and that you selected SunEdison after
9 some consideration. I imagine other people submitted
10 proposals too.

11 What is the arrangement that Kamehameha
12 Schools has with SunEdison on this Project?

13 A Yes. So basically we're the sole
14 landowner of the property. So we own the fee. We
15 basically allow SunEdison to use identified portions
16 of the property for a solar farm. You can see Exhibit
17 A kinda shows the 2 phases, the 2 areas. The
18 agreement requires SunEdison to obtain and comply with
19 all permits required by the State of Hawaii as well as
20 the City and County of Honolulu.

21 I mentioned there are 2 phases of the
22 farm. So Phase 1 will be at 50 megawatt which is
23 currently what they're focused on. Phase 2 will
24 generate 65 megawatts but it's still uncertain whether
25 Phase 2 will get pursued. But the degree in economies

1 is a possibility. The main reason why there's
2 uncertainty is there's no process by which we can get
3 a PPA through Hawaiian Electric.

4 So this Project, the Phase 1 is in a
5 waiver, was an approved waiver Project. But in order
6 for the utility to take on more renewable projects
7 there has to be another solicitation there, a
8 competitive bid or waiver process, or some other
9 direct bilateral negotiation.

10 So right now that doesn't exist. But in
11 anticipation of utility wanting to take in more
12 renewable energy, it sort of created the opportunity
13 to develop Phase 2.

14 Q Thank you. So what is the term for Phase
15 1? And then if Phase 2 goes forward what's the term
16 of the Phase 2 project?

17 A The Phase 1 project is basically up to 30
18 years of an operating solar farm. Phase 2 would be
19 similar, just depending on when it gets put in. If it
20 happens more sooner it would run currently because
21 we're looking for a 35-year sort of window. That
22 happens later, we can adjust to make sure we stay
23 within the 35-year bounds.

24 Q So could you explain to the Commission why
25 the 35 years in the operational terms, 30 --

1 A Yes, 35 years gives a little buffer for
2 obviously on the front end, just normal project delays
3 and just getting it developed. Then on the back end
4 allows for decommissioning.

5 Q Is decommissioning required?

6 A Yes. Decommissioning is required as part
7 of our agreement.

8 Q Part of your agreement with?

9 A With SunEdison.

10 Q With SunEdison. Thank you. Is there some
11 reason why KS wouldn't want to keep a solar farm going
12 35, 40 years in the future?

13 A I mean it's possible we would want to go
14 longer. I think, you know, if you look at technology
15 and energy markets it's kind of premature to forecast
16 what it's gonna be like in 35 years. I don't know if
17 I'll be around in 35 years.

18 Things have changed so much in the past 5
19 or 10 years, I think we just have to evaluate what the
20 circumstance of the markets is at that point as we get
21 close.

22 Q And would it be correct to say that part
23 of the analysis will also be what Kamehameha Schools
24 development plans are?

25 A Yeah.

1 Q Is Kamehameha Schools, under its agreement
2 with SunEdison, prohibited from developing other
3 portions of the property?

4 A No.

5 Q Thank you. I'm going to switch gears a
6 little and go back and talk about the Gentry approval,
7 because I think it's important for you to let the
8 Commissioners know the status of compliance on the
9 Conditions of Approval that this Commission's
10 originally put on the Project. There were 10
11 conditions of approval.

12 And I don't expect you to read them unless
13 the Commissioners have specific questions. Or if you
14 could just touch briefly on those conditions of
15 approval.

16 A Yeah. Conditions 1 and 2 are relating to
17 protecting the Waiawa shaft which is the potable water
18 source for the Navy. Condition 1 required that a
19 study funded by the U.S. Department of the Navy be
20 prepared to review for potential groundwater
21 contamination resulting from the urbanization of the
22 new residential development.

23 Condition 1 states that: Petitioner shall
24 not proceed with the project 'til a study shows to the
25 satisfaction of the Department of Health and

1 groundwater contamination --

2 THE REPORTER: Could you slow down just a
3 little bit please. Slow...down... a little.

4 THE WITNESS: Oh, I'm sorry. I won't read
5 all this.

6 MS. LIM: No.

7 THE WITNESS: So Condition 2 also requires
8 a Department of Health approval. These conditions
9 have been satisfied. A study was prepared in 1990 and
10 approved by Department of Health and the U.S.
11 Department of the Navy.

12 Q If I could, Giorgio --

13 A Yeah.

14 Q -- was that filed with the Commission?

15 A Exhibit, yeah. Exhibit 15.

16 Q KS Exhibit 15.

17 A Sorry.

18 Q So the study was prepared. Go on.

19 A I was gonna say both the Navy and
20 Department of Health have been notified of this solar
21 farm. So the State Department of Health Safe Drinking
22 Water Branch, Clean Water Branch and Solid Hazardous
23 Waste Branch determined that the development Phase 1
24 and Phase 2 solar farms shall have minimal or no
25 impact to groundwater. That's KS Exhibit 28 and I

1 think OP Exhibit 2.

2 Q And how about the Department of the Navy.

3 A The Department, yeah. The Department of
4 the Navy determined solar farm is a compatible use,
5 what they call the zone of contribution, that area
6 could potentially impact groundwater. That's KS
7 Exhibit 25.

8 Q Okay. That the Navy confirmed those.

9 A Yeah, that is compatible.

10 Q Thank you. So that is your Exhibit 1 and
11 2.

12 A One and 2. Three and 4 set forth required
13 level affordable housing. Because the solar farm
14 doesn't include any residential units these conditions
15 are not applicable, but would be once any dwellings or
16 residential component were moved forward that would be
17 required.

18 Condition 5 requires KS to fund and
19 construct improvements determined by the State
20 Department of Transportation. It's necessary to
21 mitigate impacts from Waiawa Project. Gentry had
22 taken steps to satisfy this condition.

23 They've dedicated some land in excess of
24 630,000 value for the construction of Waipio
25 Interchange at \$1.4 million were paid by the

1 developer, state of Hawaii for improvements to Ka Uka
2 Boulevard for the construction of HOV lanes between
3 Waiawa and Waipio Interchange.

4 Condition 6 requires KS to participate in
5 a regional program for transportation management with
6 other developers. Since we had -- since we received
7 the property back in 2012 KS has been an active
8 participant in LOTMA, the Leeward O'ahu Transportation
9 Management Association.

10 Condition 7 requires the Petitioner to
11 participate in an air quality monitoring program as
12 specified by the State Department of Health. Concerns
13 about air quality were incorporated into the Waiawa
14 Order based on 4,000 vehicles per hour in a
15 residential development scenario.

16 No such impacts are anticipated from the
17 solar farm. Actually Paul Matsuda will discuss the
18 construction dust mitigation measures. So a little
19 bit different but we're looking at it.

20 Condition 8 requires Petitioner
21 immediately stop all work and contact SHPD, the State
22 Historic Preservation Office, if any archaeological
23 resources are uncovered during development. This
24 condition will be complied with in the development of
25 the solar project as well as any other development to

1 be undertaken by Kamehameha Schools.

2 Condition 9 requires the Petitioner to
3 provide public access to the state Land Use
4 Conservation District Lands located mauka of the
5 property. In 2000 DLNR DOFA determined that there
6 were no hiking or hunting areas that required public
7 access across KS property, that's KS Exhibit 18.

8 Q KS Exhibit 18 in a letter from DOFA.

9 A From DOFA.

10 Q Confirming that.

11 A This is from the year 2000. Basically the
12 letter confirms that currently the only feasible means
13 of accessing conservation --

14 THE REPORTER: Sir, sir, would you slow
15 down.

16 THE WITNESS: Sorry about that. Currently
17 the only feasible means of accessing the Conservation
18 District lands is via the Waiawa Correctional
19 Facility.

20 Q (MS. LIM) The Office of State Planning in
21 their response referenced a more recent communication
22 with DOFA.

23 A Yes.

24 Q And, of course, the Office of State
25 Planning will address this if they choose to. But was

1 that recent communication affirming that DOFA's still
2 satisfied with the current state of access?

3 A Yes.

4 Q Thank you.

5 A And then the last Condition 10 requires
6 the Petitioner to provide annual reports to the
7 Commission in compliance with this condition ongoing.

8 Q So, Giorgio, just another couple of
9 questions before I turn you loose. Right now is
10 Kamehameha Schools asking for relief from modification
11 of these conditions? Are they seeking to amend these
12 conditions?

13 A No. However, KS might do so in the future
14 when it comes back to the Commission to request
15 approval of any new development proposal for the
16 property. We anticipate that the Commission probably
17 wants to analyze any new development proposal imposed
18 conditions specifically to address the impacts of that
19 new development at the time.

20 Q So Kamehameha Schools is representing that
21 before it proceeds with a new development, something
22 different than the Gentry development, that it will
23 come back --

24 A Yes.

25 Q -- to this Commission with a Motion to

1 Amend?

2 A Yes.

3 Q Thank you. With that my last question to
4 you is is there anything you want to say to the
5 Commissioners, request briefly?

6 A KS respectfully asks that this Commission:

7 1. Recognizes KS as the successor
8 Petitioner in this docket such that KS will have no
9 future obligation to assert Gentry Pacific, Ltd., the
10 original party in the 1980 District Boundary
11 Amendment, and any future proceedings in this docket.

12 2. Approve KS's request to authorize the
13 use of the identified portions of the property as a
14 solar farm to include all related utility and other
15 structure for a period not to exceed 35 years from the
16 date of the Commission's Order.

17 3. Order that the original conditions
18 imposed by the Commission under the findings of fact,
19 conclusions of law, and decision and order filed by
20 the Commission on May 17, 1988 as amended by the
21 Commission Order dated November 30th, 1990;
22 collectively the Waiawa Order, shall remain applicable
23 to the Petition Area, but shall be held in abeyance
24 starting the term of the solar farm project until such
25 time that Petitioner comes before the Commission to A.

1 State its intention of pursuing the development
2 described under the Waiawa Order on those portions of
3 the Petition Area that are not being utilized for a
4 solar farm, at which time the conditions imposed under
5 the Waiawa Order shall once again become effective as
6 to the remainder of the Petition Area; or seek the
7 Commission's approval of the new development proposal
8 for Petition Area at which time the Petition Area
9 shall be made subject to conditions as the Commission
10 determines are reasonable and comply with the
11 Commission's decision-making criteria.

12 MS. LIM: Thank you very much, Giorgio.
13 I'll now turn him over for questions.

14 CHAIR McDONALD: County, cross?

15 MR. LEWALLEN: Yes, just a couple brief
16 questions if I may, Chair.

17 CHAIR McDONALD: Go ahead.

18 CROSS-EXAMINATION

19 by MR. LEWALLEN:

20 Q Good morning, sir. My name's Richard
21 Lewallen again. I'm deputy corporation counsel for
22 the city and county. I'm here on behalf of the
23 Department of Planning and Permitting. You had
24 mentioned that the plan for solar farm includes no
25 residences, is that correct?

1 A That is correct.

2 Q Does the Project envision to have a
3 caretaker or caretakers on the property to take care
4 of the property?

5 A No. I think their security will have --
6 I'm sure there will be 24-sweep protocol but no
7 caretaker, permanent caretaker.

8 Q No guardhouse, guard residence or anything
9 like that?

10 A No.

11 MR. LEWALLEN: Thank you very much. I
12 appreciate your answers.

13 CHAIR McDONALD: State?

14 CROSS-EXAMINATION

15 BY MR. YEE:

16 Q You mentioned the hydrologic zone of
17 contribution. Could you explain what that is?

18 A Yes. Is it okay if I walk to a map? I'll
19 bring a mic.

20 CHAIR McDONALD: Sure. Just identify the
21 exhibits you're referring to.

22 THE WITNESS: So KS Exhibit 24, if you
23 look at this shaded area it's sort of in light
24 orange/beige, kinda near as I can come. That's the
25 hydrologic zone of contribution.

1 Q (By Mr. Yee) And what does that mean?

2 A So that area was determined that as water
3 falls and starts percolating down it becomes
4 groundwater, it was part of the water shed or the zone
5 of contribution to the Navy's well or their shaft. So
6 potentially any rainfall or any water that hit that
7 land could potentially end up in the Navy's potable
8 water supply.

9 Q The hydrologic zone of contribution is of
10 particular importance to refreshing or replenishing
11 groundwater supply, correct?

12 A Yes, correct.

13 Q So these are areas that are generally
14 regarded as areas that need to be protected for that
15 purpose, correct?

16 A Yes.

17 Q You mentioned that there might be a
18 battery located somewhere within the Petition Area.
19 Will that battery be located within the hydrologic
20 zone of contribution?

21 A No.

22 Q The original master plan was done, I think
23 you said, by Gentry at the time, correct?

24 A Yes.

25 Q And the case was in '88 so that was done

1 several years ago, correct?

2 A Yes.

3 Q As you said Kamehameha Schools did not
4 have any hand in developing that or creating that
5 development plan. So is Kamehameha Schools now
6 actively involved in creating a new master plan for
7 the Petition Area?

8 A Yes. We will spearhead any new master
9 planning effort since we've got -- since the Project
10 the property reverted back to us in 2012.

11 Q And will that plan be looking at
12 developing the remainder of the property outside of
13 the solar farms ahead of anything that will happen
14 with the solar farms?

15 A Yes.

16 Q How long do you think it'll take for the
17 master plan to be developed?

18 A Looking at, I think, about 5 years is I
19 think what we -- I'll defer to Cathy Camp who can talk
20 more about the development side. So I don't wanna --
21 I'll let her talk. I think it's somewhere around 5
22 years.

23 Q Would the development of the solar farms
24 delay or hinder the development of the remainder of
25 the property?

1 A No.

2 Q And I believe you said after you complete
3 the Master Plan and are ready to move forward with
4 your new Project, you'll then be coming back to the
5 Land Use Commission to determine whether there are any
6 new impacts requiring any new conditions, is that
7 right?

8 A Yes.

9 Q And that will be through a Motion to
10 Amend?

11 A Yes.

12 Q Can you give us, if you know, the year in
13 which the property reverted back to Kamehameha
14 Schools?

15 A 2012. Is that right, Cath? Yeah, 2012.

16 Q I'm sorry. Last question as I was going
17 through my notes. You mentioned the possibility that
18 the solar farms might continue past 35 years. If that
19 happens will you be coming back to the Land Use
20 Commission?

21 A Yes.

22 MR. YEE: Thank you. I have nothing
23 further.

24 CHAIR McDONALD: Any redirect?

25 MS. LIM: No redirect.

1 CHAIR McDONALD: Commissioners, any
2 questions for the witness?

3 COMMISSIONER WONG: Just one. Regarding
4 the 35 years, that's inclusive both phases, is that
5 correct?

6 THE WITNESS: Yes.

7 COMMISSIONER WONG: So if Phase 2 starts
8 in year 30 you'd have to -- you'd....

9 THE WITNESS: So realistically Phase 2
10 would probably have to start within the next 5 years.
11 And then the term of that agreement would sort of
12 coincide or align with the 35-year window. So, yeah,
13 I think Phase 2 10 years from now there would be
14 really a Phase 2 discussion. It would have to occur
15 in the next few years.

16 COMMISSIONER WONG: Thank you.

17 CHAIR McDONALD: Commissioner Scheuer.

18 COMMISSIONER SCHEUER: Mr. Caldarone, a
19 couple questions first about KS' values. It said in
20 their motion to seek to maximize economic return while
21 respecting the values? Or is it that you try to
22 optimize the 5 values?

23 THE WITNESS: Yes. So there's 5 values:
24 Education, Environment, Economic, Community, Culture.
25 So we look to optimize around those 5 values.

1 Basically every area is different. Some are more
2 predisposed around natural, cultural resource
3 management. Others are water resources, part of the
4 natural resource piece. Others are, our lands in
5 Kaka'ako are much more economically pre-disposed.

6 So when you receive an Urban property back
7 you're trying to figure out what does that optimally
8 look like. You know, it's challenging in the sense
9 it's sort of a unique problem that we have. We don't
10 have a lot of sort of empty urban lands. So, yeah.
11 So we kinda went through that process to optimize the
12 5 values.

13 COMMISSIONER SCHEUER: Is the proposed
14 Gentry Project that you're seeking to maintain
15 consistent with optimizing those 5 values?

16 THE WITNESS: The current Project I would
17 say, is not that it's inconsistent. I think it was
18 done during a different era. In 1983 the development
19 world was very different. The demographics were
20 different. The challenges were different.

21 I think if you look at the site it has,
22 it's really close to the makai TOD rail stop. It has
23 absolutely -- the current plan has no connection to
24 TOD or the rail which I think would be a shame to
25 develop it in its current form because it would just

1 exacerbate traffic. It wouldn't really leverage this
2 opportunity to connect with the rail.

3 So I think a future project would
4 definitely have, would look to integrate rail and TOD
5 to it.

6 COMMISSIONER SCHEUER: I'm sorry. My last
7 question is just a follow up. Mostly my understanding
8 from looking at the exhibits online and now on the
9 board, where the original housing was proposed and
10 commercial development was proposed, there's a
11 significant overlap between where the solar farm is
12 being put in.

13 But what you're now discussing as perhaps
14 future urban development, it's really outside the area
15 that had previously been considered closer to the
16 proposed TOD?

17 THE WITNESS: It could be. I'll stand
18 here. So if you look at -- you can still have that
19 big --

20 COMMISSIONER SCHEUER: Sorry. The Exhibit
21 No. is?

22 THE WITNESS: I'm sorry. 4. Yeah. So
23 where the solar -- actually I want to move over the
24 exhibits. Let's go to this one. Which one's that?
25 24. KS Exhibit 24. So you can see the shaded solar

1 areas. We would look obviously to potentially
2 development here, but there's a possibility to take
3 advantage of TOD which is down in this area that you
4 would look to possibly even move the boundaries to
5 make it more optimal and may give up some other
6 offer. We just haven't gotten to that point yet. So
7 it is possible.

8 COMMISSIONER SCHEUER: Thank you.

9 CHAIR McDONALD: Commissioner Aczon.

10 COMMISSIONER ACZON: Just a follow up on
11 Commissioner Scheuer's question about the Kamehameha
12 Schools land. Would they be considering Gentry's
13 land? Anybody consider Gentry's land or are they
14 gonna come up with a new development?

15 THE WITNESS: We've evaluated. Of course
16 we will continue to look at it. But I would assume
17 any new plan would look different. I don't think new
18 development in its current form (cell phone ringing)
19 would look at it, just take advantage of, be more
20 reflective of the current market conditions and some
21 of the changes that have occurred.

22 COMMISSIONER ACZON: So there'd be no
23 completely brand new development plan.

24 THE WITNESS: I don't know if it's a brand
25 new, could be potentially new. It could be hybrid. I

1 wouldn't be surprised if it's different.

2 COMMISSIONER ACZON: The next question
3 about the solar park?

4 THE WITNESS: Yes.

5 COMMISSIONER ACZON: I noticed a 35-year
6 agreement. Some are going to be construction
7 committed. How long -- how many -- the projection you
8 have on first phase operational generating in first
9 phase and second.

10 THE WITNESS: Yes. I'll let Nicola talk a
11 little bit more about the phasing. But Phase 1 would
12 happen fairly soon. I'll let her give you exact
13 dates. But those will happen. Phase 2 is still,
14 doesn't have a time right now.

15 COMMISSIONER ACZON: The last question.
16 The revenue from these solar farms, what will the KS
17 do on this one? Is there anything about going to the
18 infrastructure redevelopment?

19 THE WITNESS: We try not to earmark
20 directly. So even I was describing earlier when we
21 look at our agricultural lands. What we've done is
22 when we did our strategic Ag column we looked at a
23 portfolio of uses.

24 So you're not just -- by doing renewable
25 energy allows us to do Ag. If you just sort of pick

1 the economic things, people would just do renewable
2 energy and they wouldn't do Ag.

3 So we've invested over 20 mil in this Ag
4 infrastructure in different areas for the past few
5 years. So we've basically -- the leadership brought
6 in the concept of looking at them together. So when
7 you put it all together it still makes sense. The
8 revenues, all revenues whether it's agriculture,
9 residential, commercial, all go into this sort of our
10 general fund which then puts out, supports education.

11 If we're not -- either our money goes into
12 an educational pot or sometimes we fund our own
13 projects, the equity or we use a lot of third-party
14 developers to minimize our equity contributions to
15 projects. So this fund, this money would go to the
16 general fund and probably support education.

17 COMMISSIONER ACZON: Thank you, Chair.

18 CHAIR McDONALD: I've got a couple
19 questions, Mr. Caldarone. This body has approved
20 incremental redistricting of Castle & Cooke Waiawa.
21 The premise of those approvals were tied into the
22 Waiawa Project as far as construction, collaboration,
23 cost sharing.

24 Is there an intention for KS to continue
25 collaboration with the Castle & Cooke on that Waiawa

1 Project?

2 THE WITNESS: Yes, definitely. But I'll
3 let -- Cathy will talk with more detail but I know we
4 do intend to collaborate with Castle & Cooke.

5 CHAIR McDONALD: You briefly mentioned the
6 basis of Phase 2 moving forward will be determined in
7 part on the power purchasing agreement.

8 THE WITNESS: Yes.

9 CHAIR McDONALD: Can you speak a little
10 bit about how that power purchase agreement is
11 developed? Who is involved?

12 THE WITNESS: I'll talk a minute. I know
13 Nicola can back me up on this. She does this. But
14 the PPA is basically a negotiation between the
15 developer and the utility. It's the contract by which
16 allows a, by which the offtake, they could buy
17 electricity from that developer so it makes the
18 Project financeable.

19 Without a PPA, without any off-take you
20 can't really build the project. It's non-financeable.
21 So could HECO commit to a period of time locking them
22 into it that allows the deal to become financeable.
23 It has pricing and everything in it.

24 CHAIR McDONALD: I'll refer to the
25 testimony. Then maybe this is not a question for you.

1 If it's not then you can let me know who to direct the
2 question to. The public's heard a lot about the
3 challenges HECO has been having with their
4 inter-connection to individual homes through the grid.
5 Will this Project at all impact the potential for
6 individual homeowners to do solar within their
7 individual residences?

8 THE WITNESS: Yeah. And I'll let Nicola
9 address that more specifically. But I know we were
10 told no, those were different circuits, but she can
11 dive deeper into that.

12 CHAIR McDONALD: I appreciate that, Mr.
13 Caldarone. Thank you for your testimony. We're going
14 to take a 5-minute recess for our court reporter.

15 (Recess was held.)

16 CHAIR McDONALD: Okay. We're back on the
17 record. Ms. Lim, your next witness.

18 MS. LIM: Yes, please. Next witness is
19 Tom Witten. And he's going to be speaking about land
20 use and environmental planning. So, Mr. Witten.

21 CHAIR McDONALD: Good morning,
22 Mr. Witten.

23 THE WITNESS: Good morning.

24 TOM WITTEN
25 being first duly sworn to tell the truth, was examined

1 and testified as follows:

2 THE WITNESS: Yes.

3 CHAIR McDONALD: Please state your name
4 and address for the record.

5 THE WITNESS: Thomas S. Witten W-i-t-t-e-n
6 1001 Bishop Street, Suite 650, Honolulu, Hawaii,
7 96813.

8 CHAIR McDONALD: Thank you.

9 DIRECT EXAMINATION

10 BY MS. LIM:

11 Q Tom, what's your current occupation today?

12 A I'm a landscape architect, land planner
13 with PBR Hawaii.

14 Q Would you please describe your educational
15 background for the Commission.

16 A Sure. I got my undergraduate degree from
17 the University of California at Berkeley in Landscape
18 Architecture. Did some special studies work at
19 graduate School of Design, Harvard University, sort of
20 perpetual development courses in the mid '80s. And I
21 graduated in 1976.

22 Q Are there any particular areas that you
23 specialize in?

24 A My practice has been primarily focused on
25 regional and community planning. But both the public

1 and private sector I focused on those aspects of
2 wider-scale land use planning, community planning,
3 resource management and also getting down to the
4 site-specific development plans.

5 And related to those projects I get
6 involved in all the regulatory approval processes at
7 both the federal, state, and county levels for
8 processing and permit requirements.

9 Q Tom, is there a copy of your resumé filed
10 with the Commission?

11 A Yes. I think it's Exhibit 29.

12 Q That's right. KS Exhibit 29. I believe
13 that also lists some of the professional organizations
14 and affiliations that you belong to.

15 A Yes. American Society of Landscape
16 Architects, Urban Land Institute, LAMDA ALPHA which is
17 an international land economics association, American
18 Planning Association Hawaii Chapter.

19 I've also served on the Friends of
20 Honolulu Botanical Gardens for over a decade. And
21 also I sit on their advisory council for the Dean up
22 at the School of Architecture University of Hawai'i
23 Manoa.

24 Q Thank you, Tom. Have you ever been
25 qualified as an expert before this Commission?

1 A Yes, both as a land use planner and
2 environmental planner.

3 MS. LIM: At this time if I may I'd like
4 to request the parties' confirmation that we can
5 qualify Mr. Witten as an expert in land use planning
6 --I'm sorry, land use and environmental planning for
7 these proceedings.

8 CHAIR McDONALD: Parties, any objections?

9 MR. LEWALLEN: No objection.

10 MR. YEE: No objection.

11 CHAIR McDONALD: Mr. Witten is admitted.

12 MS. LIM: Thank you, Chair. With that I'm
13 going to turn over, turn this over to Tom.

14 Q Go ahead, describe the Project, describe
15 some of the issues that you think the Commission
16 should be interested in.

17 A Yes. I think Giorgio kinda hit the
18 highlights as far as the Project as depicted within
19 the Petition Area, referring to KS Exhibit 8 errata
20 filed 6/2014. You can see the Phase 1 area of
21 approximately 287 acres of which 250 acres would be
22 actually used for the panels, the solar panels.

23 Then Phase 2, the 268-acre area. Phase 1
24 was projected, and Nicola will get into more detail,
25 but projected to generate 50 megawatts. And Phase 2,

1 if that moves forward, will be 65 megawatts.

2 The area is located in Waiawa and Waipio
3 in the 'Ewa District of O'ahu. It's designated by
4 several TMK maps. Just for reference for the Island
5 of O'ahu is bracketed 1, 9-4-6 parcel 34 portion of
6 35, 36 and a portion of 37.

7 Also includes the same TMK 9-6-04, parcel
8 24 portion 25, 26, and 9-6-05 parcel 1 of portion.
9 And these are shown on the KS Exhibit 1 which is up
10 here on the board.

11 Q Could I stop you right there, Tom. KS
12 Exhibit 1 outlines -- has a large land area outlined
13 in red. So if you could just let the Commissioners
14 know what that area is.

15 A Yeah. That is the Petition Area that
16 Gentry got approved in 1988. That heavy outline is
17 consistently represented on, I think, most of the
18 exhibits in some form, although the exhibits changed
19 scale a bit.

20 So it encompasses 1395 acres in 2 parcels,
21 upper Waiawa, separate 50+ acre parcel. So it's
22 contiguous in the larger area.

23 Q So that outlines the actual metes and
24 bounds of the 1395 acres --

25 A Correct.

1 Q -- that was approved by the Commission.
2 Thank you. And where is this on the island generally?

3 A Generally it's -- let's see which is the
4 good exhibit? I'll use the reference KS Exhibit A
5 errata. Here's the H2, H1 Freeway, Kamehameha Highway
6 and Pearl City. So it's just west of Pearl City.
7 Here's Ka Uka Boulevard. The landmark for some is the
8 Costco in Waipio by Gentry area. The Mililani
9 Cemetery is up in here.

10 So basically it's in that Waipio/Waiala
11 area. Waiawa Stream kinda comes down this area. The
12 H1/H2 Interchange with Kamehameha Highway. Leeward
13 Community College is just off the map.

14 Q And the Waiawa Correctional Facility is
15 roughly what portion of that?

16 A I think in all cases it's probably off
17 this exhibit. It's further mauka. You can see the
18 access road and it's further, further up in here.

19 Q Tom, were you involved in the original
20 reclassification that Gentry obtained from the
21 Commission?

22 A No, we were not.

23 Q Do you have some familiarity based on your
24 review of the Commission's Decision and Order on that
25 matter?

1 A Yes. As far as the Decision and Order not
2 specifically other than reviewing the past Decision
3 and Order documents and the plans. We did get
4 involved with Gentry and subsequently the Gentry A&B
5 partnership in Waiawa Ridge planning in the mid '80s
6 while they were looking when they put that partnership
7 together.

8 So I'm familiar with the lands, familiar
9 with the previous plans and were assisting the Waiawa
10 Ridge partnership with some planning refinements.

11 We went to the county, worked with the
12 county on some adjustments, zoning boundary
13 adjustments on smaller areas to try to make the plan
14 work better. They were, as Giorgio mentioned earlier,
15 that there were efforts to get the Project up and
16 running before the financial crisis in 2008.

17 Q If you would, maybe by reference to the
18 exhibits, let the Commissioners know what the current
19 land use classifications are.

20 A Okay. Referring to exhibit -- KS Exhibit
21 2. This highlights -- the pinkish areas are the state
22 Urban Districts currently. The heavy bold line is
23 what Gentry received, the 1395 acres.

24 The next Exhibit 16 is the Central O'ahu
25 Sustainable Communities Plan from 2002 I think it was

1 approved. It's currently being updated and reviewed
2 with the City. But this is what's currently on the
3 books. Highlighted in red is the Petition Area.

4 So generally the entire area is within the
5 urban growth boundary area and is planned for
6 residential and open space uses including the 2 golf
7 courses that were originally planned with the Gentry
8 Plan.

9 As was noted earlier that the next exhibit
10 shows the county zoning.

11 Q KS Exhibit 4?

12 A Yes. KS Exhibit 4. I thought you were
13 telling me to stop. (laughter) KS Exhibit 4. And
14 again, as Giorgio mentioned, the next exhibit shows
15 the hydrologic zone of contribution. You'll notice
16 the zoning reflects that western boundary of that zone
17 of contribution. So those lands were not zoned.
18 Those were kept in Ag 1.

19 But pretty much the balance of the main
20 master planned area that Gentry had planned has been
21 zoned for a variety of uses, various residential uses,
22 2 golf courses, a commercial mixed-use, industrial
23 mixed-use district, some in light industrial areas and
24 provides for a variety of densities and neighborhood
25 business opportunities for the various neighborhoods

1 that were originally planned.

2 Q Tom, is this property in a Special
3 Management Area?

4 A No. This property is not with the county
5 Special Management Area.

6 Q Now, you've explained to the Commission
7 you've been doing land use planning, environmental
8 planning for several decades. In your professional
9 opinion is this property still appropriate for State
10 Land Use Urban designation?

11 A Yes. I mean its location and especially
12 with the under-construction Rail project, I think it
13 sits next to the primary urban center planning area
14 including Pearl City and as envisioned back in the
15 mid-'80s.

16 It wasn't feasible as an agricultural use
17 when it was farmed for sugar cane. I think it's been
18 fallow since 1983 from what I understand from the
19 previous decision and order.

20 So I think it meets all the criteria as it
21 did in 1988 by the Land Use Commission, and it would
22 still meet those criteria today.

23 Q So you mentioned that is yet something new
24 on the development horizon city-wide that wasn't
25 around when Gentry got their approval.

1 A Correct. The last exhibit all the way
2 down there -- what is the Exhibit 5? -- depicts the
3 rail corridor coming through with a station at Leeward
4 Community College and Pearl Highlands. We
5 superimposed a 1-mile and 2-mile radius from those
6 stations to show the significant amount of the Project
7 Area would fall within relatively close proximity.

8 As Giorgio mentioned, and I'm sure Cathy
9 will speak to later in her testimony, the Kamehameha
10 Schools planning is looking at that as a significant
11 change in the regional infrastructure and
12 accessibility to Waiawa.

13 So I think their planning going into the
14 future would definitely take into consideration
15 opportunities for possibly higher density and more
16 connectivity to the locations of those stations and
17 the Rail.

18 Q Thanks, Tom. We're going to switch gears
19 a little bit and go back into the Gentry projects.
20 And realize I have a very direct question for you
21 about the Commission's approval of the Gentry project.
22 Was there a timeline or timeframe mandatory for
23 development of that project?

24 A There's no condition although Gentry
25 represented they intended to proceed with development

1 within a 12-year timeframe.

2 Q But was there --

3 A Yes, surprisingly there wasn't a specific
4 condition imposed by the Commission.

5 Q So that development occurred in a specific
6 timeframe.

7 A Correct.

8 Q Was there a condition imposed in that
9 Order that even that the property would be developed
10 in compliance with the representations made by Gentry?

11 A Surprisingly, no. I mean our experience
12 those were sort of general conditions. When looking
13 back at it we weren't involved in that proceeding.
14 But surprisingly there weren't (woman sneezing)
15 imposed that specified that it would be substantially
16 -- developed substantially consistently with the
17 representations made before the Land Use Commission.

18 Q Thanks. That is an unusual feature.

19 A Yeah. And we did -- because of that we
20 kinda looked back at some of the other dockets in that
21 era and did find, you know, several, several examples
22 in '88 and '89 of similar State Land Use petitions
23 that were approved and that had those, had those
24 conditions of substantial compliance with
25 representations made. So it is a little bit of an

1 anomaly I guess for this Petition.

2 Q I know I'm the attorney and you're not the
3 attorney, but I'm going to ask you a legal question
4 which comes out of the State Land Use law specifically
5 Re: Section 205-4(g). Are you familiar with 205-4(g)?

6 A Generally, yes. I'm familiar with it.

7 Q And does that section of the law give the
8 Commission the ability, the legal right to impose
9 those kind of conditions?

10 A Yes. They've had the provision for
11 substantial commencement. So it speaks to both time
12 and representations made before the Commission.

13 Q Thank you. So that this Commission could
14 impose conditions like that in this proceeding.

15 A Yes. And they have on other -- more
16 consistently I think they've had those conditions
17 imposed.

18 Q Thanks, Tom. Switching gears again now to
19 talk about environmental issues. You mentioned I know
20 that you and your firm do a lot of environmental work
21 in Environmental Assessments, EAs. Can you talk a
22 little bit about that, please?

23 A Yeah. We do a lot of work at both the
24 state and even the federal level with NEPA, EIS's. In
25 this case with the solar farm we've -- although there

1 was an EIS done for the original Gentry Project that
2 was accepted in 1987 by the City, at that time
3 Department of General Planning, now, Department of
4 Planning and Permitting. And at that time the trigger
5 for the EIS was the Development Plan Amendment which
6 is one of the statutory triggers for an EIS. So that
7 EIS was done in '87 under that trigger.

8 For the proposed solar farm there really
9 isn't any, by statute, any trigger under Chapter 343.
10 And we've been in consultation with the Kamehameha
11 Schools. There's been communication with DPP. And
12 there's actually an Exhibit 14, KS Exhibit 14, a
13 letter from the DPP Director George Atta, confirming
14 our understanding that there are no triggers and that
15 an Environmental Assessment or EIS would not be
16 required for the solar farm.

17 Q Do you anticipate that when Kamehameha
18 Schools comes forward to develop something other than
19 solar farm, whatever that may be, that there would be
20 requirements in Chapter 343?

21 A Most likely. I think when you look at
22 there's provisions. Some of the triggers and more
23 recently was up for legal interpretation focus on use
24 of county or state land.

25 In many cases of large projects there may

1 be some offsite or adjacent infrastructure
2 requirements that would involve state lands, primarily
3 connections or utilizing road right-of-ways and the
4 like.

5 So there's that trigger. Potentially
6 depending on what the resultant plan is there may be
7 elements of the Central O'ahu Sustainable Communities
8 Plan that may not align just right. So there may be
9 several, several triggers at the Chapter 343 level
10 that would require an EIS or Supplemental EIS.

11 Q And that would be before Kamehameha
12 Schools actually proceeded with some development other
13 than the solar project.

14 A Yes, most likely.

15 Q You know, this Commission sees a lot of
16 people coming before it who haven't the means to,
17 after they finish with the Commission, go before
18 county council or city council and get rezoning. Are
19 there any kind of zoning issues besides, not to step
20 on Mr. Lewallen's toes. But if you could just touch
21 briefly on the county requirements that this Project
22 faces.

23 A As far as the zoning, the zoning's in
24 place. There's some unilateral agreements that I
25 think are tied to the zoning. I don't have the

1 specifics on those.

2 I think as Kamehameha Schools advances
3 their re-look at the property and master planning,
4 there's likely to be some adjustments or desires to
5 adjust zoning to fit ultimately a new master plan.

6 Q How about the solar project? Is the solar
7 project permitted under the existing zoning?

8 A The solar project is permitted in all the
9 land use classifications that are, that's currently
10 planned on. It requires a conditional use permit
11 minor because of its utility scales. And that is
12 processed administratively with the approval by the
13 director.

14 And typically once the application is
15 deemed complete it typically gets processed within 45
16 days.

17 Q Thanks. So you just confirmed that solar
18 would be permitted in any zoning category. I believe
19 KS Exhibit 11 has the master use table from the
20 Honolulu Land Use Ordinance.

21 A Correct.

22 Q So solar's permitted. What about
23 livestock use?

24 A Livestock use when you -- I know the
25 Department of Agriculture came up with a

1 recommendation. So we took a look at that.
2 Agricultural uses are not permitted in those zoning
3 classifications that are identified where the solar is
4 being planned.

5 Q Thanks, Tom. Just briefly to touch on
6 some of the nitty-gritty. The soils for the area have
7 already been assessed and set forth in the Waiawa D&O.
8 Do you want to just mention that quickly? And I
9 suppose that the bottom line, after discussing what
10 was the nature of the soils would be, would this solar
11 project have any significant impact on agricultural
12 uses, agricultural production?

13 A Well, the solar project itself is within
14 the Urban District. The lands haven't been used for
15 agricultural purposes, would not have an impact on
16 agricultural resources of the state or O'ahu.

17 As far as the soils the Petition Area is
18 almost all silty clay, Helemano silty clay, Lahaina
19 silty clay, Leilehua silty clay, Manana silty clay,
20 Pa'aloa silty clay, Wahiawa silty clay.

21 And there are some silty clay loams,
22 Manana silty clay loam, Molokai silty clay loam. And
23 there's some portions of the eastern edge of the
24 property, I think, along that ridge line of the Waiawa
25 Valley Stream areas there's some rocky lands. And it

1 was noted that there's small areas of fill land on the
2 property within the Petition Area.

3 Q Thanks, Tom. Sticking with sort of the
4 legalistic decision-making criteria that the
5 Commission has to follow, are you familiar with HRS,
6 Hawaii Revised Statutes 205-16 and what that says?

7 A Yes. In general that provision -- I have
8 my notes here, but if you want me to read the
9 specifics of that provision are relatively short.

10 Q Please do.

11 A Yes. The Chapter -- HRS Chapter 205-16
12 notes that, "No amendment to any land use district
13 boundary nor any other action by the Land Use
14 Commission shall be adopted unless such amendment or
15 other action conforms to the Hawaii State Plan."

16 Q Thank you. So in undertaking its analysis
17 the Commission will need to look at whether the solar
18 project conforms to the Hawaii State Plan?

19 A Yes.

20 Q Now, I know that you've undertaken an
21 analysis of your own. Would you please tell the
22 Commission what your determinations were?

23 A Yes. There are several areas in the State
24 Plan that provides strong, or consistent with the
25 objectives and policies of the State Plan that this

1 Project would support. Quickly, I'll refer to the
2 sections HRS 226-18 objective and policies for solar
3 systems-energy. This section speaks to planning for
4 state facility systems with regard to energy shall be
5 directed toward the achievement for the following
6 objectives: Giving due consideration to all. It
7 speaks to dependable, efficient, economic state-wide
8 energy systems, increased energy self-sufficiency,
9 greater energy security diversification, reduction
10 avoidance for sequestration of greenhouse gas
11 emissions.

12 It goes on to speak to the energy
13 objectives as a state policy to "ensure the short and
14 long-term provisions of adequate, reasonably priced
15 and dependable energy services to accommodate demand."

16 Another section goes on to focus on the
17 energy objectives supporting research and development
18 as well as promote the use of renewable energy which
19 this Project is. And ensure the combination of energy
20 supplies and energy saving systems sufficient to
21 support the demand for growth.

22 And decisions of least cost of supply side
23 and demand side energy resource options on a
24 comparison of the total cost and benefit when the
25 least cost is determined by reasonably comprehensive

1 quantitative and qualitative accounting of their
2 long-term direct and indirect economic, environmental,
3 social, cultural and public health costs and benefits.

4 I think, as Nicola will get into more of
5 the details of the Project and what the benefits are,
6 the proposed energy farm aligns strongly with these
7 State Plan policy and objectives.

8 Q That's a lot to say!

9 A Yes, it is. I tried to shorten it.

10 Q Thank you, Tom. I'm not going to drag you
11 through all the different sections of the Hawaii State
12 Plan. I'm going to ask one last question and then
13 turn you over to the other parties. That's simply in
14 your professional opinion as a land use planner,
15 environmental planner, do you believe that a solar
16 project is appropriate for this property and these
17 locations at this time?

18 A Yes. I think it has an interim use. It
19 will give Kamehameha Schools an opportunity to look at
20 these lands in the long term what the best uses are.
21 I know they're updating their strategic plan.

22 Giorgio spoke to their five values and how
23 their perspectives are on those and measuring those
24 against their land management, their stewardship of
25 their lands.

1 Cathy will probably speak more
2 specifically to how they'll be looking at these lands
3 moving forward. I think from a land use policy and
4 decision-making bodies as the Land Use Commission,
5 it's strongly consistent with the State Plan,
6 consistent with the Land Use Commission rules as far
7 as decision-making related to urban lands. It's an
8 interim use that will provide economic benefits to
9 Kamehameha Schools to help fulfill their mission.

10 And it'll provide sufficient time for
11 Kamehameha Schools to update their strategic plan and
12 do the planning that'll be necessary on the upcoming
13 Rail system and the opportunities that may provide.

14 I think when you look at -- when you look
15 at the original Petition Area and there's 2 segments
16 of it, I think it's probably logical that ultimately
17 the Master Plan with the focus more on the southern
18 area of the Project with the PV, as an interim use on
19 the northern end of the Project. The opportunity
20 would be to start with the higher density
21 opportunities and plan that area so it becomes more
22 contiguous.

23 Since we weren't involved in the original
24 Petition Area it's hard to understand how, why the
25 separation of those two parcels. I would think that

1 would be looked at as they move forward.

2 MS. LIM: Thank you. I have no further
3 questions at this time.

4 CHAIR McDONALD: County, your witness.

5 MR. LEWALLEN: Thank you, just a few
6 questions, Mr. Chair.

7 DIRECT EXAMINATION

8 BY MR. LEWALLEN

9 Q Mr. Witten, did you testify you're
10 familiar with the general scope of the 1988 plan?

11 A Yes.

12 Q I believe that earlier Mr. Caldarone
13 testified, and forgive me, if I mispronounce it, about
14 building a land bridge across Panawai Gulch. Are you
15 familiar with that?

16 A Yes.

17 Q Are you familiar with the -- sorry.
18 Pardon me. Are you familiar with the nature of the
19 plan on that bridge?

20 A Yes. I've seen in our work with Gentry
21 and Gentry Ridge, the partnership hui who I understand
22 what the concept was.

23 Q Were you familiar with the anticipated
24 cost of that?

25 A Not specifically. I know it was a big

1 challenge from their phasing standpoint to make that
2 upfront investment because it comes on the front end
3 and how much land they get access from that.

4 Q Are you saying the cost of that land
5 bridge had an impact on the feasibility of the
6 original 1988 plan?

7 A I think in the partnership they thought
8 they had a solution that was gonna work economically
9 until the financial crisis in 2008. But it was always
10 a big nut upfront to crack as far as overall
11 development feasibility.

12 MR. LEWALLEN: Thank you. No other
13 questions, Mr. Witten.

14 CROSS-EXAMINATION

15 BY MR. YEE:

16 Q Thanks, Tom. You gave a geographic
17 orientation of some of the surrounding areas and what
18 the area's like. I wonder if you could point to the
19 map by one of the Commissioner's chair. I would ask
20 this question, if you could just give a geographic
21 location of the Koa Ridge project?

22 A Yes, I could probably show it on the
23 zoning map here. Koa Ridge is this orange and amber
24 colored area up there. The Costco and Ka Uka
25 Boulevard is right here, referring to Exhibit 4. I

1 think the incremental districting for their Castle &
2 Cooke Waiawa is right at this notch here of the Waiawa
3 Gentry Project.

4 Q Thank you. And if you know do you know
5 what the average acreage needed per megawatt for solar
6 farms?

7 A No. Nicola will be addressing the
8 specifics of the energy.

9 Q What is the current use of the lands?

10 A It's fallow.

11 Q So there's no grazing there currently.

12 A No, not that I'm aware of.

13 MR. YEE: Thank you. Nothing further.

14 CHAIR McDONALD: Any redirect?

15 MS. LIM: No.

16 CHAIR McDONALD: Commissioners, any
17 questions for Mr. Witten? Go ahead.

18 COMMISSIONER SCHEUER: Mr. Witten, I'm not
19 sure it's in the KS exhibits, but can you show me the
20 relationship between the proposed solar farms and
21 lands classified as A or B?

22 THE WITNESS: We do not have an exhibit
23 showing the A and B class lands of the Land Study
24 Bureau. So I can't really -- I can't really show
25 because it's been urban. None of the Petition Area

1 would show up on the LSB maps my understanding.

2 COMMISSIONER SCHEUER: Thank you.

3 CHAIR McDONALD: Thank you, Mr. Witten.

4 THE WITNESS: Thank you.

5 CHAIR McDONALD: Your next witness,
6 please.

7 MS. LIM: Thank you. And that will be
8 Ms. Nicola Doss from SunEdison.

9 NICOLA DOSS

10 being first duly sworn to tell the truth, was examined
11 and testified as follows:

12 THE WITNESS: Yes.

13 CHAIR McDONALD: Would you please give
14 your name and address for the record.

15 THE WITNESS: Nicola Doss, 29-877 Kalakaua
16 Avenue, No. 104, Honolulu, Hawai'i, 96817.

17 CHAIR McDONALD: Thank you.

18 DIRECT EXAMINATION

19 BY MS. LIM:

20 Q Nicola, could you please tell the
21 Commission who you work for, what your position is,
22 and what your involvement with this Project is.

23 A Sure. I'm a senior manager of project
24 development at SunEdison. I've been part of all the
25 projects specifically for going on 3 years. I cover

1 really all of our project portfolio for the state of
2 Hawai'i.

3 I have a background in business
4 development, project management and including utility
5 scale solar development for the last 5 years, and
6 involved in the solar industry in general for the last
7 10.

8 Q Did you provide a copy of your resumé for
9 the proceeding?

10 A I did. It was submitted as Exhibit 7.

11 Q And does KS Exhibit 7 describe your
12 educational background and any organizations that
13 you're involved in?

14 A Yes, yes.

15 Q Why don't you let the Commissioners know
16 about that.

17 A Sure. I have a Bachelor's Degree from the
18 University of California Santa Barbara; Master's in
19 Natural Resource Management from James Cook University
20 in Townsville, Australia; and an MBA from the
21 Australian Graduate School of Management in the city.

22 Q And how about some of the professional
23 organizations that you're with.

24 A Sure. Primarily solar industry
25 associations including SEIA, which is the Solar Energy

1 Industry Association, SEPA which is a utility, Solar
2 Electric Power Association, and locally HREA which I
3 was an active member of Hawaii Renewable Energy
4 Alliance.

5 Q Have you ever been before this Commission?

6 A No, I have not.

7 Q So you've never been qualified as an
8 expert witness?

9 A No, I have not.

10 MS. LIM: So at this point, as I did with
11 Mr. Witten, having asked the parties to allow me to
12 qualify Ms. Doss as an expert witness in the utility
13 scale solar development projects.

14 MR. LEWALLEN: No objection.

15 MR. YEE: No objection.

16 CHAIR McDONALD: Commissioners, any
17 objections? (no response) Okay.

18 MS. LIM: Thank you very much. Thank you.
19 Okay. So with that, Nicola, all the questions are
20 really peeling back. So solar projects, power
21 purchase agreement.

22 THE WITNESS: Sure. I'll just go for it.
23 Okay. So essentially the Project is primarily the 50
24 megawatt that comprises Phase 1. And the 65 megawatts
25 that's really proposed as Phase 2, comprising 115

1 megawatts. That's all within the area that we're
2 discussing here KS property.

3 So the initial phases within the 387 acres
4 that is Phase 1. And we're looking to put panels on
5 approximately 250 acres. So to answer the question
6 about 5 acres per megawatt for fixed tilt, and
7 typically that's a little higher for single axis
8 tracking or dual axis trackers with 5 in the open air,
9 250 acres of panels.

10 Really the solar farm is comprised of, I
11 think as Giorgio said, pretty simple modules
12 pad-mounted inverters, a racking system. We're using
13 a fixed tilt racking system. That powers and
14 collected back to the power substation. And
15 potentially the Project will include battery storage.

16 At this time we're not anticipating to
17 include storage in the Project. But we would like to
18 leave that open as a potential going forward as it is
19 an agenda item, I guess, going forward for the Public
20 Utilities Commission and Hawaiian Electric.

21 Q Nicola, if we could referring to the
22 exhibits, and I believe it's KS Exhibit 24, there's a
23 black oval in the Phase 1 area.

24 A Yeah.

25 Q Please explain to the Commissioners what

1 that black oval area is.

2 A So that's the general area. Actually that
3 area's designated there's quite a lot larger than what
4 we'll actually need which is only a couple of acres
5 for the Project substation, and the proposed battery
6 area. So that's where we would site the storage
7 facility, should it be required. And that's where the
8 project substation would be located.

9 So it will co-act as FTC back to the AC
10 and step up to a 46 kV. So it connects back to the 2
11 lines that run along H2 back to a gen time or
12 generation time back to the 46 kV lines.

13 Q Thank you. So in Phase 2 then you're
14 saying that absolutely there won't be a battery
15 storage or substation area?

16 A No. No. So we will not have any project
17 substation or battery storage sited in the zone of
18 contribution.

19 Q Thanks. If you would, and I know you just
20 said this, but when you originally talked about this
21 to me, I needed you to slow down 'cause it's not
22 intuitive.

23 Would you explain to me and explain to the
24 Commissioners, I'm sorry, how the energy is going to
25 get both from Phase 1 and then from Phase 2 into the

1 HECO system.

2 A So Phase 2 actually hasn't gone through an
3 interconnection study. So the interconnection points
4 will be determined following an interconnection study
5 for Phase 2. Phase 1 does have a nearly completed
6 interconnection study. And that will connect back, as
7 I said from that project substation to the 46 kV lines
8 that run along H2. And that's for the study.

9 But really those points of interconnection
10 are determined largely by HECO after being proposed by
11 us and then studied just part of that interconnection
12 requirements and study process.

13 That study the impact of that
14 interconnection on the larger system and ensures
15 there's no negative impact.

16 Q So you explained that there hasn't been
17 any interconnection study in Phase 2 because it's much
18 too premature. What is the status of the
19 interconnection study for Phase 1?

20 A We've actually received a draft.
21 SunEdison says we're reviewing that draft and it is
22 near final. So it's part of the ongoing negotiations
23 with Hawaiian Electric. That interconnection
24 requirement study is included as part of the PPA.

25 So it'd be included in the technical

1 attachments before performing an interconnection
2 agreement within the power purchase agreement. So
3 that is due to be submitted to the Public Utilities
4 Commission on December 4th per their schedule.

5 Q I'm sorry. That's the PPA that'll be
6 submitted?

7 A Yes. Within that, comprising that is
8 essentially the interconnection agreement which
9 formalizes the outcomes and scope and the details that
10 came out of the interconnection requirement study
11 itself.

12 Q So you're right on the cusp of submitting
13 -- or HECO's right on the cusp of submitting something
14 at the Public Utilities Commission.

15 A That's correct.

16 Q How long has SunEdison been working on
17 this Project?

18 A So really since the original landowner
19 back in 2010. So going on 5 years of development
20 leading up to even that submission.

21 Q What is, briefly, what's the arrangement
22 that SunEdison has with Kamehameha Schools?

23 A So we entered into an agreement to grant
24 easement, which is essentially like an option that
25 would be executed that also includes the underlying,

1 basically a lease for the easement. So if an easement
2 agreement in light of the option agreement. So those
3 together would bring, calling a development agreement.
4 Really that comprises all the terms and conditions for
5 the development of the property, both the option
6 period during development and then the long-term lease
7 of the easement property.

8 Q Is this Project similar to some other
9 projects that SunEdison has done elsewhere in another
10 country or elsewhere in Hawai'i?

11 A Absolutely. In terms of the structure
12 this is really pretty typical for how we structure
13 projects in terms of the size. We developed several
14 projects nationally and globally of the scale. One
15 that's very notable, 75 megawatts in Italy.

16 I know that in California they're
17 developing several properties that are 50 megawatts
18 have been constructed, 75 megawatts are in
19 development, 100's of megawatts, really, in the
20 deserts of California.

21 Q This is SunEdison's first large Project in
22 Hawai'i; is that correct?

23 A That's correct.

24 Q So maybe the Commissioners don't have much
25 background with the company. Can you tell them

1 financially what's the company worth?

2 A Sure. SunEdison today is actually a
3 50-year-old technology company, previously known as
4 MMC Electronic Materials, publically traded on the New
5 York Stock Exchange SUNE. The project development
6 side of the business, started business in 2003. It
7 was acquired by MMC.

8 So the company has a market capitalization
9 of just over 5 billion. We've financed over \$5
10 billion of projects with project capital. We've done
11 over a thousand megawatts of projects globally, one of
12 the leaders, really, in the industry.

13 So really kind of transformed several
14 others on some of the impacts. I guess 4.2 million
15 hours of electricity generated; 4.6 trillion pounds of
16 carbon dioxide offset by our activities. But we're
17 really vertically integrated.

18 So SunEdison today manufactures panels and
19 actually manufactures the grids and the wafers that
20 comprise the panels and that are really in all sorts
21 of different modules as compartment SunEdison modules.
22 There we have really the solar part of the business
23 and the solar project development part of the business
24 that I'm a part of.

25 Q Thanks, Nicola. I want to talk about the

1 economic impacts of this Project. When I say that I
2 want you to tell me about what kind of savings are
3 anticipated to result from using solar energy rather
4 than fuel.

5 A Sure. Yeah, so I'm just looking here. So
6 the average cost of residential electricity in Hawai'i
7 is approximately 37 cents per kilowatt hour. The
8 avoided cost for Hawaiian Electric to generate power
9 today is approximately 22 cents per kilowatt hour. So
10 that is the cost to currently generate alternative
11 energy which is primarily fossil fuel-dependent today.

12 So that price is about triple the national
13 average, that 37 cents, for the price of residential
14 electricity. The Round 2 Waiver Projects that this
15 Project was a part of had an average price, and this
16 is per Hawaiian Electric Clean Air Release of 15.9
17 cents. So that gives you a sense then 15.9 cents
18 versus 37 cents of the type of savings that we're
19 talking about.

20 Just in general terms that's approximately
21 145 million over the term of Phase 1. That is an
22 approximation that would vary based on your
23 projections of fuel costs and volatility, a number of
24 other factors.

25 But if you just look at the delta between

1 current avoided costs and the price that we're
2 proposing where they were entering into a long-term
3 agreement for the estimated savings on the Phase 1
4 Project alone.

5 Q Phase 1. So using that same analysis
6 Phase 2 that's a 65 megawatt project. What's the
7 estimated cost savings there?

8 A So that's approximately 188 million.

9 Q 188 million.

10 A Yeah. And just to give a rough estimate
11 for Phase 1 that's about 9800 homes usage. And that's
12 approximately 12,740 on Phase 2.

13 Q Meaning that for the term of the Project
14 it's as if 9800 homes --

15 A Had solar energy offsetting.

16 Q Offsetting that fuel costs. Then for the
17 1200 homes, 1300 in Phase 2 homes.

18 A Yes.

19 Q So that's a pretty substantial impact in
20 terms of savings to HECO and presumably to consumers.
21 The Project itself, is it going to be much of a job
22 generator, a direct job generator?

23 A During the construction term there will be
24 local labor used, and really about 150 workers on site
25 during that 12-month period probably for a number of

1 months, not the whole period of time.

2 But after that during the operations
3 period we don't have a lot of ongoing staff that'd be
4 24-hour security as Giorgio mentioned. Besides that a
5 couple of on-call operations and maintenance folks
6 like on the order of 5 to 10 part-time employees.

7 Q Thank you. How about social impacts? I
8 know Kamehameha Schools obviously has a significant
9 focus on education. Is SunEdison going to be
10 complementing Kamehameha Schools' focus on education?

11 A Yes. Actually it's part of the
12 development agreement. We do have a requirement to
13 cooperate with Kamehameha Schools and coming up with
14 the best use of our efforts to engage in some sort of
15 an educational outcome for the local community.

16 So we've done quite a bit of this. In
17 2008 we actually conducted a city for solar tour. And
18 we do have a solar education curriculum that we rolled
19 out in a number of schools across the country. We did
20 50 cities in a hundred days at some point that was the
21 tour.

22 So we had that curriculum presented to
23 really grades 6 through 8 and then a separate
24 curriculum for grades 9 through 12. And something
25 that, especially growing out of the roof top

1 commercial space to really think about. So we're
2 helping Kamehameha Schools on the best outcome per the
3 development agreement.

4 Q And were samples of that curriculum filed
5 with the Commission?

6 A Yes, we did. I believe Exhibit 17.

7 Q KS Exhibit 17. Thank you. You've already
8 talked about timing in terms of the term of the
9 Project. Just mention, if you would briefly, how long
10 do you expect construction to take and then
11 de-commission?

12 A Yeah. So really the construction period
13 will commence middle of next year and should take
14 approximately 12 months. That would include the
15 grading, laying foundation for pad-mounted inverters,
16 putting together racking and siting of modules, that
17 whole process we really budgeted about 12 months.

18 De-commissioning on the back end is
19 similar, so about 12 months. That's then comprising
20 the additional term of the Power Purchase Agreement.
21 I believe the term is currently confidential in terms
22 of the Power Purchase Agreement length. The pro forma
23 that was originally provided was 20 years for the
24 Power Purchase Agreement with HECO.

25 Q I want to go back to the decommission for

1 a second because when we talked to the Department of
2 Health, one of their concerns were would there be any
3 efforts to recycle the materials after the Project is
4 completed.

5 A Sure. So, yeah, the de-commissioning we
6 do have a security in place as part of the development
7 agreement with Kamehameha Schools. We do have a
8 decommissioning plan in place. Really there's a
9 salvage value for those metals and materials so they
10 are salvaged. There's a value assigned to that. And
11 we will be removing the majority of solar components
12 from the site and returning it to as much as the
13 pre-condition as is possible.

14 Q Thanks. Nicola, in terms of timing, you
15 know, the definition for the operation for sometime
16 and I know that that timing getting approvals has been
17 a concern of yours -- of SunEdison, but would you
18 please explain to the Commission what sort of timing
19 constraints SunEdison has to keep in mind for this
20 Project?

21 A Certainly. The urgency is really around
22 getting the Project on line by the 3rd quarter of
23 2016. And you backtrack from that, the 12-month
24 construction schedule. We really need to have both
25 PUC approval and all of our permits in place by June

1 of next year.

2 And that really is to access the federal
3 investment tax credit. That's 30 percent of the total
4 value of the Project of in bases costs. That's coming
5 from the federal government as a credit to the
6 Project. That's why we're able to offer such a low
7 price.

8 If we were not able to access that
9 schedule we would have to increase the price by
10 roughly 20 percent or more because of the hit, we'll
11 take down the 10 percent federal investment tax credit
12 in 2013.

13 Q Thank you. I want to ask you a question I
14 believe Chair McDonald asked earlier, maybe, of
15 Giorgio, which was whether there will be any sort of
16 negative impact on individual homeowners or
17 commercial businesses that have rooftop solar.

18 A Sure. I know we submitted an exhibit
19 related to this as well. But effectively we're
20 connecting at the sub-transmission level which is
21 different than the distribution level that homes are
22 on the 12 kV level. So there's not really direct
23 competition in terms of the amount that can connect.

24 The limitations at the residential
25 property or commercial property are really at that

1 distribution level and that 12 kV line. So really
2 those, the limitations are set by the amount of
3 capacity and the amount of the line that's being used
4 there. Whereas we're connecting at sub-transmission
5 level.

6 We do have further information about that.
7 I think in Exhibit 36 will summarize more details
8 about those impacts. But really it's a dynamic grid.
9 There is an upper limit of how much solar could ever
10 be on the system.

11 But most assessments in solar integration,
12 wind integration studies, have shown we're very far
13 from that. As we will get closer there are plans to
14 integrate a large amount of storage to even increase
15 that upper limit. So we're quite far from any overall
16 access of intermittent solar resource.

17 Q So what you're saying is that as a
18 utility-scaled Project you're connecting in at the 46
19 kV?

20 A Hmm-mmm.

21 Q Now, is that similar to what fuel sources
22 connect to the grid at right now?

23 A No. HECO has a proposed biomass facility
24 that's 50 megawatts that would be connecting at the
25 same level and in a similar way that that would be

1 competing with residential or commercial solar.
2 Neither will this Project for its creating generating
3 power at a generation level.

4 Q So essentially we're the same as all fuel
5 generating except we're better because it's a
6 renewable energy.

7 A Yes. But it is, as I said, an
8 intermittent resource. If you look at the wider
9 picture the power supply improvement plan that's being
10 reviewed by the Public Utilities Commission is looking
11 to draft the long-term 20-year plan of how much would
12 be integrated over time.

13 Q Nicola, did you read through the Office of
14 State Planning's response to -- its Motion to Amend?

15 A Yes.

16 Q There's two issues that the Office of
17 State Planning raised that I'm going to ask you to
18 address. One of them came from the Department of
19 Transportation Airports Division. The other came from
20 the Department of Transportation Highways Division.

21 Would you please tell the Commission
22 briefly what was the concern expressed by the Airports
23 and how SunEdison will address that concern.

24 A Sure. As I understand that concern is
25 related to glint and glare or reflectivity from the

1 solar modules from a solar farm. So we made, I guess,
2 the commitment that we will address -- if there's any
3 sort of hazardous condition created by the solar farm,
4 that we will address that immediately with any sort of
5 mitigation that might be required.

6 We're pretty clear this won't be a concern
7 mainly because solar modules are manufactured to
8 absorb as much irradiance as possible. And they're
9 actually reflecting a lot less than even your typical
10 window glass. We're really only reflecting about 1
11 percent, 1 1/2 percent light back whereas your window
12 would be reflecting about 4 percent. It's actually
13 less reflective than water, forest cover, a lot of
14 other materials. Really, only asphalt is the only
15 thing that's about as least reflective as solar
16 panels.

17 So we will be pursuing an assessment.
18 Really, it's a no objections letter that just
19 clarifies we're not within an area of concern with
20 FAA. And they will basically respond back. And we've
21 done a preliminary assessment with the sandia tool
22 (phonetic) as was recommended and shown that there's
23 no glare concerned. I believe we will have the FAA
24 look at that and just put together a no objections
25 letter.

1 We're actually not required to do so, at
2 least from our interpretation of what projects would
3 be within the bounds requiring a no objections letter.

4 Q But you'd do so voluntarily.

5 A Yes.

6 Q And that preliminary analysis, was a copy
7 of that filed with the Commission?

8 A Yes. That was I believe --

9 Q KS Exhibit 31. Thank you. So that
10 addresses the Department of Transportation Airport
11 concerns. But how about any other visual impacts from
12 the solar project?

13 A Sure. So we did do a visual impact
14 assessment from several different points. One was
15 from the Pacific Palisades side to the east. One was
16 from Ka Uka Boulevard from the west. And then also
17 the Waipio Sports Park to Waieka Uka Street.

18 So we did show that to community boards
19 that we met with. There was really no concern, I
20 guess, about visual impact. It showed very minimal
21 impacts from those view sheds.

22 And they did use a model to look at what
23 the solar project would look like and how it would not
24 reflect. I think there's Exhibit 9 shows those
25 images.

1 Q You mentioned the neighborhood board.
2 Rather than asking you to describe that process I'm
3 just going to defer that to Cathy Camp --

4 A Okay.

5 Q -- who will be talking about that. I want
6 to briefly touch on the Department of Transportation
7 concerns. And if you could just summarize the
8 Department of Transportation Highways Division
9 requested traffic assessment; is that correct?

10 A Hmm hmm. Yes, that's correct. So
11 actually even the Department of Transportation
12 acknowledged that based on the information they had
13 they did not expect the solar farm to have any adverse
14 impacts.

15 But we did perform a traffic assessment.
16 Fehr & Peers is the company that we've engaged to
17 perform that work. The engineer from Fehr & Peers is
18 Sohrab Rashid. His resumé is KS Exhibit 32.

19 He has been in transportation planning and
20 traffic engineering for over 25 years. And really has
21 been qualified as an expert before this Land Use
22 Commission in the past for transportation and traffic
23 engineering.

24 Q A copy of his traffic assessment was
25 provided to the Commissioners, is that correct?

1 A Yes, that's correct.

2 Q That's KS Exhibit 35.

3 A 35. That's correct.

4 Q Thank you. And did the traffic assessment
5 that was provided cover Phase 1 and Phase 2?

6 A No. It just focused on Phase 1 since that
7 was the proposed Project at this time.

8 Q Okay. Of the construction traffic impacts
9 for Phase 1.

10 A Yes. That's right.

11 Q Will SunEdison -- is SunEdison willing to
12 have a traffic assessment prepared prior to starting
13 construction on Phase 2?

14 A Certainly. When we know more about the
15 size and the real footprint, or more details about
16 what that project will look like, we will do a
17 separate traffic assessment for that phase.

18 Q Rather than slogging through the details
19 of the traffic assessment what I'm going to do is
20 defer that. And if the Commission has any detailed
21 questions we can address them either through the
22 Commission or I'll address them on rebuttal. But the
23 traffic report was filed as KS Exhibit 35.

24 And Ms. Doss is entirely prepared to
25 respond to detailed questions if they arise. So I'm

1 just going to break from traffic now and ask about the
2 concerns that were expressed by the Department of
3 Public Safety regarding the Waiawa Correctional
4 Facility. I'm sorry. That was also something that
5 was mentioned in the Office of Planning's response.

6 A Yes. So we actually did reach out,
7 Kamehameha Schools reached out to the correctional
8 facility to at least begin that dialogue. And we'll
9 be sure that there will be the same level of service.
10 We'll be respectful of the times that they're using
11 the correctional facility road. I guess an indication
12 but we don't expect to be a problem.

13 1. Based on our conversation.

14 2. Kamehameha Schools recently
15 decommissioned a dam. I think it was a reservoir
16 decommissioning project. And that extended for
17 several months, I think about 9 months. And there was
18 traffic along that road that could have impacted the
19 correctional facility. And there were no conflicts or
20 issues arising out of that. So we continue to be
21 respectful.

22 Q And retained that Mililani Cemetery Road
23 sector.

24 A Yes, that's correct.

25 Q Thank you. Nicola, my last question to

1 you is: Is there anything that you want to express to
2 the Commissioners?

3 A Just thank you for the consideration. I
4 think we obviously uphold the request to authorize the
5 use of the property for a solar farm. I think it's a
6 really important outcome for the state of Hawai'i in
7 achieving its clean energy goals at 40 percent by
8 2020.

9 And also proving the resiliency and the
10 reduced dependence on fossil fuels in the state. So
11 thank you for your attention.

12 MS. LIM: With that I'd like to turn her
13 over for questions.

14 CHAIR McDONALD: City, any cross?

15 MR. LEWALLEN: A few questions, Mr. Chair.

16 EXAMINATION

17 BY MR. LEWALLEN:

18 Q Ms. Doss, are you aware of the association
19 by HECO that individual PV sensors might cause damage
20 to the area where it hits the grid and actually caused
21 damage to the individual PV system?

22 A You may be referring to more commercial
23 residential projects but certainly you have to be
24 careful during that interconnection process. There's
25 very specific condition protocols for a Project of

1 this size. So that may a little different than the
2 impacts of the commercial/residential system.

3 So we certainly think an interconnection
4 requirement study process is engaged to -- HECO
5 engaged an external consultant to do that assessment
6 for all essential logu (phonetic) is comprehensive in
7 looking at the attacks on the grid, making sure
8 there's not reliability concerns.

9 Then there's comprehensive performance
10 requirements that the Project is required to meet as
11 it operates over the term.

12 Q So it's an uninhibited pullback from HECO
13 according to solar farms of those individual PV
14 stations?

15 A No. I don't think so. The outcomes of
16 interconnection requirements are very favorable.

17 Q Thank you. No questions.

18 CHAIR McDONALD: State?

19 CROSS-EXAMINATION

20 BY MR. YEE:

21 Q First just to give a context, my
22 understanding is that HECO's made the commitment to
23 move toward renewable energy. Is that correct?

24 A That's correct.

25 Q And as part of that commitment they've

1 gone out with proposals or asking for proposals for
2 producers to provide this renewable energy to the
3 system, correct?

4 A Yes.

5 Q Is that the reference you had, I think to
6 the waiver program?

7 A Yeah. If you'd like me to elaborate on
8 the waiver program I can.

9 Q Just briefly.

10 A Absolutely. There was a 200 megawatt RFP
11 that went out for renewable energy, I think it was
12 2011, included cable, inter-island cable. And that
13 RFP was under review by the Public Utilities
14 Commission for some time and never was formally
15 released and scheduled, continued to delay.

16 As an effort to accelerate the process
17 Hawaiian Electric went out with a separate
18 solicitation with more urgency to ensure these
19 projects were able to access the Federal Investment
20 Tax Credit before its expiration in 2016.

21 So they issued 2 rounds of RFP
22 solicitation. The first was in February of last year.
23 The next was in July of last year. And in total they
24 solicited, you know, I actually don't know. They said
25 100 megawatts, but they selected 240 megawatts

1 comprising 9 projects. I do believe some of those
2 have fallen out. Out of the first round there were 5.
3 I believe one was just submitted for review by the
4 Public Utilities Commission.

5 We're part of the second round that will
6 be submitted shortly. So the idea was that they were
7 low cost. And the waiver is really just from the
8 competitive bidding framework that laid out the first
9 RFP. It was still competitive solicitation based on
10 price and based on threshold pricing even below that
11 was competitive within pricing ranges.

12 Q And were you selected by HECO the round 2?

13 A Yes, that's correct.

14 Q And then what's the status then? What's
15 the next step that's gonna be occurring after this?

16 A So after the PPA is submitted, the proper
17 agreements submitted to the Public Utilities
18 Commission on December 4th, they will review and
19 approve. And then after that they'll be
20 non-appealable PUC approval.

21 So that process could take anywhere from
22 several to, I think, most recently one was 18 months.
23 We're hoping that that's gonna be accelerated given
24 the urgency and the ideals of the program originally
25 to fast track projects to access the agency.

1 Q Do you know how many megawatts are in
2 Round 2?

3 A You know, it was 240 in total. And some
4 of that fell out in the first round. I know there was
5 only 15 megawatts. I believe it's about 198 now.

6 Q Okay. And then thank you for the
7 information on the acreage. On average you acquire
8 approximately 5 acres per megawatt, is that right?

9 A That's correct.

10 Q And then just so that I can understand
11 this. In case Exhibit 8 Errata Phase 1 has 387 acres
12 for 50 megawatts. So there's obviously more acres
13 than you would need on average. Can you explain why
14 the additional acreage?

15 A Absolutely. So typically during an option
16 period we would try and secure more land than was
17 necessary to ensure if there's any constraints on the
18 property either from waterways or vegetation or other
19 constraints on the site, topography or whatever it may
20 be, that we have some buffer to be able to have that
21 ideal 250 acres.

22 So you'd have a conceptual layout that
23 maximizes the topography, minimizes the grading and is
24 sensitive to drainage and other matters that we know
25 Paul will elaborate on from Group 70.

1 So I think goes for Phase 2, that really
2 additional acreage that we're planning to develop. It
3 could be that the Project ends up being smaller than
4 even 65 megawatts depending on what Hawaiian Electric
5 will take.

6 Q Just now if it's 65 megawatts wouldn't you
7 envision 25 acres on average?

8 A Yeah. That may be correct.

9 Q How are you gonna fit that into 268 acres?

10 A I should have an answer for that, believe
11 it or not. Because it actually is at a greater slope
12 to the south, we're able to squeeze the row spacing so
13 you can actually fit more on that piece of property
14 than you can on the other. So it is a more compressed
15 ground coverage ratio of the design. It more
16 efficiently uses the land.

17 I mean there's developers that could
18 probably squeeze a megawatt into 3 acres. You could
19 certainly do it. We try to ensure that the row
20 spacing is optimized but also allows for operations
21 and maintenance to be used as streamlined as possible.

22 Q Thank you. You talked about -- obviously
23 there were questions about the impact of these
24 large-scale projects on residential and commercial
25 solar. I just want to make sure I understand this

1 correctly. You said there is no direct competition
2 because your projects will be going in at Ahana, is it
3 20kV?

4 A 46.

5 Q 46 sorry, 46 kV line. And residential and
6 commercial goes in at?

7 A 12 kV. So there's only one other level
8 which is 138 kV which is really the transmission
9 backbone of the island.

10 Q Then I understand you to say, I guess,
11 there's no direct competition but there's I guess,
12 the indirect competition because the system can only
13 take a certain total amount of renewable energy.

14 A I think it's getting a little theoretical
15 at that point. When you go to put in an application
16 for residential PV system or commercial system, the
17 assessment is done just on that line and whether or
18 not the generation on that line is at 125 percent.

19 So if there's solar generation making up
20 125 percent of the minimum daytime load so you all
21 leave your home and there's no load there.

22 If solar's then creating 125 percent of
23 the load on that line and there's net exporting back
24 into the system, that is the current constraint or
25 technical constraint that HECO is using to then reject

1 that additional project or allow it to go through the
2 interconnection department study to say, "We don't
3 know what that impact might be. We need to look at it
4 closer."

5 There's also other technical parameters at
6 the line level, at this 12 kV line level, like 15
7 percent of capacity of the line. Those technical
8 parameters have changed over time with increase over
9 time, but at no point are then done looking at the
10 impact load, what's happening at the 46 kV level to
11 allow or not allow a residential or commercial project
12 to move forward.

13 Q And I know you said it's sort of a
14 theoretical discussion, but do you have an estimate of
15 the total limit the system can take?

16 A There's been a variety of solar
17 integration studies. I think the most recent
18 reputable was an Amaral study. I think the model that
19 was used was a General Electric model. It looked at
20 approximately 300 megawatts more of solar plus another
21 hundred megawatts of wind.

22 And they made projections about sales and
23 also about the growth or not growth of load, and the
24 growth of the distributed generation via residential
25 and commercial. And they show that up to about 300

1 megawatts or really 400 megawatts total of renewable
2 energy there were no means for mitigation.

3 So that doesn't take into account what
4 happens if you put 60 to 200 megawatts of storage on
5 the system, which HECO's currently moving forward with
6 and proposing.

7 Q So the distinction -- you talked about
8 there's a significant gap between the total amount and
9 the additional amount. I guess near the 300 megawatts
10 plus 100 megawatts of wind is the gap; is that right?

11 A Is the additional amount of energy that
12 was projected to fit on the system currently. The
13 whole -- all of them are 1800 megawatts so it really
14 is still comprising a fairly low percentage. Doing
15 this Project is only 2.7 percent, then, of the total
16 generation.

17 Q The current way your program asks for a
18 maximum of approximately 240 megawatts?

19 A Correct. And several projects have fallen
20 out. So now it's probably quite a bit lower than
21 that.

22 Q Something less than that.

23 A Yes.

24 Q Okay. Just so that I'm clear, if some
25 large amount is at 200, 240, whatever the total number

1 is, is taken up for the waiver projects. You would
2 still need to include the additional megawatts from
3 residential and business, individual businesses,
4 correct?

5 A Yeah. I mean this is something that the
6 Power Supply Improvement Plan that was submitted for,
7 really, the island and the state by HEI, by HECO,
8 MECO, HELCO recently. The Public Utilities Commission
9 seeks to address is how much and in what increments
10 and which types of generation over what timeframe.

11 So I don't want to opine too much on the
12 larger analysis that the Public Utilities Commission
13 looking at now and that HECO has performed for all of
14 them.

15 Q But it's an area that, I guess, what
16 you're saying or what I'm hearing you saying is: This
17 is an area that will need to be looked at further.

18 A Going forward, certainly. I think that
19 all the assessments and the power supply improvement
20 plan would assume that these waiver projects will go
21 forward within the timeframe specified.

22 Q Then briefly, if I understood you
23 correctly, glinter glare impacts that should not be
24 occurring for the Project to pilots and aircraft,
25 correct?

1 A Correct.

2 Q But if something happens, if some mistake
3 is made and some hazardous condition is created, then
4 you have a commitment to fix the problem.

5 A Absolutely. Certainly.

6 Q And the same you have the commitment to
7 ensure that there's access to Waiawa Correctional
8 Facility.

9 A Absolutely.

10 Q And you'll be doing a traffic impact
11 analysis. You've done the traffic assessment for
12 Phase 1. And you will be doing a traffic assessment
13 for Phase 2 if Phase 2 moves forward, correct?

14 A Correct, yes. That will inform the
15 conditions on the general contractor of the types of
16 mitigation they're going to put in place for the
17 construction management plan.

18 Q And you'll be recycling or reusing as much
19 of the materials at decommissioning, correct?

20 A Certainly. Thank you. I have nothing
21 further.

22 CHAIR McDONALD: Redirect?

23 MS. LIM: Couple of quick questions,
24 Nicola.

25 REDIRECT EXAMINATION

1 BY MS. LIM:

2 Q You mentioned it is possible to use
3 questions about storage and sort of the casting. I
4 understand that that's a moving target with different
5 studies. Maybe there's 400 megawatts of excess
6 capacity that could be added without any kind of
7 impact. But then you said something about if HECO
8 explored additional storage?

9 A They've put out a request for proposal
10 recently. They had, I think, 200 bidders interested
11 in the space. And they went out for between 60 to 200
12 megawatts of battery storage. That was primarily for
13 short-term events, not long-term storage of load
14 shifting where they'd be moving generation from
15 morning to the night, but just quick events for
16 storing energy on the system and responding to
17 emergency events or light trips or things like that.

18 So they have short-listed parties.
19 SunEdison is not one of the short-listed parties. I
20 think there are, I believe 3 moving forward in
21 negotiations with those parties on storage. I know
22 that that was a component of the power supply
23 improvement plan that was submitted to the PUC as
24 well. All that is pending PUC approval, of course.

25 Q My only other question to you is are you

1 familiar with the Hawai'i Clean Energy Initiative?

2 A Absolutely I am, yes. So it mandates that
3 the state achieves 40 percent renewable energy by
4 2020. I know that on the other islands HELCO, MECO
5 have actually made greater strides towards achieving
6 that goal on a percentage basis. And O'ahu is
7 somewhat behind.

8 After 2015 there will be no accounting
9 toward that percentage of energy efficiency measures,
10 demand response, solar hot water heating.

11 And so achieving that goal is even greater
12 in that the amount of megawatts that need to be met to
13 achieve that goal is even greater to hit 2020. And,
14 of course, it's important that that happens sooner
15 before the Federal Investment Tax Credit expires. I
16 think there's no question that there's gonna be an
17 ongoing need for a cheap, clean, renewable energy that
18 doesn't require imports, isn't enclosing the islands
19 with fuel volatility.

20 So I can expect there will still be a
21 demand for these projects and for Phase 2 going
22 forward. And hopefully we are able to benefit from
23 the Federal incentives meeting that goal as soon as
24 possible.

25 Q Excuse me. What you're saying as the

1 state's given changes on conservation dissipates the
2 emphasis on creating more renewable energy is going to
3 increase.

4 A Absolutely. Yeah.

5 MS. LIM: Thank you. I have no further
6 questions.

7 CHAIR McDONALD: Commissioners, any
8 questions? Go ahead, Commissioner Scheuer.

9 COMMISSIONER SCHEUER: Thank you, Chair.
10 I have a couple questions about the end of the life of
11 the Project. One has to do with the nature of your
12 agreement with Kamehameha Schools. Is the nature of
13 the agreement that they are not allowed to do any
14 development on either Phase 1 or Phase 2 over the life
15 of your agreement? Like things can't change that will
16 be used?

17 THE WITNESS: So once the easement
18 agreement is executed, yes. During the option period
19 I think they're unlimited abilities to perform
20 activities on that site. But certainly the back
21 specific area, once the easement, the specific term
22 for the easement is created that will be restricted to
23 the solar years across the term.

24 COMMISSIONER SCHEUER: Thirty to 35 years.
25 And does it at all extend to places not within the

1 easement if there's some potential impacts from your
2 use or another use?

3 THE WITNESS: No.

4 COMMISSIONER SCHEUER: Okay.

5 THE WITNESS: No. There's no restrictions
6 of use on our remainder of the property.

7 COMMISSIONER SCHEUER: There's no shade.

8 THE WITNESS: This is true. So, yes, if
9 there are any structures erected or directly along the
10 boundary that could cause shading on the array, then
11 that would be limited. So there's a process in place
12 for running that by us.

13 COMMISSIONER SCHEUER: Just trying to
14 understand the map. This goes through when you have a
15 30 to 35-year agreement. It will actually be like
16 2049 potentially this agreement runs through?

17 THE WITNESS: So the outset date would be
18 35 years for Phase 2 if that comes up within the next
19 5 years. We have that option period to execute. Then
20 the term of the Project was another 20-something
21 years. Then we have a year to decommission. So
22 really the out date would be 20 (inaudible)...

23 COMMISSIONER SCHEUER: I'm sorry. I did
24 not follow you. I'm trying to understand when this
25 might go back to being an urban use that was

1 originally contemplated in 1988.

2 THE WITNESS: It will be 35 years
3 approximately.

4 COMMISSIONER SCHEUER: So about 2049.

5 THE WITNESS: Yeah, yeah.

6 COMMISSIONER SCHEUER: And then on
7 decommissioning, was approved decommissioned anything?

8 THE WITNESS: Yes, mainly the town
9 projects. I'm not aware of the decommissioning
10 aboveground down to the Project. I'm sure we've done
11 it when there are, maybe they're sometimes relocation
12 provisions. That if something goes awry we need to
13 relocate the facility. Of course that's not ideal but
14 I can't recall a decommissioning specifically.

15 COMMISSIONER SCHEUER: Thank you. My last
16 question is if you -- the expanding the funding
17 mechanism for that so that is sure to happen because
18 it was an expressed concern from some of the state ---

19 THE WITNESS: Oh, the decommissioning.
20 Oh, sure. Yeah, there is a decommissioning security
21 in place that protects Kamehameha Schools in the event
22 that SunEdison went away for whatever reason or our
23 investor said. It essentially ratchets up from the
24 first year of the agreement to year 10 and then is
25 held in place for the remainder of the term. That

1 commissioning security/decommissioning security is a
2 projected amount and has a mechanism of being revised
3 if they expect decommissioning until later.

4 COMMISSIONER SCHEUER: Thank you. Thank
5 you, Chair.

6 CHAIR McDONALD: Commissioner Aczon.

7 COMMISSIONER ACZON: Just following up on
8 my questions for Mr. Caldarone. I know it's a 35-year
9 agreement falling on first phase and second year.
10 They measure a 1-year decommissioning and add the
11 construction and relative. What is the projected
12 years for first phase generating power and second,
13 second phase?

14 THE WITNESS: So both were originally
15 contemplated to be 20-year operating period under a
16 Power Purchase Agreement with Hawaiian Electric.

17 COMMISSIONER ACZON: Generating power.

18 THE WITNESS: Generating power. So from
19 commercial operations date which would be before the
20 end of 2016 through that 20+ year term. So we're
21 currently negotiating retirement. As I mentioned that
22 term is being negotiated will be submitted to the
23 commission, the Public Utilities Commission.

24 COMMISSIONER ACZON: So that is for the 2
25 phases or just... so how many years?

1 THE WITNESS: Just for Phase 1. Just for
2 Phase 1. So Phase 2 is just a projected development.
3 So we will continue to, I guess, market that Project,
4 Hawaiian Electric. And they'll get to take
5 opportunities for the Project. Currently we're only
6 moving forward entitling and doing interconnection
7 study work and freeing the other properties for
8 executing Phase 1.

9 COMMISSIONER ACZON: So how many years for
10 a second?

11 THE WITNESS: Similar. Same trajectory.
12 So it will take us several years to go through that
13 marketing process. We have up to 5 years to execute a
14 proper agreement in construction and execute the
15 agreement. So execute the easement agreement.

16 COMMISSIONER ACZON: The next question is:
17 Was mentioned that there's no plan connecting the 2
18 phases to move power from the second phase to first
19 phase or vice versa.

20 So are we to assume the second phase is
21 gonna be incorporated independently and therefore
22 there's a potential of having a battery station on
23 that second phase?

24 THE WITNESS: So I'll limit it to the
25 interconnectional part of the study has not been

1 performed. So the detailed design on the electrical
2 has not been completed. What I will say is that there
3 really are two options for interconnection from the
4 site. One is to connect it back to the Project's
5 substation for Phase 1, to the extent there are
6 limitations on capacity or otherwise as determined by
7 the interconnection study. The other option is go to
8 the north. There's a 138 kV line that runs along the
9 north back to the, same substation, the Wahiawa
10 substation. So that would be a separate
11 interconnection.

12 In that case we would have to study the
13 project substation and any storage unit outside the
14 zone of contribution. That may be on this property
15 entirely depending on what the eventual design is. Or
16 it could be within that area of Phase 2 which is
17 outside of the zone.

18 It could even be in Phase 1, I guess,
19 practically. So, again, that part of the substation
20 hasn't been cited. We will not be citing it within
21 the zone of contribution.

22 COMMISSIONER ACZON: Thank you. Thank
23 you, Chair.

24 CHAIR McDONALD: Commissioner Wong.

25 COMMISSIONER WONG: I have a question. In

1 Exhibit 24 in that dark black area there's gonna be a
2 structure?

3 THE WITNESS: A substation.

4 COMMISSIONER WONG: A substation. In the
5 exhibits we received there was no picture of a
6 substation on it. It just showed the titles itself.
7 How big is that substation gonna be?

8 THE WITNESS: Sure. Do you mean the
9 visual?

10 COMMISSIONER WONG: Well, just
11 height-wise, you know, just size, et cetera.

12 THE WITNESS: Sure. A substation is
13 pretty similar to one you've probably driven by in
14 your neighborhood. They really only take up the
15 corner of a block. This is quite smaller than even
16 that. It really is just stepping up the power. It's
17 comprised of three components. Again, I think we set
18 aside about an acre at the most for that substation.
19 And, really, it's quite a bit smaller than that.

20 I think with the battery storage even we
21 were projecting about a half an acre of fenced off
22 area. In terms of height it would be probably 15 feet
23 or so, maybe 20 at the max.

24 COMMISSIONER WONG: So the other question
25 I have is you're gonna have security around that area.

1 So would they be part of that structure or be a
2 separate structure?

3 THE WITNESS: It would be included in the
4 fenced perimeter of the Project Area, yes. In some
5 case we actually include another fence within the
6 fence around the Project substation just because it is
7 high voltage equipment.

8 COMMISSIONER WONG: I have another
9 question. In terms of the ground cover by the panels,
10 it's gonna be grass or some sort of -- what's gonna be
11 --

12 THE WITNESS: Yeah, we're still doing an
13 evaluation of this part of the CUP minor application
14 but we're planning to use a ground cover of grasses.
15 And typically we use an EPA-approved herbicide to
16 control the overgrowth of weeds in that area. That
17 would be laid after the grading to prevent erosion,
18 dust control, that sort of thing.

19 COMMISSIONER WONG: So in terms of --
20 because I assume there's not going to be livestock to
21 cut the grass or anything. It will be some type of
22 mechanical means because to go close by the poles and
23 all that.

24 THE WITNESS: Correct. And as Tom
25 indicated as well that it's not agricultural uses in

1 that area. You're not permitted. In any case
2 livestock wouldn't be permitted. SunEdison doesn't
3 typically use livestock. We'll be doing mechanical
4 maintenance of the grasses.

5 So within the Phase 2 area there was some
6 discussion about using more handheld devices so not
7 using any type of weed mower that would have any sort
8 of lubricant or otherwise. It would have to be hand
9 maintained in the Phase 2 area. But Phase 1 would
10 just be the grass is mowed a couple times a year.

11 COMMISSIONER WONG: I've got a question
12 about Phase 2 since you brought it up. Why didn't you
13 have Phase 2 on the west side instead of the south
14 side of the parcel to stay away out of it?

15 THE WITNESS: The east side.

16 COMMISSIONER WONG: The east side, sorry,
17 sorry, instead of the south side away from the
18 hydrological area.

19 THE WITNESS: I think that that was really
20 determined to be the best use of that area since it's
21 one of the only types of development you could even do
22 over a recharge area. And it also avoids the future
23 projected development for where, I guess, development
24 was projected in the past.

25 I think it was the original RFP footprint

1 that was determined by Kamehameha Schools as well.
2 Those lands were identified as the most ideal for a
3 solar development. They're also from a topography
4 standpoint preferable.

5 COMMISSIONER WONG: I just was wondering
6 just because in Phase 2 it looks like because of the
7 hydrological area compared to the southern portion
8 it's away from the hydrological area. And also
9 because, you know, in Phase 1 you have A1, R5 areas.
10 And in the southern portion you also have certain
11 areas.

12 So I just was wondering if you didn't even
13 up. So that analysis was deemed the best area.

14 THE WITNESS: You mean in terms of
15 selecting Phase 1 we looked at all acreage and picked
16 out the best 250 acres to start with. That's why we
17 decided on Phase 1 where we did.

18 COMMISSIONER WONG: So going back to the
19 black area again for the structure itself. I just
20 wondered because if it's 15 foot high and they're
21 saying approximately 1 acre solar, 1 and-a-half acres.

22 THE WITNESS: 1 and-a-half acre, yeah.

23 COMMISSIONER WONG: I'm just wondering in
24 terms of just sight-lines how it's gonna look like
25 because I haven't seen any pictures. Because I've

1 seen the solar site.

2 THE WITNESS: Again, very, very minimal.
3 Again, I lived right next to one in downtown Waikiki
4 and they're fairly benign, not a large visual impact
5 especially in that landscape. If you drive up H2
6 towards Ka Uka you can't even actually see any of
7 that. It's all bermed really by natural vegetation
8 that will remain there. It probably will be
9 completely mass coverage.

10 COMMISSIONER WONG: No, because I work in
11 that area also so I understand. The only other issue
12 I have is because there is wildfires there sometimes.
13 I don't know how it starts but there is. Have you
14 ever thought about that issue?

15 THE WITNESS: Yes. We do have definitely
16 a mitigation that we look at and also in insurance for
17 fire. We are aware of the fires onsite that have
18 occurred in the past in historical fire records. So
19 we do take that into account for emergency purposes.

20 COMMISSIONER WONG: Thank you.

21 CHAIR McDONALD: Couple questions.

22 THE WITNESS: Sure.

23 CHAIR McDONALD: Can you remind me what
24 the construction cost is for Phase 1 and the estimate
25 for Phase 2?

1 THE WITNESS: Sure. On an order of
2 magnitude basis without providing our exact costs and
3 overall price is between 150 and \$200 million for
4 Phase 1. Then Phase 2, if it was 60 megawatts would
5 be, I guess, upwards of 180 to 2 something. So again
6 Phase 2 is somewhat conceptual, but Phase 1 will be
7 150 to 200 million.

8 CHAIR McDONALD: And a lot of that cost is
9 attributed to the equipment or site prep?

10 THE WITNESS: The largest component of the
11 overall stack event is actually the modules, the
12 inverters and the racking so that's actual components
13 that make up the system. And the remainder are land
14 development costs. In Hawai'i in particular the costs
15 of land development are higher, the grading costs,
16 just the land cost, really the land development cost.
17 So it's comprised of all that plus some other
18 construction, engineering and design.

19 CHAIR McDONALD: What type of
20 infrastructure will your Project need to service that
21 substation area, the battery storage and whatnot?

22 THE WITNESS: We're really just doing
23 minor road improvements. So it's just access. We
24 have oncall maintenance. And really our systems are
25 managed remotely on a global scale. They're also

1 managed by Hawaiian Electric. The new hub has live
2 realtime data where they can communicate and control
3 the Project from the substation.

4 So, you know, there's communications
5 US-DATA and that type of thing. But physically it's
6 really just access and the connection back to the 46
7 kV line. So there's a GenTye that's planned to
8 connect back to those lines. And there's a LineTye to
9 connect.

10 CHAIR McDONALD: So no real physical
11 obvious with bathrooms and that sort.

12 THE WITNESS: No. There's not gonna be
13 any permanent structures. The most that could be
14 required, and currently we're not planning and have no
15 plans of doing a control building that would be
16 associated with that Project's substation. And really
17 just has the monitoring equipment, the metering
18 equipment. It's just utility electrical equipment,
19 have the revenue meters and that type of thing in a
20 casing.

21 CHAIR McDONALD: Commissioner Wong brought
22 up an issue on fire. Any plans to provide fire
23 protection, hydrants up in that area for substations
24 or for your equipment?

25 THE WITNESS: I don't think that's

1 required. I think there are nearby hydrants as well
2 that are part of that fire protection scheme. The
3 foot plates by operation is part of the safety,
4 environmental health plan for the site. But the
5 substation itself and the Project have controls.

6 Bascially there is a fire protection
7 scheme to shut down the facility in the event of fire.
8 We'll just be relying on the nearby access to water.
9 That's really the plan for fire mitigation. That's
10 pretty typical as all utilities go.

11 CHAIR McDONALD: I guess I'll ask the last
12 question. It's about the topic of the traffic
13 assessment which was requested by DOT.

14 THE WITNESS: Hmm-hmm.

15 CHAIR McDONALD: I'm asking the question
16 why the State actually requested it, but I was
17 surprised as far as the number of construction
18 trip-generated -- trip generations that were developed
19 through construction. And there were certain
20 recommendations that were provided by the consultant.

21 I was just wondering if you found the
22 recommendations feasible with regards to mitigating
23 the traffic. I think one of 'em was shuttling your
24 workers onsite from an offsite area. Another one is,
25 again, differing work hours.

1 THE WITNESS: Yes.

2 CHAIR McDONALD: So is that, is that
3 really conducive to what you folks have initially
4 planned?

5 THE WITNESS: You know, I think we've
6 actually run this by several contractors and two
7 particular potential contractors to get their thoughts
8 on it. But it's not a concern in terms of the work
9 hours scheduling in particular. Not a problem to have
10 workers coming in at different times, the peak period
11 in the AM and PM peaks and leaving at different times.

12 So that's one of the biggest mitigations.
13 I think that was shown in the more conservative case.
14 So if you look at every single individual worker
15 coming in in their own vehicle, leaving in their own
16 vehicle during those peak periods, that's where you
17 saw the high number of trips generated and the biggest
18 impact during those peak periods. And really there
19 wasn't a high level of impact on level of service at
20 all.

21 So there's not a concern with implementing
22 those measures. They're pretty typical for what you
23 have as part of a construction traffic management plan
24 in a fairly busy area. But, really, I think in light
25 of the larger amounts of traffic that in that region

1 the numbers of trips generated are not very
2 significant.

3 So, yes, certainly we'll put in place the
4 work scheduling in particular and if necessary the
5 shuttling otherwise. And all those recommendations as
6 part of the assessment will be imposed on the general
7 contractor.

8 CHAIR McDONALD: Great. Thank you.

9 COMMISSIONER WONG: Chair, one more thing.

10 CHAIR McDONALD: Go ahead, Commissioner
11 Wong.

12 COMMISSIONER WONG: Just going back into
13 the fire. I guess I'm -- if there is battery
14 storage. Several years ago in the windmill area there
15 was a battery storage fire that just totally
16 demolished that battery storage. Will there be, I
17 guess, some sort of fire extinguishers or setup just
18 to protect in case of fire?

19 THE WITNESS: Yes. So I am familiar with
20 the first Ka Uka project fire with Extreme Power
21 Batteries. 1. We won't be using Extreme Power
22 Batteries. The company's no longer in existence.
23 There's certainly fire protection schemes that are put
24 in place for battery technology. And it's improved a
25 lot since that time.

1 That conversation comes up with every
2 single battery supplier. You can imagine it's a very
3 important issue for safety and otherwise.

4 So there are much more advanced controls
5 and fire protection teams in place for those types of
6 storage systems now that we'd be putting in place. As
7 I mentioned we don't actually have storage proposed at
8 the site currently. We had just projected that we may
9 need to use it to meet performance requirements that's
10 currently not anticipated.

11 But certainly my understanding of that
12 Project is it did not have in place the types of fire
13 protection schemes that it probably should have, and
14 that really projects of this scale typically would.

15 COMMISSIONER WONG: So the question is has
16 the Honolulu Fire Department known about this Project
17 yet or has -- do you know if they've even been
18 approached?

19 THE WITNESS: You know, as part of our
20 consultation with the community as the community
21 boards, I know that there were representatives at each
22 of those meetings. And we have had some conversations
23 --I think we actually had a question that came up
24 about that. So we can do some further consultation,
25 but I believe they're over in those adjacent

1 neighborhoods.

2 COMMISSIONER WONG: Thank you.

3 CHAIR McDONALD: Thank you, Ms. Doss.

4 COMMISSIONER AHAKUELO: In regards to the
5 46 kV substation have you guys determined who will
6 maintain it?

7 THE WITNESS: We would maintain the
8 Project substation. So that's the plan of ownership
9 where SunEdison is responsible for the Project's
10 substation. The GenTye and then the 46 kV line itself
11 would be maintained by Hawaiian Electric.

12 COMMISSIONER AHAKUELO: So would there be
13 -- would Hawaiian Electric have their own breakers
14 within the substation?

15 THE WITNESS: Yes. Yes, they have
16 instructions on their own breakers.

17 COMMISSIONER AHAKUELO: You mentioned that
18 you wouldn't have a control house. So, you know,
19 regarding state equipment and relays, network feeders,
20 all that other stuff, will Hawaiian Electric have that
21 on their side?

22 THE WITNESS: No. There's actually a plan
23 that's an external encasing that's different from a
24 control building. There is always the chance that
25 they may require control building but that's not

1 expected at this time since that's not currently
2 specified in their permit. It's not a control
3 building.

4 COMMISSIONER AHAKUELO: So the
5 communication devises, are they on the panels
6 themselves or are they part of the substation?

7 THE WITNESS: No. We don't have module
8 level communication. But it is by the inverter so
9 within that area. It's not street level either. So
10 within that you have the communication level. That
11 gets reported back to our regional operations center,
12 global operations center and to HECO.

13 COMMISSIONER AHAKUELO: Okay. Thank you.

14 CHAIR McDONALD: Anything else?
15 Commissioner Hiragana.

16 COMMISSIONER HIRANAGA: Just a procedural
17 question. Will the commissioners have an opportunity
18 later to ask questions of previous witnesses? Or
19 should I ask my questions now?

20 CHAIR McDONALD: Why don't you go and ask
21 it now. We could actually recall the witness, but if
22 we work tomorrow I mean we have a lot of people
23 sitting here just kind of waiting for that testimony.
24 I recommend asking your question. If we need to
25 recall we'll recall.

1 COMMISSIONER HIRANAGA: I just have a
2 couple of questions. What is the percentage of
3 coverage of the Project site that will be covered by
4 the panels themselves?

5 THE WITNESS: So I think the Phase 1 is
6 approximately 60 percent ground coverage, pretty sure.
7 That's not impermeable surface though. It's not laid
8 in concrete. So really the impermeable surface would
9 be a much, much smaller area that only concrete
10 foundations are the converter pads and the substation
11 pad. And the rest of it is the racking modules that
12 are just pile-driven into the ground.

13 COMMISSIONER HIRANAGA: Second question.
14 In the information that was provided there were some
15 visualization exhibits before and after. Looked like
16 they were more taken at ground level. And the
17 question is: Is there any concern about creating
18 landscaping buffers around the perimeter of the
19 Project site so that it will be shielded from public
20 view, especially, say, from public roadways? Because
21 it is a fairly large manmade facility. I'm not sure
22 in other sites that's you've directed and maintained,
23 landscaped buffer.

24 THE WITNESS: Yeah. It certainly is site
25 specific. As part of the CUP minor we are required to

1 have a landscaping plan that will have to be accepted
2 by DPP as acceptable.

3 Really along the view shed from the west
4 along H2 and over on the Waipio side it's buffered
5 naturally because there's almost a natural berm. It's
6 really so straight up there's very minimal view impact
7 maybe from the Cemetery Road would require -- there's
8 very limited use of that road as well.

9 So whether or not we're going to have to
10 put landscaping that needs to be maintained along that
11 road will be, I think, determined as part of the CP
12 process. And to the extent it's needed, yes, we'll
13 use native plants and vegetation as a buffer.

14 COMMISSIONER HIRANAGA: Who would make
15 that determination that the landscape buffer is good?

16 THE WITNESS: Again I think that's the
17 city and county as part of the DPP process, Department
18 of Planning, DPP.

19 COMMISSIONER HIRANAGA: I guess one last
20 question. Are there any possible hazards to the fauna
21 in that area? Like wind generation is hazardous to
22 burns. Just wondering if there's any known hazards
23 that might occur.

24 THE WITNESS: No. There's not any known
25 impacts of anything like wind generation where there's

1 obviously significant impact. Does have to be
2 recorded in packets has not been the case in solar
3 projects nationally, and globally. I think there have
4 been concerns people have with birds are somehow
5 likely to be fried or something.

6 This is exactly the same type of
7 technology that's on your rooftops and it's not frying
8 birds there. No impact to birds really and not
9 expected to have any impact on fauna. I think there
10 are wild boars and things like that are seen on the
11 site, but not anything that would be outside of the
12 ordinance.

13 COMMISSIONER HIRANAGA: Okay. Thank you
14 very much.

15 CHAIR McDONALD: Thank you, Ms. Doss, for
16 your testimony.

17 THE WITNESS: Thank you.

18 CHAIR McDONALD: I think at this point in
19 time we'll break for lunch. We'll reconvene at 1:30.
20 Thank you.

21 (Recess was held.)

22 CHAIR McDONALD: (gavel) Okay. We're back
23 on the record.

24 PUBLIC SPEAKER: Do you intend to take
25 additional public testimony or is the opportunity gone

1 for today?

2 CHAIR McDONALD: We'll probably go till
3 tomorrow so at that point in time you can offer public
4 testimony.

5 PUBLIC SPEAKER: You're meeting again
6 tomorrow? Not later today? I bring that up because--

7 THE REPORTER: Would you use your
8 microphone?

9 CHAIR McDONALD: Yeah, actually, why don't
10 you provide your name.

11 PUBLIC SPEAKER: Dan Purcell, member of
12 the public. And I'm inquiring about public testimony
13 because it's not clear from the agenda. And you did
14 take public testimony earlier today. But it's
15 important for the public to hear the deliberations
16 throughout the day. That's why you go on for many
17 hours of hearing testimony.

18 If you can make decisions based on just
19 paperwork you wouldn't need to have a hearing at all.
20 You could review the submitted paperwork, make a
21 decision on it, you'd expect the public to come in and
22 comment on just paperwork.

23 So after hearing all the testimony it's
24 great to have an opportunity for the public to then
25 make some comments. It's great to have it at the

1 beginning so you can hear it and then also allow
2 people to hear at the end of the day.

3 Also there's individuals who couldn't be
4 here at that immediate time this morning. Might be
5 another opportunity to catch the other half. Mahalo.
6 So view it at some point maybe before you close the
7 day today while today's people are here. Mahalo.

8 CHAIR McDONALD: I'll take the request
9 under advisement. Ms. Lim, are you ready with your
10 next witness?

11 MS. LIM: Yes, Chair.

12 CHAIR McDONALD: Please proceed.

13 MS. LIM: We'd like to call Mr. Paul
14 Matsuda, P.E. Paul Matsuda is a civil engineer. We'd
15 like to swear him in.

16 PAUL MATSUDA, P.E.
17 being first duly sworn to tell the truth, was examined
18 and testified as follows:

19 THE WITNESS: Yes.

20 CHAIR McDONALD: Please state your name
21 and address for the record.

22 THE WITNESS: Paul T. Matsuda, 925 Bethel
23 Street, 5th Floor, Honolulu, Hawai'i 96813.

24 CHAIR McDONALD: Thank you. Please
25 proceed.

1 DIRECT EXAMINATION

2 BY MS. LIM:

3 Q Hi, Paul. Would you please tell the
4 Commissioners what you do for a living.5 A I am Principal and Director of Civil
6 Engineering at Group 70 International.7 Q How many years have you been a civil
8 engineer?

9 A Over 20.

10 Q Would you please tell the Commissioners a
11 little bit about your educational background.12 A I have a Bachelor's in Civil Engineering
13 from the University of Washington. And I'm a licensed
14 Professional Civil Engineer in Hawai'i, Oregon and
15 Washington. And I'm a LEED accredited professional
16 for USGBC.17 Q Paul, was a copy of your resumé submitted
18 as KS Exhibit 3?

19 A Yes, it was.

20 Q Have you ever been qualified as an expert
21 witness before the State Land Use Commission?

22 A No.

23 MS. LIM: If I may, then I'd like to pause
24 and ask if any of the parties have any objections to
25 qualifying Mr. Matsuda as an expert witness in Civil

1 Engineering?

2 CHAIR McDONALD: Any objections?

3 MR. LEWALLEN: No objections.

4 MR. YEE: No objections.

5 CHAIR McDONALD: Commissioners, any
6 objections? (Pause) He's admitted.

7 MS. LIM: Thank you very much, Chair.

8 Q Okay, Paul. I know that you've prepared a
9 report for this Project. First things first. For
10 whom did you prepare the report? For Kamehameha
11 Schools or for SunEdison?

12 A Group 70's contract was with SunEdison.
13 We prepared the report that's attached as Exhibit 37.

14 Q And would you tell the Commissioners
15 briefly what your understanding of the Project is, the
16 SunEdison Solar Project.

17 A My understanding is that we're here to
18 hopefully get a grant for Motion to Amend so that we
19 can eventually get a solar farm designed and built on
20 the two phases shown on Exhibit 8.

21 Q That's Exhibit 8 errata.

22 A Errata, that's correct.

23 Q And the general size of the Phase 1 area
24 is?

25 A Phase 1 is planned to be 50 megawatts on a

1 private area nearly 7 acres. The actual solar farm
2 footprint would probably be more like 250 acres.
3 Phase 2 is planned to be a 65 megawatt solar farm on
4 the 268 acres.

5 Q Thank you. Looking at the property, did
6 you have an opportunity to determine what the flood
7 zones are, the FEMA flood map designations for the
8 property?

9 A The Project Area is actually located in
10 flood zone D where hazards are undetermined. In this
11 case the Project Area is actually on a ridgeline so we
12 don't foresee any flood hazard at all.

13 Q What are the slopes in the Phase 1, the
14 proposed Phase 1 solar area?

15 A In Phase 1 the elevation ranges from about
16 660 feet mean sea level down to close to 400. And in
17 Phase 2 they range from about 520 feet down to, say,
18 240. So the slopes on the ridgelines are actually
19 kinda gradual. We anticipate 2 to 5 percent in most
20 of the areas. In some cases a little steeper.

21 Q So with that kind of slope will
22 significant grading begin?

23 A We plan to actually place the panels along
24 the grade along the contour to minimize cost and to
25 minimize earthwork volume. And to really optimize,

1 you know, the layout of the site to minimize all
2 impacts.

3 Q Would you please tell the Commissioners
4 what site preparation where you believe needs to be
5 done in order to make that property ready for the
6 solar panels.

7 A So in order to prep the site for placement
8 of panels the site would need to be cleared and
9 grubbed and graded. And then the panels will be
10 erected along with all the equipment, concrete pads,
11 accessways and fencing.

12 For the most part we're attempting to
13 follow the existing contours and keep the existing Ag
14 roads where they are. We know that when we do this
15 we'll have to actually book the grading and grubbing
16 permits on erosion control permits from both the city
17 and county and state.

18 Q So when you get those permits will
19 drainage plans be submitted or those kinds of the city
20 and county?

21 A So in order to obtain these permits we
22 actually need to submit construction plans, grading
23 plans, drainage roads, stormwater pollution prevention
24 plans and usual calculations to the agencies for their
25 review and approval. We need to follow the standards

1 that are in place to get these permits approved.

2 Q Right now what's the existing runoff? Can
3 you tell the Commissioners how runoff flows across the
4 property at present?

5 A Right now we're along the ridgeline so,
6 you know, in general terms the water will run off the
7 ridgeline and take gulches on the sides. In terms of
8 the solar farm we're actually intending to not
9 manipulate the grade too much. We want the panels be
10 placed along the contour. So we don't anticipate that
11 we would be changing the drainage patterns at all.

12 And in effect because the panels are
13 elevated and will have grass underneath, we actually
14 have very little impervious area. Therefore we really
15 don't see any increase in close-to-road flows. In
16 much of the way we're doing it we're really not really
17 inducting any hydrology.

18 Q Thanks. So nevertheless there will be
19 some site work, of course, that will need to happen in
20 terms of grading, like you said. Are there particular
21 measures that need to be put into place or that you
22 would recommend be put into place starting
23 construction?

24 A So as part of the permit process and our
25 designs, in order to obtain these permits for grading

1 and grubbing, and the like, we actually have to
2 implement Best Management Practices for a temporary
3 permit to basically mitigate any impact during
4 construction.

5 So as we come in and disturb the ground
6 and grade we'd be looking at designing and putting in
7 place construction entrances, silt fences, we'll be
8 using some soil stabilization. We'll also be using
9 some sediment flats and basins and watering for dust
10 control and those kinds of things.

11 And as the grading gets wrapped up we'll
12 actually seed and plant permanent landscaping permit
13 BMPs so that it's held in place. And in conjunction
14 with the new stormwater ordinance from the City, we
15 are actually required to implement permanent BMP's for
16 water quality treatment. And that will be done in
17 accordance with the standards. And it will probably
18 include swales and ditches and filter strips and
19 buffers. So plenty of buffers around the perimeter.
20 The axis bays will act as traps. We'll probably have
21 sediment basins along the perimeter and downslope
22 locations.

23 Q So that's after construction you're
24 describing the permit.

25 A Permanent BMP's, post construction BMP's.

1 Q Now, going back to during construction
2 what's the impacts in terms of dust control? I think
3 it was maybe Tom Witten mentioned that you would be
4 able to address that air quality, dust control issues
5 during construction.

6 A For this Project it's very similar to any
7 other site development project. We do see temporary
8 and passive and mitigative related to construction
9 noise and dust. And there are, you know, Hawaii
10 Administrative Rules in place to actually require
11 this. So the temporary BMP's that we would employ
12 would be designed to mitigate those impacts.

13 Because the solar farm is generally
14 passive and silent we really don't see any past tied
15 to the operation of the solar panel. But in terms of
16 noise, the construction activities and heavy equipment
17 would generate noise. But because of the location of
18 the Project being so far from any actual community, we
19 really don't see any construction noise in that.

20 If there are concerns the contractors can
21 take out a noise permit. And there'll be certain
22 BMP's requirements tied to that that the State will
23 actually enforce.

24 Q Thanks, Paul. You said that once the
25 Project is constructed you don't anticipate there'll

1 be noise. But I thought sometimes solar panels track
2 the sun that there can be some noise.

3 A Well, right now, I mean right now we're
4 not doing tracking panels. So there's no motors or
5 mechanical devices. So the facility truly is silent.
6 There's nothing moving. If anything, there's the
7 electrical hum that one might hear near a substation.
8 But that's not something you would hear at a distance,
9 certainly nowhere near the Project.

10 Q So, again, that's a noise. Could you
11 speak a little bit about the air quality, dust control
12 measures?

13 A Yeah. So in terms of the permit operation
14 there's no air emissions at all. So we don't see any
15 contacts during operation. It would only be during
16 construction where we would have fugitive dust
17 BMP's, again, tied to the HAR's that require us to
18 make sure that we don't have fugitive dust leaving the
19 site.

20 So that would typically include watering
21 the ground to keep the ground wet so that you don't
22 create dust. It also could include windbreaks or dust
23 screens and those types of things.

24 Q Paul, are you familiar at all with what
25 sort of maintenance will be required for those PV

1 panels?

2 A Yes. We are planning at this point to
3 have actually very little maintenance. In terms of
4 cleaning the panels water will be used if it's needed.
5 But for the most part we're depending on rainfall to
6 actually clean the panels.

7 However, if panels do need to be cleaned
8 water will be trucked to the site since there's no
9 potable source. And then panels be cleaned from a
10 truck or from some other vehicle.

11 Q Will chemicals be needed to clean the
12 panels?

13 A No chemicals are planned to be used on the
14 panels at this time.

15 Q Just rainwater really.

16 A Just rainwater. Just washing the dust.

17 Q You mentioned that there's no good active
18 water source on the site. One of the Commissioners
19 had raised some questions about fire and what would
20 happen if there were a fire. Let's say if there is a
21 battery storage area. Could you address those
22 concerns?

23 A There is no potable water source at the
24 site, meaning there's no Board of Water Supply lines
25 up at the property. So in its current condition I

1 believe KS has worked with the Fire Department to
2 actually give them access and has a game plan for
3 addressing fires. Sounds like the majority of fires
4 are actually set on purpose by arsonists.

5 And so we would anticipate, you know, with
6 bringing this P in we're doing two things. We're
7 providing a secure perimeter and we're also reducing
8 the fuel source. If you've ever seen the area, the
9 grass gets extremely tall and the fuel source is just
10 tremendous. By controlling the vegetation we're
11 really helping reducing the fire hazards. With a
12 24-hour security it's even more so with that.

13 In terms of fire protection for the actual
14 design of the facility because there's no, have no
15 structures, I don't believe that there'd be any fire
16 protective requirement for a building permit.

17 However, with there's a battery storage
18 involved certainly water can't be used to put out a
19 battery fire. So there would have to be other types
20 of fire protection controls in place to control the
21 fire.

22 Q To your knowledge is this system that
23 SunEdison is contemplating the sort of system where if
24 there was a fire the battery would just shut down?

25 A I believe there's controls designed within

1 the battery storage facility to actually control the
2 fire and prevent the heat from actually moving to all
3 the batteries and spreading the fire.

4 Q Paul, do you know generally the location
5 of the zone of contribution as it falls on the
6 Kamehameha Schools' property?

7 A Yes. It's the pink area shown in
8 Exhibit 24.

9 Q Thank you. Generally you're familiar with
10 the zone of contribution referring to the hydrological
11 zone of contributions of the Waiawa shaft?

12 A Yes. For the Navy's water supply.

13 Q So, of course, impacts, potential impacts
14 on groundwater's always an issue for the State Land
15 Use Commission. Based on your knowledge doing this
16 preliminary civil report and other solar projects
17 you've done, do you anticipate there will be any
18 impacts on groundwater from development of the solar
19 Project?

20 A No, I don't. The panels themselves are
21 not pollution-generating. They're fixed. There's no
22 motors. There's no mechanical things that could be
23 oiled or anything. It's pretty much a static
24 installed system. So we don't see any potential
25 pollutant that could be transmitted to groundwater.

1 MS. LIM: Thank you. That's all for my
2 questions, Commissioners.

3 CHAIR McDONALD: County?

4 MR. LEWALLEN: (off mic) Mr. Matsuda, how
5 many of these concrete pads --

6 THE REPORTER: Excuse me.

7 MR. LEWALLEN: I'm sorry -- (back on mic
8 0would be constructed in balance?

9 THE WITNESS: We haven't gotten to design
10 yet. Nicola could probably give us more information
11 on the actual design. They vary in size depending on
12 the type of equipment you decide to put in and also
13 the spacing and how you string everything together.
14 But in our past projects they've been anywhere from,
15 you know, 10 by 50 to 15 by--it just depends. A lot
16 of times they're rectangular.

17 Q Would you be able to tell us how the
18 panels are affixed to the concrete pad?

19 A The panels actually are not fixed to the
20 pads. The panels are actually set on a rack. And
21 they're attached to 2 piers that are driven through
22 the ground.

23 So it's really, I mean if you can imagine,
24 say, like a toothpick sticking in the ground and the
25 panel on top. So there's no actual impervious area

1 underneath the panels on the rack.

2 Q I see. Are the panels, are they
3 engineered to withstand certain amounts of wind speed
4 to withstand winds?

5 A Yes. The rack system will be designed in
6 accordance with the building permit structural
7 requirements IBC.206 I believe. They're actually
8 designed to withstand, I forgot the exposure class but
9 hurricane type winds.

10 Q Meaning like the Category 1 we saw with
11 ANA in the past in the cyclones recently?

12 A Yeah. I think the exposure class we're
13 looking at for the structural design is in excess of a
14 hundred miles per hour.

15 Q Probably category 1 then?

16 A Yeah.

17 Q Thank you. No other questions.

18 CHAIR McDONALD: State?

19 CROSS-EXAMINATION

20 BY MR. YEE:

21 Q Was there an analysis done for Phase 1
22 only or was it done for Phase 1 and 2?

23 A We looked at both phases but primarily
24 Phase 1 since that's the first Project. And we were
25 looking and working close to the SunEdison on their

1 site layout and looking at the grade and contours and
2 the layout. But we haven't actually embarked on the
3 full design yet.

4 That hopefully will be done as soon as we
5 get through this process we'll probably start working
6 on full design where we develop the details and fine
7 tune the site plan, site layout.

8 Q You're talking about you don't have the
9 full design plans for Phase 1 yet.

10 A No, we don't.

11 Q Phase 2 isn't really even there. It's
12 further away, right?

13 A I don't know if Nicola can answer that but
14 yes it would be. Because the --

15 Q So are you intending or do you believe
16 that there's gonna be a separate assessment done when
17 Phase 2 or if Phase 2 is ever prepared to go forward
18 for these construction packs?

19 A Yes.

20 Q Okay. Thank you. Nothing further.

21 CHAIR McDONALD: Redirect?

22 REDIRECT

23 BY MS. LIM:

24 Q Just one please. Paul, you need to
25 answer yes to Mr. Yee's question: Will there be a

1 further assessment? And I just want to clarify that.
2 Will that further assessment be required by the City
3 through the CPU process?

4 A For the company we will actually have to
5 provide amount of detail and duty assessments so we
6 can actually complete a CUP application, so yes.

7 Q So that will be for both Phase 1 and Phase
8 2. Thank you. No further questions.

9 CHAIR McDONALD: Commissioners, any
10 questions?

11 COMMISSIONER SCHEUER: Yes, Chair. Can
12 you just explain a little bit more about how you came
13 to the conclusion that there's not going to be
14 increased runoff from the site?

15 THE WITNESS: This has been a discussion
16 with the City DPP folks for some time because as we've
17 been working in solar farm projects and because of the
18 changes in drainage standard, the treatment of how
19 they actually apply the standard does change.

20 But in essence what happens is the panel
21 is actually elevated and the ground is pervious. So
22 the water will hit the panel and then run to the edge.
23 So there's no net increase in the impervious from the
24 panel installation. The only increase in impervious
25 would be from any pads that are actually put in.

1 In terms of land area that is a very
2 nebulous amount of concrete. So because we're not
3 changing the hydrologic characteristics of the
4 underlying ground and the main grass impervious
5 there's no anticipated increase in runoff.

6 The BMP's that we put in actually do
7 address that to some degree because we do have to
8 actually install permanent BMP's.

9 COMMISSIONER SCHEUER: So just to follow
10 up. I guess for me that the expected change may not
11 come from the increase of impervious surfacing but
12 from the reduction of vegetation on the property.
13 Right now it's high, tall, grass and small trees.

14 THE WITNESS: Yeah. In terms of
15 conforming with the City drainage standards we don't
16 look at height of vegetation as a criteria. It's
17 either vegetative or not. Because in the existing
18 condition, or if it was Ag, there basically would be
19 no vegetation or partially vegetated.

20 So we really, really look at, you know,
21 per the drainage standards that the City requires us
22 to follow. We look at basically what we call
23 coefficients to examine or describe the existing
24 condition and post conditions. And following the
25 standards that the coefficient would change regardless

1 of tall grass or short grass.

2 COMMISSIONER SCHEUER: Thank you.

3 CHAIR McDONALD: Any other questions?

4 Thank you, Mr. Matsuda. Your next witness.

5 MS. LIM: Yes. Thank you, Chairman. Our
6 next witness will be Chris Monahan.

7 CHRIS MONAHAN

8 being first duly sworn to tell the truth, was examined
9 and testified as follows:

10 THE WITNESS: Yes.

11 CHAIR McDONALD: Please state your name
12 and address.

13 THE WITNESS: Chris Monahan, Ph.D.
14 Business address 333 Aloa Street, No. 303 in Kailua,
15 Hawai'i.

16 DIRECT EXAMINATION

17 BY MS. LIM:

18 Q Hi, Chris. I didn't tell the
19 Commissioners what your position is so would you
20 please tell them what you do for a living.

21 A So I'm a principal archaeologist and owner
22 of TCP Hawai'i, LLC, and archaeology and cultural
23 resource firm.

24 Q How long have you been in that position,
25 Chris?

1 A With the company I've owned the company
2 since 2006. I've been doing archaeology and cultural
3 resource studies in Hawai'i for 13 years. And another
4 15 years in other parts of the world before I came to
5 Hawai'i.

6 Q What's your educational background?

7 A I have a Bachelor's, Bachelor of Arts and
8 Anthropology from St. Lawrence University in New York.
9 And a Masters and a Ph.D. from the University of
10 Wisconsin.

11 Q And I believe a copy of your resumé was
12 filed as KS Exhibit 33, correct?

13 A Yes.

14 Q However, I also understand that you have
15 not testified before this Land Use Commission before,
16 is that correct?

17 A That's correct.

18 Q So therefore you've never been qualified
19 as a witness -- I'm sorry as an expert witness.
20 Therefore if I can again I'd like to, with the other
21 parties' permission, like to have Mr. Monahan
22 qualified as an expert witness in archaeological
23 matters.

24 MR. LEWALLEN: No objection.

25 MR. YEE: No objection.

1 MS. LIM: Thank you very much.

2 CHAIR McDONALD: I'm sorry.

3 Commissioners, any objections? (Pause) He's
4 admitted.

5 MS. LIM: Thank you, Chair. Okay, Chris.
6 I know the Commissioners have heard a number of times
7 what the Project consists of. So I'm not going to ask
8 you to go over that. But would you just confirm that
9 you are familiar with the general areas of the 2 solar
10 farms, Phase 1, Phase 2 properties?

11 A Intimately familiar, as I dragged a bunch
12 of people through all those areas for 4 weeks. Yes, I
13 am.

14 Q Okay. Great. So let's get down to the
15 nitty gritty. When you say you dragged people through
16 the property are you talking about just the 2 solar
17 farm areas? Are you talking about the entire 1,395
18 acre Kamehameha Schools property?

19 A Yeah. So the archaeology work, I don't
20 want to be confusing or introduce the word Phase 1 and
21 Phase 2 for our particular Project. But our field
22 work was really conducted in 2 phases. The first
23 phase of our field work was to look in the solar
24 Project footprint specifically.

25 Then we expanded the Project based on some

1 comments from SHPD over the summer for the entire
2 1,395-acre Project Area.

3 In consultation with SHPD, Historic
4 Preservation, we also added a couple in addition to
5 the 1,395 acres, a utility hookup. It's a short
6 utility transect basically heading west to the H-2
7 side. Another utility hookup collar area,
8 essentially, going up to the north or east where there
9 is some existing powerlines. We also included the
10 access for those entering the property and satisfy
11 such needs.

12 Q So you prepared in terms of area, quite a
13 comprehensive Archaeological Inventory Survey. Was
14 that submitted to SHPD?

15 A So we submitted the AIS report to SHPD on
16 September 16.

17 Q I believe a copy of your transmittal
18 letter was filed as KS Exhibit 39, is that correct?

19 A That's correct.

20 Q Thanks. So with that out of the way maybe
21 you could tell the Commissioners what you found, how
22 you conducted the Archaeological Inventory Survey and
23 what you found?

24 A Okay. So in preparation for the study
25 there have been several previous studies of the

1 Project Area. In 1992 a group affiliated with the
2 Bishop Museum actually did a survey of even a larger
3 area, 3,600-acre area extending mauka above even the
4 area that we're talking about today. And there have
5 been a number of other studies of the Project Area
6 recently that we have referred to.

7 We also consulted with SHPD with Historic
8 Preservation, met with Kamehameha Schools and
9 SunEdison. We met with archaeologists, consulted as
10 I've consulted for actually both of our phases with
11 OHA as well, the Office of Hawaiian Affairs.

12 Then we did a pedestrian survey on the
13 Project Area. We knew going in that the survey area
14 contained many features and site features essentially
15 from the plantation days. So we knew that we were
16 going to run into lots and lots of features.

17 Our, our main focus in surveying was even
18 looking harder to see if we could find Hawaiian sites
19 because of the past disturbance in the Project Area.
20 So we developed a scope of work in particular to look
21 and see if there were any remnants of Hawaiian
22 activity in this area that had been greatly impacted
23 by commercial agriculture.

24 I'll talk about end results but we ended
25 up doing a little archaeological excavation at a site

1 which could have possibly been a Hawaiian
2 archaeological site. I'll talk a little bit about
3 that in a moment.

4 So in addition to the 1992 Archaeological
5 Survey that was undertaken by this group associated
6 with the Bishop Museum, Kamehameha Schools came for a
7 number of studies over the past several years.

8 So we also had reference to a 2012
9 reconnaissance survey of the Project area, partial
10 survey of the gulches and gullies where the Hawaiian
11 sites might be.

12 There's also an ethno-historical study
13 that Kamehameha Schools paid for in 2010 by another
14 company. Actually a Cultural Impact Assessment about
15 10 years ago that was in the context of the Gentry
16 Project that never came to pass. So there's a certain
17 amount of background information that we had to study
18 before we went out into the field.

19 And if you want me to talk about the
20 results of the findings.

21 Q Please do.

22 A I'd like to start with a little bit of
23 context and I won't bore you with a lot of details.
24 But there's a long history of maybe a hundred years of
25 commercial agriculture in the Project Area. That

1 starts around the turn of the century in the late
2 1900s and continued into the '70s or '80s.

3 Because in my experience and other people
4 who have done surveys, especially in Central O'ahu,
5 but my own personal experience on 2 projects in
6 particular, one in Kunia and one up in the Schofield
7 area, and Lihue.

8 Even in areas where plantation Ag has had
9 a heavy impact on the landscape, you can still
10 sometimes find Hawaiian sites, again if you look at
11 the gulches and the gullies. Because it was uncommon
12 for the plantation, the mechanized plantation Ag folks
13 to go into steep slope areas and especially gullies
14 and gulches.

15 What's interesting and unique in my
16 experience about this particular Project Area is our
17 surveys in the 3 major gulch systems, what we found
18 was that the plantation guys were in all of those. So
19 we found bulldozed roads, little curvings of rocks
20 that were put in by the plantation guys to keep the
21 gulches open. We found that some of these gulches
22 were used as reservoirs.

23 And we found a lot of rock work down
24 inside where the plantation guys were going down and
25 gathering resource. They were shaping rocks and they

1 were taking them out of these gulches.

2 But a short story is that in this
3 particular Project Area the gulches have been really
4 cleaned out and modified. And we didn't find any
5 Hawaiian sites, certainly no Hawaiian skeletal
6 remains, no he'iau, no habitation sites, no
7 agricultural sites that you can sometimes find in such
8 features in the landscape.

9 Again, we knew going in that we were going
10 to find sites 'cause they'd been well documented. The
11 question from SHPD and the real reason why they wanted
12 us to go in was because it had been since 1992 that
13 anyone really looked for everything. And SHPD
14 obviously wants to make sure that we document every
15 single feature that we can find out there.

16 So our results show that there are the
17 remains of 3 archaeological sites or historic
18 properties in the Project Area. It's important to
19 understand that 2 of these sites, these historic
20 properties, consist of a couple dozen features. And
21 they're linear features. So there are flumes, they're
22 pipes that go all throughout the Project Area. There
23 are roads that are the remnants of an old temporary
24 railroad that the plantation put in. So I don't have
25 the exhibits here because it would probably bore you.

1 But if you look at the site location map
2 that we produced, that's in the AIS that's under
3 review now it looks like spaghetti for a map. There's
4 lines that go everywhere.

5 So again to give you state site numbers.
6 Site No. 2273 is an irrigation system. This is,
7 again, what the plantation built, a system of ditches,
8 syphons, water retention features that crosses the
9 landscape. We identified 25 component features in
10 that site. They extend to the north and to the east
11 and to the south out of the Project Area.

12 We also identified site 2270 which is a
13 series of roads that many of which appear on maps from
14 the 1920's, 1930's and even 1940's. The military used
15 some of these roads during the Second World War.
16 They're essentially dirt roads. There's nothing very
17 exciting about them.

18 There was this temporary railroad that the
19 plantation put in and took out. And those roads,
20 those rights-of-way were essentially re-purposed into
21 roads by the plantation guys after that. Even it's
22 over 50 years old we have to document as an historic
23 property on the Project Area.

24 Again that site complex, if you will, of
25 roads consists of 28 features that we identified. We

1 also found site 2271 which is the remains of old
2 plantation era features. One was really just a pile
3 of rubbish. And one of the other two is fairly
4 interesting. It's got some remains of a pineapple
5 cannery at the very lower end of the site.

6 All this stuff again has been documented
7 before. Our job was to go out and essentially
8 redocument it and show them the present condition of
9 these sites and features right now.

10 Q If I can, Chris, although it's all been
11 documented before and you did rely on some prior
12 studies, did you, in fact, go and crawl around in the
13 gullies?

14 A Yes. So we crawled in areas that had been
15 -- we figured we were the third set of archaeologists
16 to crawl through these gulches and gullies. So we did
17 transects up and down the gully bottoms. We're
18 mostly, we're looking for things like rock outcrops
19 which sometimes occur in them 'cause there will be
20 places for petroglyphs, little pukas that may contain
21 burials, Hawaiian artifacts. We basically found that
22 the Project Area is devoid of such prominent rock
23 outcrops. They do occur south of the Project Area.
24 Those are places where some petroglyphs have been
25 identified recently.

1 We went back to those places even though
2 they were outside of the Project Area, took new GPS
3 points to ensure that they were, indeed, out of the
4 current 1395 acres. We were able to show that those
5 petroglyph sites were at least a hundred meters
6 outside of the Project Area.

7 Q So I just want to make a clarification if
8 I may. When you're talking about the Project Area
9 you're referring to the whole 1395-acre Kamehameha
10 Schools property, not just the solar farm areas?

11 A The 1395-acre Project Area. I call it the
12 LUC Project Area just because it's easy for me.

13 Q Chris, I know that the AIS was submitted
14 to SHPD in the middle of September. At this point has
15 it been accepted? Has SHPD given any feedback?

16 A Well, they have a due date of tomorrow.
17 That's a 45-day written notice due date. I see a
18 couple smiles around only because they're notoriously
19 understaffed and slow. So I spoke with the state
20 archaeologist last week. I called her this morning
21 coming in to see where she was in the review. She
22 hasn't done it yet. So my job is to stay close to her
23 so we can get it soon. It's due.

24 Q So they have not accepted it yet.

25 A Correct.

1 Q Nevertheless, in your AIS you did have
2 some recommendation. Would you let the Commissioners
3 know what were your conclusions?

4 A Sure.

5 Q This is, of course, with the understanding
6 SHPD would have to approve those conclusions.

7 A Right. So our recommendation is
8 contingent on the concurrence from the State Historic
9 Preservation Division. And we recommended, in effect,
10 a determination of the entire Project of what's called
11 'effect with proposed mitigation commitments' for the
12 Project Area.

13 We recommended no further archaeological
14 or historic preservation work for the sites and site
15 features that are in the solar Project Area. And we
16 recommend no formal determination of proposed
17 mitigation be made for the remaining areas for which
18 right now there is no project that's being proposed.

19 So what we're proposing to SHPD is
20 essentially no further work for the solar area. But
21 we're going to hold off on making a determination for
22 everything else. Because 10 years from now if someone
23 decides to develop the rest of the Project area we
24 wouldn't want to have a dated recommendations. But
25 again we are waiting for concurrence on that.

1 Q Chris, are you familiar with the case,
2 the Hawai'i Supreme Court case called *Ka Pa`akai O Ka*
3 *`Aina vs Land Use Commission*?

4 A As a lay person, yes I am.

5 Q If you would please tell the Commissioners
6 what you understand about that decision.

7 A My understanding is that the Land Use
8 Commission needs to be presented with specific results
9 and findings of Historic Preservation studies,
10 archaeological studies, studies of cultural resources,
11 customary, traditional practices when making a
12 decision. That's what it meant. That's my layman's
13 understanding.

14 Q And with that understanding was well
15 articulated and correct. Do you believe that the
16 information that you gathered for this AIS, synopsis
17 of this AIS that you just presented to the Commission,
18 provides them with adequate information to make that
19 kind of determination?

20 A Yes, I do.

21 MS. LIM: With that I have no further
22 questions. I'll turn him over.

23 CHAIR McDONALD: County, any cross?

24 MR. LEWALLEN: No, thank you.

25 CHAIR McDONALD: Mr. Yee?

1 MR. YEE: Yes, just briefly.

2 CROSS-EXAMINATION

3 BY MR. YEE:

4 Q Mr. Monahan, I understand that the kind of
5 documentation that was done in the 1990s was very
6 different from the kind of documentation we do today,
7 that is correct?

8 A Well it's before we had that Hawaii
9 Administrative Rules, the Archaeological Survey Rule
10 essentially. Not very different but just probably a
11 lower level of documentation.

12 Q It's typical of SHPD to require a new AIS
13 if the latest one was done sometime in the 1990s,
14 wasn't it?

15 A That's correct.

16 Q I'm just kind of curious. Did you
17 discover any new features? Have you identified any
18 new features in your latest AIS?

19 A Yeah. So we identified -- in some cases
20 we identified additional features of existing sites or
21 site complexes, if you will. Again, one of the
22 specific ways that the early '90s were different from
23 today is that now we have documentation including
24 photography and maps for every single feature that we
25 find. In the old days it would be, "we found a lot of

1 dirt roads and that's it." Now, the state wants to
2 see that evidence. So we've done that.

3 Q And then under the SHPD statute and rules
4 I take it you need to get their concurrence on your
5 AIS, correct?

6 A Yes.

7 Q And then if they have revisions you make
8 those revisions and resubmit them?

9 A Yes.

10 Q And then comply with whatever the
11 requirements would be.

12 A Yes.

13 MR. YEE: I have nothing further. Thank
14 you.

15 CHAIR McDONALD: Petitioner, any redirect?

16 MS. LIM: No redirect.

17 CHAIR McDONALD: Commissioners, any
18 questions?

19 COMMISSIONER SCHEUER: Chair, sorry. This
20 is really based on Ms. Lim's question to Chris. I
21 think that an AIS gives us some basis for talking
22 about the *Ka Pa'akai* analysis. But really it's the
23 actual Cultural Impact Assessment that does more, that
24 looks at any ongoing traditions that might be
25 associated with that property. So based on that, what

1 you add on to what you said earlier or follow up?

2 MS. LIM: If I may, Commissioner Scheuer,
3 you're absolutely correct. I'm jumping ahead. That's
4 because our next witness, Jason Jeremiah, will address
5 that issue. I stand corrected, really. I was
6 combining the two. I should have kept them separate.

7 Chris is here to talk just about historic
8 properties. Jason can address the cultural issues.

9 COMMISSIONER SCHEUER: I only got in this
10 spirit of --(inaudible)

11 MS. LIM: No, I'm glad you did. Thank
12 you.

13 COMMISSIONER SCHEUER: Thank you, Chair.

14 CHAIR McDONALD: Next witness.

15 MS. LIM: Okay. That will be Jason
16 Jeremiah.

17 JASON JEREMIAH
18 being first duly sworn to tell the truth, was examined
19 and testified as follows:

20 THE WITNESS: Yes.

21 CHAIR McDONALD: Please give your name and
22 address.

23 THE WITNESS: Jason Jeremiah, 567 South
24 King Street, Honolulu, Hawai'i 96813.

25 CHAIR McDONALD: Proceed.

1 DIRECT EXAMINATION

2 BY MS. LIM:

3 Q Thank you. Would you please tell the
4 Commissioners what you do for a living?5 A I'm the senior cultural resource manager
6 at Kamehameha Schools.7 Q How long have you been at Kamehameha
8 Schools?9 A I've been at Kamehameha Schools about 4
10 and-a-half years.11 Q And was that your first job in the
12 cultural realm?13 A Previously I worked at the Office of
14 Hawaiian Affairs for about 2 and-a-half years as a
15 policy advocate in historic preservation.16 Q Jason, what sort of educational background
17 do you have?18 A I have a Bachelor's of Arts in Hawaiian
19 Studies from the University of Hawai'i at Manoa. I
20 also have a Master's in Urban and Regional Planning
21 also from the University of Hawai'i at Manoa.22 Q And was a copy of your resumé filed with
23 the Commission as Petitioner's Exhibit 31?

24 A Yes.

25 Q And I don't know if it's in the resumé so

1 maybe you can just tell the Commissioners, are there
2 any professional organizations or societies that
3 you're a member of?

4 A I'm a member of the Society for Hawaiian
5 Archaeology.

6 Q So have you ever testified before this
7 Land Use Commission before?

8 A No.

9 Q But you do have at this point, you feel, a
10 good background in cultural resources and
11 understanding impacts of cultural resources?

12 A Yes.

13 Q So, again, this will be the last time I do
14 this to everybody. But if I may I'd like to take the
15 opportunity to ask the parties and the Commission to
16 qualify Mr. Jeremiah as an expert witness in cultural
17 matters.

18 CHAIR McDONALD: County, any objections?

19 MR. LEWALLEN: No objection.

20 MR. YEE: No objections.

21 CHAIR McDONALD: Commissioners, any
22 objections? So admitted.

23 MS. LIM: Thank you very much.

24 DIRECT EXAMINATION

25 BY MS. LIM:

1 Okay, Jason. Please tell the
2 Commissioners what you do for Kamehameha Schools. You
3 told us your position but what do you actually do?

4 A So I work with Kamehameha Schools on their
5 cultural resource management of initiatives for the
6 organization statewide, primarily with our lands
7 across 5 islands, manage their cultural resource
8 management plans, and also help out with the historic
9 preservation compliance projects related to
10 development and other entitlement projects that we
11 work on.

12 Q And are you familiar with this property,
13 the Waiawa property?

14 A Yes.

15 Q And are you familiar with the solar farm
16 Project that's being proposed?

17 A Yes.

18 Q And I won't ask you to go through the
19 details of the Project. Everybody's heard them a
20 number of times already. Could you tell the
21 Commissioners, please, about any cultural assessments
22 or cultural studies that have been done for this
23 property? And I mean the whole 1,395 acres or any
24 portion thereof.

25 A Okay. Dr. Monahan also eluded to it but

1 back in 2003 there was a Cultural Impact Assessment
2 done by Cultural Surveys Hawai'i for about 3600 acres.
3 And that Cultural Impact Assessment included
4 interviews with kupuna, kama'aina of the area and
5 gathered information from them and assessed the
6 impacts to cultural traditions, practices within the
7 Project Area which was larger than the SunEdison
8 Project Area, and also the 1,395 acre Project Area.

9 And also back in 2010 Kamehameha Schools
10 initiated an ethno-historical study for KS's lands
11 within the region of 'Ewa. So included Waiawa but
12 also included Kalawao and Waiau ahupua'a which KS owns
13 lands. And that was a proactive approach to
14 documenting that.

15 Again, it's similar to a Cultural Impact
16 Assessment but we don't ask the kupuna really, you
17 know, assessing the impacts of a specific project.
18 But we just want to gather information to help with
19 our current land management strategies and practices
20 within the area.

21 Q Jason, you mentioned that a Cultural
22 Impact Assessment that was done in, I think it's 2003.
23 I believe a copy of that was filed as KS Exhibit 20.

24 A Yes.

25 Q But the ethno-historic study that you just

1 mentioned, was a copy of that filed with the
2 Commission? I don't believe so.

3 A Yeah, I don't believe so.

4 Q So although the Commissioners may have had
5 a chance to look through the exhibit, and I will ask
6 you to just summarize what that Cultural Impact
7 Assessment had to say. And also did you tell them did
8 they think there were any findings regarding this
9 Waiawa property in ethno-historic study?

10 A Okay. So I'm going to just summarize the
11 Cultural Impact Assessment 'cause, I believe that's
12 important. So the CIA conducted over -- they reached
13 out to over 66 people to gather information and got
14 feedback from them.

15 And included people that were associated
16 with the plantation, people that grew up specifically
17 in Waiawa and also included consultation with Wahiawa
18 Hawaiian Civic Club also. You can see that in the
19 exhibit that was submitted.

20 And for the ethno-historic study that
21 Kamehameha Schools completed, we conducted about 6 to
22 8 interviews with kupuna of the area. A lot of kupuna
23 touched upon many, many different places, the 3 main
24 ahupua'a we focused on. But there was a lot of people
25 that did touch upon Waiawa, but a lot of the specific

1 information was focused makai near the old historic
2 waterways, the lo'i, the fishpond, the rice paddies
3 down makai of Leeward Community College.

4 And the other information that was
5 gathered from that study also touched on more of the
6 plantation days and swimming in the reservoirs and
7 going up there with their families. So that was the
8 types of information that were gathered in that study.

9 There was no specific information related
10 to traditional and customary practices that occurred
11 within the 2 Project areas, the SunEdison Solar Farm
12 Project Area or the larger 1395 acre Project Area.

13 Q Thank you. KS Exhibit 21 is a Cultural
14 Resources Preservation Plan that was filed with the
15 Commission. Are there any particular cultural
16 resources on the 1395-acre Petition Area that
17 recommended or discussed for preservation in this
18 plan?

19 A Not to my knowledge. From my
20 understanding the cultural resources preservation plan
21 were sites that were outside the 1,495 acre Project
22 Area. It was in the gulch along the H-2 that I think
23 I believe Dr. Monahan also referenced there was a
24 large concentration of petroglyphs down in the gulch.

25 Q And, again, that's outside of the Petition

1 Area.

2 A Yes, to my knowledge.

3 Q So looking through the studies and then
4 also the most recent one that Kamehameha Schools
5 conducted, again I'm probably repeating myself, but
6 did you identify any particular cultural practices or
7 cultural resources on this property, the 1,395 acre
8 Petition Area?

9 A No, not in our studies, not in the
10 Cultural Impact Assessment or the Ethno Historical
11 Study and the people that were interviewed and KS
12 interviewed. You know, because the Project Area, the
13 larger Project Area was in active commercial Ag for
14 such a long time, a lot of those practices probably
15 were -- people weren't allowed to have those practices
16 going way back to the mid to late 1800s. So there
17 weren't any identified in those studies.

18 Q Thank you. My last question for you, this
19 is sort of the bookend to the question I asked
20 Dr. Monahan. He addressed whether the solar farm
21 Project would have any impact upon archaeological and
22 historic resources. I guess I'd like to put that
23 question to you and add cultural resources. What is
24 your opinion on that? Will the solar farm Project
25 have an impact on historical, archaeological or

1 cultural resources?

2 A For the solar farm Project I believe it
3 will not have any impact to the archaeological and
4 historic resources of the Project Areas. A lot of
5 documentation has been completed. And, you know, we
6 are awaiting the State Historic Preservation
7 Division's acceptance of our recommendation in the
8 Archaeological Inventory Survey.

9 In terms of cultural resources,
10 traditional customary practices, I don't believe that
11 there will be any impact to those practices. To my
12 knowledge there are no active traditional and
13 customary practices. There haven't been documented
14 traditional customary practices that have -- that are
15 within the Project Area.

16 Q Thank you, Jason. That's all my
17 questions.

18 CHAIR McDONALD: County, cross?

19 MR. LEWALLEN: No questions.

20 CHAIR McDONALD: Mr. Yee?

21 MR. YEE: No questions.

22 CHAIR McDONALD: Commissioners, any
23 questions for Mr. Jeremiah?

24 COMMISSIONER WONG: Just one. So was
25 there, again, was there any families that said this is

1 their land or anything at all before the Mahele?

2 THE WITNESS: In my review of the reports
3 I don't believe anyone has made that claim. The lands
4 were part of the large ahupua'a awarded to Victoria
5 Kamamalu. That land subsequently passed to Ruth K.
6 Ke'eliokalani, then to Princess Pauahi and then the
7 Bishop Estate.

8 COMMISSIONER WONG: Thank you.

9 CHAIR McDONALD: Thank you, Mr. Jeremiah.

10 THE WITNESS: Thank you.

11 MS. LIM: Chair?

12 CHAIR McDONALD: This is your last
13 witness?

14 MS. LIM: Our last witness.

15 CHAIR McDONALD: This might be a long one,
16 Holly. Why don't we take a quick 5 minute recess.
17 (Laughter)

18 (Recess was held 2:30 p.m.)

19 CHAIR McDONALD: Back on the record.
20 Petitioner, your next witness.

21 XXX

22 MS. LIM: Thank you, Chair. Our next
23 witness is Catherine Camp from Kamehameha Schools.

24 CATHERINE CAMP

25 being first duly sworn to tell the truth, was examined

1 and testified as follows:.

2 THE WITNESS: Yes, I do.

3 CHAIR McDONALD: Please state your name
4 and address.

5 THE WITNESS: My name is Catherine Camp.
6 I live at 567 South King Street, Honolulu, Hawai'i
7 96813.

8 DIRECT EXAMINATION

9 BY MS. LIM:

10 Q Hi, Cathy. Do you work for Kamehameha
11 Schools?

12 A Yes. I'm a development director at
13 Kamehameha Schools. I've worked there for about 8
14 years. Prior to that I worked for Alexander & Baldwin
15 about 7 years in the real estate area. In both cases
16 I was director in the real estate department where we
17 handled acquisitions, marketing, project management,
18 development-related activities.

19 Q So that's the area you focused on is real
20 estate development. Can you tell the Commissioners
21 with respect to Kamehameha Schools what your specific
22 role is?

23 A Sure. I am directly responsible for
24 planning development and asset management activities
25 in specific geographic areas. I provide leadership to

1 day-to-day matters relating to planning and
2 development, due diligence, partnerships,
3 acquisitions, the whole gamut.

4 And the area I cover is about
5 2.6 million square feet primarily in the Kapalama area
6 but also Waiawa, some areas in Moili'ili, and some on
7 the Windward side.

8 Q Do you also deal with community relations
9 to an extent?

10 A I'd say that's half of my job. Kamehameha
11 Schools is very engrained in getting community input
12 and working with the community on a variety of levels.
13 We're a large organization and are committed to
14 Hawai'i for many reasons.

15 Q So you've been with KS for a number of
16 years and before that you were with another real
17 estate development company. What is your involvement
18 in any City or State, working groups or collaborative
19 type of groups?

20 A I'm a member of ULI, Urban Land Institute,
21 and I'm also an active member of NAIOP, National
22 Association of Industrial Office Properties. I was
23 the past Hawai'i Board of Directors Chair. And I'm
24 now the national board representative for that
25 organization. And that organization looks at or is a

1 professional organization in real estate looking at
2 industrial, office, retail, mixed-use properties. And
3 City things too.

4 Q Yes.

5 A I'm also on two Transit-Oriented
6 Development Advisory Commissions with the City of
7 Honolulu. One of those is for the Kalihi-Kapalama
8 area. And the other is for the airport station area.
9 So I was an advisory committee member working with the
10 City, their planners and other community members.

11 Q So would you say -- I'm not looking to
12 qualify you as an expert, but would you say that you
13 have a pretty good handle on the time it takes to
14 conceptualize initiatives, pursue developments in the
15 state of Hawai'i?

16 A Yes. I don't know how developers do it.
17 (Laughing) It just takes a lot of time to. I know,
18 introduce an idea, work with the community, study the
19 idea, make sure it's feasible on a variety of levels.
20 With KS it even goes even deeper because we look at
21 things, as mentioned earlier, on 5 cultural values.

22 Q Thank you. I know Giorgio Caldarone is the
23 sector lead on renewable energy. So that's not really
24 your area. So what's been *your* involvement on this
25 SunEdison Project?

1 A My involvement has primarily been working
2 with the community relations aspect as well as working
3 on the development of today and future plans. We just
4 got these lands back in 2012, it was even mid-late
5 2012. So as we looked at them, what is there? What
6 is that to do? I was looking at what's on the
7 property. What are the entitlements? What are the
8 approvals? Then actually working in what can we do in
9 the future.

10 Q So Kamehameha Schools is interested in
11 exploring what further development could take place on
12 this property?

13 A Yes, absolutely.

14 Q But are there certain, let's say criteria,
15 or certain considerations that Kamehameha Schools has
16 to take into account before deciding on a development
17 program that perhaps other land developers don't have
18 to take into account?

19 A Yes. You know, Kamehameha Schools is a
20 large organization, as I mentioned earlier. And we
21 take strategic planning to heart. We have many
22 beneficiaries we have to speak to. And because we are
23 a charitable trust in perpetuity our decisions not
24 only have to be for today but also how is the impact
25 for tomorrow. So we'll start processes that involve

1 outreach to our beneficiaries, in the community
2 members, to small groups, large groups, neighboring
3 property owners and so forth.

4 Q Is the Kamehameha Schools focus always on
5 maximizing the bottom line? Or are there certain
6 values that have to be touched on it?

7 A No. And I think Giorgio brought this up
8 earlier. We look at things and find values.
9 Economics is 1, environment, the community, cultural
10 and education. And more recently as we're just
11 finishing up our 2015 strategic planning embarking on
12 the next 'til 2040 I think it is, next 50 year.

13 I can't do the math right now. But we're
14 actually looking to lead with education and we can see
15 how do our lands, how do our decisions impact
16 education. How can we further our mission?

17 Q We'll come back to that. Because that's
18 really interesting. I want to spend some more time on
19 it. But one of the other of the five values that you
20 mentioned is community. So bring it back sort of
21 under the microscope. Please tell the Commissioners
22 what the community engagement was done for this
23 SunEdison solar farm Project.

24 A All right. So first off we met with
25 elected officials to see what their input, get their

1 feelings. We met with -- this was in February 2014,
2 Greg Takiyama, Representative Greg Takiyama, Senator
3 Clarence Nishihara, Representative Beth Fukumoto,
4 Senator Michelle Kidani and Representative Ryan
5 Yamani.

6 And all these meetings we shared with them
7 what we're looking at doing, some of the, you know,
8 questions that we had heard from various people to see
9 what their thoughts were. In all the meetings the
10 government officials were very supportive.

11 From that we went to the neighborhood
12 boards. Actually SunEdison went to Neighborhood Board
13 hearings. Again, they made presentations to Pearl
14 City Neighborhood Board in March, Waipahu Neighborhood
15 Board in April, and Mililani-Waipio Neighborhood Board
16 in March. Two of those boards actually passed
17 resolutions in support of the solar farm Project.

18 Q Was it required for SunEdison to go to the
19 neighborhood boards to get approval?

20 A No. But we asked them and encouraged them
21 because we are a player in many of those neighborhoods
22 and want to have a good relationship with our
23 communities.

24 Q So Kamehameha Schools thinks it's
25 important to continually reach out, let the community

1 know what they're doing before you actually proceed.

2 A Yes.

3 Q Thank you. So you did mention that
4 Kamehameha Schools does have on its radar long-term
5 plans for the Petition Area in the 1395 acres. Can
6 you tell us -- or I'm sorry, tell the Commissioners,
7 whether you believe that the Gentry plan is the
8 correct plan for that property right now?

9 A KS acknowledges that the continuing
10 validity of the Commission's findings in the Waiawa
11 Order with respect to Hawai'i State Plan Chapter 226
12 HRS, urban development of the property, particularly
13 development that includes residential and commercial
14 uses was recognized as an appropriate time it came
15 before this Commission back in 1983.

16 So the original Master Plan and
17 development program created by Gentry envisioned urban
18 uses for the KS property such as a variety of
19 residential, commercial, industrial and golf course
20 uses. On the Gentry Waiawa Ridge Project is generally
21 consistent with the intensity of development
22 recognized as appropriate for the Waiawa property. At
23 this point in time we feel the plan is out of date.
24 The reason for that is 1. Is the market feasibility
25 of a community with 15 percent of its 7,906

1 residential units being for those age 55 and over just
2 doesn't provide a robust community.

3 Q I'm sorry. So the Gentry plan actually
4 anticipated that there was going to be 50 percent --

5 A Age qualified.

6 Q -- 55 and over?

7 A Right. So roughly 4,000 units
8 approximately. According to Mark Baud of Real Estate
9 Economics, he's a consultant that looks at residential
10 uses. He has said better diversion in housing product
11 mixes really provide for a better community. We just
12 don't want all senior housing on the whole property or
13 half of it.

14 In addition to that there were 90 acres
15 that were zoned commercial-industrial. Right now the
16 absorption of that zoning is just incompatible with
17 market demand. And as a result the jobs, revenues
18 projected to result from the Gentry plan are likely
19 not realistic in the current environment.

20 However, rather than letting the land
21 remain vacant and unproductive we looked for
22 opportunities on how to make good use of this land in
23 the manner that benefits the state as a whole. In
24 doing so we want to consider a more sustainable, a
25 green community that integrates residential,

1 commercial, agricultural and solar, of course, other
2 sustainable uses.

3 Also there have been significant changes
4 between now and the time the Gentry Project was
5 envisioned. One of those we've been talking about
6 earlier today is Rail, was the Rail line. So with the
7 property being within a mile of the Pearl Highlands
8 transit station and the Leeward Community College
9 station, and 2 miles between those areas and the
10 center of the property, it just behooves us to really
11 consider looking at how can we embrace the transit.
12 Instead of starting from a northerly approach looking
13 is there some way to start from a more southerly
14 approach.

15 Q Cathy, you're right. It has been
16 mentioned and I'm glad you're bringing it up again.
17 And KS Exhibit 5 certainly shows where the Rail
18 stations are going to be and now that's in proximity
19 to the property. But has Kamehameha Schools had any
20 kind of discussions with the City about this?

21 A We have had very preliminary discussions
22 with the City regarding the potential opportunities
23 for Transit-Oriented Development. We actually have
24 property on a majority of the transit Rail lines. So
25 we've been working very closely with the City to look

1 at how can different areas embrace transit and the
2 timing of such.

3 Some have entitlements, some do not. Some
4 will have long-term ground leases that you can't do
5 something on. Some have, you know, like this
6 property, it's an opportunity to explore a different
7 alternative.

8 Q So what sort of -- when you talk about
9 Transit-Oriented Development can you give a few
10 examples of the kinds of uses that could be
11 appropriate on this property?

12 A Well, I mean the first thing that comes to
13 mind is park 'n ride. I know the City has planned a
14 park 'n ride station at Leeward Community College.
15 But the site is already congested. Call it commuters
16 for the community college. This could be a great
17 opportunity to provide a park 'n ride station for
18 people coming down from Mililani or from Pearl City
19 even or Waipahu to park.

20 Another could be housing, workforce
21 housing, market housing, low income housing,
22 something that provides ridership to the Rail and
23 something where someone doesn't need to own a car.
24 You just walk to the train station. There's a lot of
25 uses.

1 Q As the property is currently entitled,
2 meaning for the State and the City and County of
3 Honolulu level, do the current entitlements allow that
4 sort of development on the south?

5 A No. I think that certain aspects of the
6 land use entitlements would have to be changed in
7 order to pursue that. We may need to make boundary
8 adjustments. We would have to come and look at
9 different rezoning from the city council. It's just
10 there's not -- there's some Ag lands in there. You
11 can see there's one parcel. I can't read the map
12 number, but it's on all of these maps where one parcel
13 is bifurcated from the rest of the entitled area and
14 the others around it has Ag.

15 So if we're taking a southerly approach
16 that parcel would have to be considered and those
17 lands around it would have to be re-evaluated.

18 Q Is there access to that southerly piece?

19 A There are. Actually we walked the
20 property and looked at difference accesses. There's
21 Waihona Home Road as well as Waipahu Home Depot --
22 Waipahu Depot Road -- so we have looked at it
23 preliminary, but not in any depth just to say is it
24 impossible to come to the southerly approach.

25 Q So if you've only done preliminary

1 investigations, and I recognize KS only got the
2 property back a couple years ago, but what will you
3 do? How will you figure out what should be done and
4 whether access is feasible and whether development is
5 feasible in parts of this Petition Area?

6 A I think I'll go back a little bit and talk
7 about what KS does in general. We as an organization,
8 as I mentioned, really embrace extensive community
9 consultation. To making sure that decisions are in
10 alignment with what the community needs as well as our
11 strategic plan, that meets our beneficiary's needs.

12 Recent examples of that are when we do our
13 North Shore planning, our planning in Kapalama. We've
14 done the planning as well as Kaka'ako. And taking,
15 for example, the North Shore plan. We started that
16 process by talking to the kupuna and seeing what their
17 thoughts were. From there we had small group
18 meetings. We grew that to larger venues, did surveys,
19 interviews.

20 Actually in the surveys we surveyed
21 everyone in the zip code area, received a 30 percent
22 response rate which is really high for a mail-in
23 survey from someone. We really spent the first part
24 of that process engaging with the community. As the
25 plans developed we continued to check back with the

1 community to make sure that we're in line with them.

2 So looking at the Haleiwa Store lot it's a
3 renovation of some existing buildings, salvaging of
4 some historic buildings as well as new buildings.
5 We've made revisions to those plans 25 times, at
6 least, that took input from different community people
7 just to come up with something that worked for all.

8 Then as we go through implementation we
9 even involve the community as well. So in that
10 instance we are looking at open spaces and how to
11 program those open spaces. We work with the community
12 in turn. Is it a farmers market? Is it -- no, we are
13 going to have hula shows? Is it gonna be who knows
14 what? But it works with the community to determine
15 what that works even through implementation.

16 Q So, Cathy, you just described the pretty
17 extensive community outreach program and -- --

18 A Well, let me add one thing.

19 Q Please.

20 A For that plan in particular we actually
21 won an award from the American Planning Associations,
22 the National Planning Excellence Award for Innovation
23 and Sustaining Places in 2011 for our collaborative
24 community outreach and unique value-based framework.
25 Not only do we believe we're doing it a little

1 different but to win a national award from the APA
2 says that we are doing it well.

3 Q That's a good point. What I want to turn
4 to now is KS Exhibit 38. Are you familiar with that?
5 It's a memo called "considerations on development"?

6 A Yes, right here.

7 Q Great. I'm sure the Commissioners had a
8 chance to look through it. Of course, you're not
9 going word-for-word through KS Exhibit 38. But this
10 memo outlines not only the community outreach process,
11 it actually outlines or discusses more of an internal
12 Kamehameha Schools process. Could you let the
13 Commissioners know a little bit more about that
14 process?

15 A Yes. As I mentioned KS is a perpetual
16 charitable trust for an education of the youth of
17 Hawai'i and actually of anyone with Hawaiian ancestry.
18 As a perpetual trust we must be particularly cautious
19 about taking actions that may reduce or limit trust
20 assets. We need to balance the income investments as
21 well as how do we further our educational mission.

22 To fulfill our educational mission we need
23 a strategic planning process that addresses our plan
24 for education and investments. It just says how are
25 we going to pay for education essentially. Therefore

1 our plans, our strategic plans, play a vital role in
2 setting the course for the future as discussed in
3 Exhibit 38.

4 Our current strategic plan from the year
5 2000 to the year 2015 is coming to a close. And we're
6 just starting the new organizational strategic plan
7 process for the 2015-2040 horizon. As part of that, I
8 mean we've reached out to over a hundred groups to get
9 their input and where the direction the organization
10 should be.

11 And how, what are the issues, what should
12 be the educational milestones and missions and the
13 priorities that we need to set for today in the
14 future. Development plans for the Waiawa property
15 will have to be evaluated against the goals and
16 priorities that are set forth in this 2015-2040
17 strategic plan.

18 Part of it is we go from an organizational
19 strategic plan, break it down into subregions and then
20 those regions come up with plans regarding the lands
21 around it. And then it breaks down into action plans
22 that we move forward on.

23 So there's definitely a process that we go
24 through. We just don't, it's not like -- here's a
25 piece of land let's go develop it. But how does it

1 fall in line with everything else that we do?

2 Q There's also some mention about the
3 different emphasis on education.

4 A Yes. The concept we're trying to really
5 look at how we can have direct correlation between
6 education and commercial development. Leading with
7 education it has to be, we're just going to have to
8 have that set the tone for everything that we do.

9 Our mission is really to educate children,
10 not to develop property. So as we look at how can we
11 do that, how can we do that in Waiawa? Yes, there's a
12 blend of commercial development, of residential
13 development. But also there may be educational
14 components for the children.

15 We do a lot of 'aina-based learning where
16 we'll do restoration projects. We'll take children
17 and have them do planting, reintroduce various
18 species, work in a stream or whatever it may be just
19 to get kids back into it.

20 And with solar it provides a whole avenue
21 regarding STEM type education activities that we can
22 start to help them with and reach out.

23 Q The Gentry plan that was approved, does
24 that offer Kamehameha Schools an opportunity to engage
25 in that 'aina-based learning what you're talking

1 about?

2 A I'm not going to say no. Because I think
3 you can introduce 'aina-based learning throughout the
4 property in anything. But it really wasn't leading
5 with education first. It wasn't a plan that said:
6 How do we -- how does this piece of property fit into
7 a greater piece of property that extends from, you
8 know, Wai'anae to Pearl City? It was just this
9 property, how do we make the most money off of it.
10 And our approach is a little different.

11 Q It sounds more comprehensive.

12 A Yes.

13 Q So you've identified the community
14 outreach. You've identified the strategic plan, the
15 regional plan, outside planning engagement and then
16 internal Kamehameha Schools processes that have to be
17 followed through. As KS is putting together potential
18 development options for this property will there be
19 any kind of environmental assessments?

20 A I think there would have to be as there is
21 a change. You have to look at the impact on the
22 environment that it would have. An EA would be
23 needed, possibly or an EIS as we may be partnering
24 with state or city lands as there is changes in the
25 land use I would think we would have to do that.

1 Q So if you could because, of course,
2 although you're buying the property back in a couple
3 years, it was sitting there as Gentry was in control
4 for a number of years and nothing much happened.

5 So if you could just hit the highlights
6 and let the Commissioners know what are the steps that
7 KS would be going through before you could really put
8 together a revised Master Plan.

9 A Well, first we'll be finishing our
10 strategic plan and doing the regional plans for the
11 area as this property would be part of. Once we set
12 the tone for this particular property we would move
13 into doing the studies of what would make sense, come
14 up with a Master Plan for the property, hire various
15 consultants to look at what are the impacts on
16 traffic, what are the impacts on sewers, schools,
17 environmental assessments, revisit cultural, talk to
18 the kupuna.

19 I mean it's a whole slew of studies. Five
20 to 7 years is typically what it takes to pull these
21 things together and get the approvals and go through
22 the process.

23 Q Would that have to go through trustee
24 approval?

25 A Definitely we need trustee approval at

1 many stages along the way. From early conception even
2 at the regional planning level it would be approved by
3 the trustees. As it got more and more refined the
4 trustees would require their approval.

5 Q Now, is it correct that before Kamehameha
6 Schools would embark on a new development program for
7 this property, that Kamehameha Schools would come back
8 to this Commission and seek approval?

9 A Yes, I think you'd have to.

10 Q Through a Motion to Amend?

11 A Through a Motion to Amend. And even
12 though every year we provide updates to this
13 Commission about what's happening with the lands as
14 they have had entitlements, that's one of the
15 conditions.

16 Q Cathy, did you have an opportunity to
17 review the Office of State Planning's response or
18 Statement of Position? And most especially the
19 proposed conditions of approval? I have not talked to
20 him about it.

21 A Yes with respect to timing OP has asked
22 that KS submit a revised Master Plan schedule for
23 development within 5 years from the date the
24 Commission gives approval of our Motion to Amend.

25 Q Is that for the entire property including

1 the solar?

2 A That's my understanding it's for the
3 entire property. And, frankly, I think 5 years is
4 shorter than what KS would like simply because there
5 are several steps that we must undertake in order to
6 prepare a Master Plan. But, however, we are willing
7 to accept OP's proposed condition.

8 MS. LIM: You know what? I'm just going
9 to rest right there. Thank you. I'll turn her over.

10 CHAIR McDONALD: Parties, any cross?

11 MR. LEWALLEN: No cross-examination,
12 Chair.

13 CHAIR McDONALD: Mr. Yee, any cross?

14 MR. YEE: Yes.

15 CROSS-EXAMINATION

16 BY MR. YEE:

17 Q There was a question that was asked I
18 believe, I think the reference was that you might be
19 the person to answer this. Is there any discussion
20 between Kamehameha Schools and Castle & Cooke on the
21 impact to the Waiawa increment?

22 A Kamehameha Schools has a good relationship
23 with Castle & Cooke Homes. We met with Castle & Cooke
24 several months ago in March or April before planning
25 this Motion to Amend, to let them know about our plans

1 and to inform them that we'll be filing a Motion to
2 Amend with the Commission. So does that answer your
3 question? (Laughter). So, yes, we have talked to
4 them about this. And we do have a relationship. They
5 are building in our Kaka'ako developments.

6 Q Are there any tentative plans about what
7 will be happening in the future in the relationship
8 between Kamehameha Schools and Castle & Cooke Homes
9 for development of...?

10 A Those discussions have not started.

11 Q Are there any intentions of Kamehameha
12 Schools to complete the infrastructure that's
13 anticipated by the Castle & Cooke Waiawa Project?

14 A I'm not sure exactly what is required for
15 their Project with its respective infrastructure or
16 what conditions they are looking at to be done. But
17 we would certainly work closely with Castle & Cooke.
18 It wouldn't stop them. We think their Project is a
19 good project and we'd like to see it happen.

20 If they needed access or easements going
21 forward we could talk through that with them
22 absolutely, we are going to do that.

23 Q Well, were you aware that there was an
24 agreement between Gentry and Castle & Cooke for shared
25 cost sharing on certain traffic improvements? I won't

1 get into the details or whether there was or wasn't an
2 agreement.

3 A There was a 1984 agreement that was
4 executed in good faith. And the spirit of mutual
5 cooperation of landowners and developers to cooperate
6 with each other in development of their lands.

7 However, as I understand the primary
8 purpose of that agreement was to facilitate a land
9 exchange between Castle & Cooke and KS. And that goal
10 was achieved in 1986 when the exchange deed was
11 recorded.

12 Q My understanding, you can correct me,
13 then, if I'm wrong, is that there was some agreement
14 regarding the construction of an interchange for the
15 highway -- freeway. Are you familiar at all with
16 discussions between Gentry and Castle & Cooke for
17 those type of very significant traffic improvements?

18 A No. But I understand that the Gentry
19 Project did have a condition, significant traffic
20 improvement requirements crossing Ka Uka Boulevard,
21 the land bridge is one.

22 Q Right. I guess what I was just kind of
23 preliminarily trying to get to is I take it at this
24 point there are no plans by Kamehameha Schools to
25 build that.

1 A Not at this stage. I think what we're
2 looking at is given the Rail coming in we would like
3 to look at a more southerly approach to the property
4 and looking at development from the south. But that
5 wouldn't preclude -- we wouldn't preclude Castle &
6 Cooke from moving forward in anything that they need
7 to do.

8 Q Would Castle & Cooke need to either --
9 they need to be responsible for their own
10 transportation improvements then.

11 MS. LIM: If I could, and sorry to do
12 this.

13 MR. YEE: Sure.

14 MS. LIM: But I really feel like I have to
15 object. The reason why I have to object is that we're
16 here to talk about this docket and not the Castle &
17 Cooke docket A11-793. In fact there's nothing in the
18 Gentry Decision and Order or in the Gentry record
19 really talking about an arrangement with Castle &
20 Cooke. That doesn't mean there's not something with
21 the Castle & Cooke Decision and Order but that's not
22 what we're here to talk about.

23 I'm sensitive to putting my client in a
24 position to be answering questions that are really
25 beyond the scope of these proceedings.

1 CHAIR McDONALD: Actually I'll allow the
2 questions because Mr. Yee didn't ask them. I'm just
3 interested to see the type of collaboration. Because,
4 like I said, this body had approved incrementally
5 districting Waiawa.

6 And a lot of that was tied into what it
7 was previously approved for Waiawa. It may be a
8 little offtrack with Ms. Lim, but I'll allow the
9 question.

10 Q (By Mr. Yee) The question I guess I'm just
11 -- I don't want to go too deeply. I just want to
12 establish where we are. There are no plans by
13 Kamehameha Schools at this time to build what you're
14 calling the land bridge, is that right?

15 A That's correct.

16 Q So if Castle & Cooke needed that land
17 bridge for their Project that would be currently a
18 responsibility of Castle & Cooke. It's not something
19 Kamehameha Schools has any agreement to do at this
20 time.

21 A I don't believe we have an agreement to do
22 a bridge with Castle & Cooke. And also with the
23 Gentry decision on the timing. Even if I wasn't in
24 front of you today, there was no requirement for me to
25 do such a bridge in any amount of time.

1 Q Were you aware of the timeframe of Castle
2 Cooke Homes to complete the Waiawa increment within 20
3 years?

4 A I wasn't aware of the exact timing. I
5 knew there was a timeframe.

6 Q Okay. And there are no current
7 discussions for any cost sharing for traffic
8 improvements with Castle & Cooke?

9 A Not at this time.

10 Q I noticed that there was a traffic
11 assessment done. And on of the mitigations I think
12 that was discussed was changing the work schedules of
13 the workers so they would avoid the rush hour periods.
14 Do you remember that?

15 A Yes.

16 Q I take it that's something Kamehameha
17 Schools is going to be proceeding with.

18 A That's going to be something we look to
19 SunEdison to do as they build out the solar Project.

20 Q So you're expecting SunEdison to do that.

21 A Working with their contractor, yes.

22 Q Would you expect then SunEdison to also be
23 coordinating with the Department of Public Safety to
24 make sure that public safety schedule is also not
25 going to be conflicting with their worker construction

1 schedule?

2 A Yes.

3 Q And then would you also expect SunEdison
4 to implement -- I'm sorry. Backtrack. And then to
5 the extent necessary I just want to make sure I
6 understand it clearly, SunEdison would also, through
7 their contractor, be looking at or possibly
8 implementing a shuttle?

9 A Yes, that's correct.

10 Q That's pursuant to the traffic assessment
11 report, correct?

12 A Yes.

13 Q Then, finally, also in the traffic
14 assessment report there's a recommendation for a
15 traffic mitigation plan that contains various elements
16 of that traffic mitigation plan. I take it then
17 SunEdison through their contractor will be
18 implementing the recommendations of the traffic
19 consultant for that traffic mitigation plan.

20 A Yes.

21 Q Do you know if the Department of
22 Transportation has completed its review of the traffic
23 assessment?

24 A I don't know. I'd ask Nicola. I don't
25 think they have.

1 Q Okay. But typically would you think,
2 then, that in addition, the final recommendation's
3 mitigation would be subject to DOT approval on the
4 traffic assessment?

5 A Not necessarily approval. I think a
6 submission to DOT because just given the timeframe
7 that we're looking at and you work with these
8 agencies. I think that if getting an understanding of
9 what their conditions are and mitigating against those
10 conditions would be recommended.

11 Q Especially when you're dealing with access
12 through a state road.

13 A Right.

14 Q Okay. Thank you. I have nothing further.

15 CHAIR McDONALD: Thank you, Ms. Camp, for
16 your patience. Commissioners--oh, I'm sorry.
17 Redirect.

18 REDIRECT EXAMINATION

19 BY MS. LIM:

20 Thank you. Just a few quick questions
21 despite my objections talking about the Castle & Cooke
22 Project. I did want to come back to that Project.
23 The solar Project that SunEdison is proposing, as far
24 as you know would the solar Project prevent or
25 preclude Castle & Cooke from, if they need an easement

1 across the Kamehameha Schools property or somehow
2 using the north part of Kamehameha Schools property?

3 A No.

4 Q Is the Kamehameha Schools amenable to
5 allowing Castle & Cooke to --

6 A Yes. We'd like to see Castle & Cooke be
7 successful.

8 Q Thank you. Then my other question is
9 actually to the Department of Transportation and
10 specifically the Department of Transportation Highways
11 Division. I know Ms. Doss addressed this earlier, but
12 I just wanted to bring up: Are you familiar with what
13 the recommendations were in the Department of
14 Transportation's letter?

15 A I am familiar but I couldn't cite it
16 specifically exactly. Was it Exhibit 35?

17 Q Actually it's OP's Exhibit 7.

18 MS. LIM: And if I may I'm just going to
19 give this to her.

20 CHAIR McDONALD: Sure.

21 A Okay.

22 Q (MS. LIM) And if you would, going back to
23 the issue of whether the traffic assessment needs to
24 be accepted or not accepted, if you could just please
25 tell the Commission what the Department of

1 Transportation concluded in that letter that it
2 submitted to the Office of Planning.

3 A Sure. They had three conclusions. One is
4 based on the information provided that solar farm
5 development would not adversely impact state highway
6 facilities.

7 No. 2 the access road that connects to the
8 cemetery road should be located as far as possible
9 from the connection to Ka Uka Boulevard with queuing
10 on that.

11 And 3. That Kamehameha Schools shall
12 prepare a traffic assessment for ready approval by the
13 Department of Transportation.

14 MS. LIM: I have no further questions.

15 CHAIR McDONALD: Commissioners, any
16 questions for Ms. Camp? Commissioner Scheuer.

17 COMMISSIONER SCHEUER: Hi, Ms. Camp. I
18 have a few questions. Mostly what I'm trying to
19 understand is really Kamehameha Schools is asking us
20 to amend a motion--an order that was originally issued
21 in 1990.

22 THE WITNESS: '88.

23 COMMISSIONER SCHEUER: Excuse me, '88.
24 And the proposed project is gonna take us through
25 2049.

1 THE WITNESS: Thereabout, yes.

2 COMMISSIONER SCHEUER: But you're asking,
3 sort of, us to keep some of these entitlements and
4 conditions in place even though it's going to be
5 really a period of about 60 years between the time the
6 entitlements were issued 'til there might be
7 residential and other uses on the Phase 1 and possibly
8 Phase 2 of the solar farm?

9 THE WITNESS: Yes and no. But for where
10 the solar farm falls on some of the Phase 2 portion it
11 was in the zone of contribution that we weren't going
12 to do--nothing could have been done there anyway.

13 COMMISSIONER SCHEUER: Correct.

14 THE WITNESS: And I'm not saying we don't
15 plan any development for 65 years. It's we would like
16 to do something right now that has an opportunity to
17 create a benefit for the state in renewable energy and
18 solar farm, and make use of the lands while we explore
19 a more southerly approach because in '88 transit was
20 never there.

21 And coming from Ka Uka Boulevard and
22 creating traffic just doesn't seem right.

23 COMMISSIONER SCHEUER: I appreciate that,
24 you know, the solar farm is in compliance with the
25 same goals. But what I'm trying to get at is did you

1 consider, rather than seeking to amend the Decision
2 and Order, perhaps reverting the zoning for these
3 portions of the property knowing that you're going to
4 have to come back again with a major Master Plan?

5 THE WITNESS: I think the challenge is you
6 have -- the zoning is there. It's urban zoned land.
7 To revert it to what would you suggest?

8 COMMISSIONER SCHEUER: Well, the previous
9 zoning was Agriculture.

10 THE WITNESS: So reverting it to Ag we
11 wouldn't be doing a solar farm of this size. I think
12 there's a map. I'm not sure what the map says,
13 50 acres or something like that? There is a
14 limitation.

15 COMMISSIONER SCHEUER: So that's how you
16 determine that you want to keep this in urban. I
17 guess, I mean the things I'm trying to understand is
18 the rest, obviously you have a housing need, need for
19 jobs. The Land Use Commission back in 1988 upzoned
20 this. But obviously, perhaps, they should have put
21 deadlines on it, but they did not. But with this
22 expectation now we're saying for these portions of the
23 properties it's another 30 years till those
24 expectations will be...

25 THE WITNESS: If you revert it back to Ag

1 it will be probably even longer.

2 COMMISSIONER SCHEUER: But your intention
3 is to come back anyway so for Boundary Amendments.

4 THE WITNESS: Absolutely. Which is very
5 different to change from the zoning from Ag to
6 Commercial.

7 COMMISSIONER SCHEUER: I appreciate that.
8 Thank you.

9 THE WITNESS: Thank you.

10 CHAIR McDONALD: Commissioners? Thank
11 you, Ms. Camp. It wasn't that long. (Laughter).

12 MS. CAMP: I'd like to add one more thing.
13 I just want to thank you all for your time and
14 consideration. Really appreciate it. I hope you all
15 approve our Motion to Amend.

16 CHAIR McDONALD: Thank you, Ms. Camp.
17 Ms. Lim, is that all your witnesses?

18 MS. LIM: That's all our witnesses.

19 CHAIR McDONALD: County?

20 MR. LEWALLEN: County has no witnesses.

21 CHAIR McDONALD: State?

22 MR. YEE: The State will have just one
23 witness, Mr. Rodney Funakoshi. For the Commission's
24 information we initially listed three witnesses.
25 Because we resolved both our traffic and our

1 archaeology issues we're not going to be calling our
2 archaeologist or our traffic consultant. So
3 Mr. Funakoshi will just be testifying on the Office of
4 Planning's position on the matters.

5 CHAIR McDONALD: Good afternoon,
6 Mr. Funakoshi.

7 RODNEY FUNAKOSHI
8 being first duly sworn to tell the truth, was examined
9 and testified as follows:

10 THE WITNESS: Yes.

11 CHAIR McDONALD: Please state your name
12 and address.

13 THE WITNESS: Rodney Funakoshi. I'm with
14 the state of Hawai'i Office of Planning, 235 South
15 Beretania Street, Honolulu.

16 MR. YEE: We have previously submitted
17 Mr. Funakoshi's resumé and we would just ask that he
18 be admitted as an expert in the field of land use and
19 environmental planning.

20 CHAIR McDONALD: Parties, any objection?

21 MS. LIM: No objection.

22 MR. LEWALLEN: No objection.

23 CHAIR McDONALD: Commissioners? So
24 admitted.

25 Xx

1 DIRECT EXAMINATION

2 BY MR. YEE:

3 Q Mr. Funakoshi, could you state your
4 position within the Office of Planning?

5 A I'm Planning Program Administrator with
6 the land use division at the Office of Planning.

7 Q Could you please describe the Office of
8 Planning's position in this case?

9 A The Office of Planning recommends approval
10 subject to conditions. There are two requests. The
11 first was procedural in nature. OP has no objections
12 to KS, Kamehameha Schools, being successor Petitioner
13 for the docket.

14 The second request for the interim solar
15 farm development is affected by existing conditions of
16 approval from the 1988 Decision and Order and also
17 introduces new impacts for which OP has specific
18 comment and recommendations.

19 So the matter was referred to various
20 agencies and organizations that have reviewed this in
21 the past and submitted comments. In particular state
22 and federal agencies were consulted. In May 1988 the
23 Land Use Commission approved the reclassification of
24 1,395 acres from the Agricultural District to the
25 Urban District. That was then proposed for mix of

1 residential, commercial, industrial, golf course
2 development.

3 The property has since also been rezoned
4 by the City and County of Honolulu into similar
5 commercial, light industrial, residential uses for the
6 Rail. The log books went into history but suffice it
7 to say that no development has occurred on the
8 Petition Area since its reclassification to the Urban
9 District 25 years ago.

10 And we did also note in our assessment the
11 adjacent Koa Ridge development was approved for
12 576 acres for Koa Ridge Makai. And the adjacent
13 Waiawa portion of the Koa Ridge development, which is
14 adjacent to the Kamehameha Schools Waiawa Ridge
15 development, was reclassified under the incremental
16 districting provisions of the Land Use Commission
17 which is subject to a number of time-sensitive
18 conditions.

19 By the year 2032, 20 years from the date
20 of approval of the Castle & Cooke Koa Ridge
21 development, that it was required to have first an
22 executed cost sharing agreement with the developer of
23 Waiawa Ridge, now Kamehameha Schools, for all shared
24 infrastructure.

25 And 2. Commencement of roadway

1 construction for access to Waiawa Ridge. So basically
2 there is a substantial question as to whether this is
3 likely to occur in the future.

4 And that the basis for our requiring a
5 condition that Kamehameha Schools submit a Master Plan
6 and development schedule simply because the property
7 has not been developed for so long.

8 Otherwise, the solar farm development is
9 fully consistent with the Urban District
10 classification unlike other utilities, solar
11 facilities, it is fully permissible and, of course, is
12 a clean renewable energy resource strongly supported
13 by the state to develop energy self-sufficiency.

14 In the 1988 Decision and Order the Navy
15 raised the concern regarding potential contamination
16 of their groundwater supply. This condition has been
17 met first by the study to identify the hydrologic zone
18 of contribution.

19 And secondly there's another condition
20 that requires review by the Department of Health.
21 Most of those conditions have been fulfilled.

22 The Department of Health has met with
23 Petitioner and determined that there will be minimal
24 or no impacts for the proposed development.

25 The Department of Public Safety is at the

1 top of Waiawa Ridge. And there is significant concern
2 that during construction, especially, has potential to
3 impact access to the facility. There is a single
4 narrow roadway from the Mililani Cemetery Road leading
5 up to the constructional facility.

6 So we commend the Petitioner for preparing
7 the Traffic Assessment which was recommended by the
8 Department of Transportation. And we also support the
9 litigation measures recommended in that Traffic
10 Assessment.

11 And would go further and also recommend
12 that if the Department of Transportation has any
13 further recommended mitigation measures that those
14 also be implemented.

15 In our original response we did raise the
16 issue of the Archaeological Inventory Survey. And so
17 again we commend the Petitioner for immediately
18 following up and providing coverage for the entire
19 1400-acre Petition Area. So we appreciate that. We
20 have also consulted with the State Historic
21 Preservation Division. And they are reviewing it and
22 will get back to you very shortly on that.

23 Condition 9 relates to the need to provide
24 public access to Conservation District lands mauka of
25 the property. So we want to also confirm that we have

1 consulted with Department of Land and Natural
2 Resources, Forestry. And they had no objections to
3 propose solar farm use and no changes to their
4 position originally expressed. So with that we have
5 provided some recommended conditions for the
6 Commission to consider. So we've also been in contact
7 with Petitioner to try to achieve some agreement on
8 the conditions. I think in general we are fairly
9 close.

10 What we're recommending, for example,
11 again our respected revised Master Plan that this be
12 submitted within 5 years from the date of this
13 Decision and Order, that access to the correctional
14 facility shall be ensured at all times.

15 That the entire 1395-acre Petition Area,
16 the survey for archaeological resources be submitted
17 and accepted by the State Historic Preservation
18 Division prior to the start of construction.

19 The Department of Transportation
20 conditions regarding airport hazards from glint and
21 glare be imposed. Also the traffic impact study that
22 has already been submitted and just remains to be
23 approved.

24 In addition, relative to the development
25 schedule that Phase 1 be substantially completed

1 within 5 years from the approval of the Decision and
2 Order.

3 And that Phase 2 shall be substantially
4 completed within 10 years from the Decision and Order.
5 Finally, compliance with representations the
6 Petitioner will develop Phase 1 and Phase 2 in
7 substantial compliance with its representations
8 effective in the Decision and Order. And that failure
9 to develop Petition Area may result in reversion to
10 its former classification. And based on that OP
11 recommends approval of the motion. Thank you.

12 MR. YEE: No further questions.

13 CHAIR McDONALD: Petitioner?

14 RODNEY FUNAKOSHI

15 DIRECT EXAMINATION

16 BY MS. LIM:

17 Q A couple of quick questions. Hearing from
18 the Office of Planning I think added a state agency
19 and your analysis on the conformance with the Hawai'i
20 State Plan is really key of the highest validity. Do
21 you believe that the solar farm proposed by SunEdison
22 on Kamehameha Schools property does conform with the
23 Hawai'i State Plan?

24 A Yes.

25 Q Thank you very much. And would you please

1 spend a moment or so explaining to the Commission
2 about the Hawai'i Clean Energy Initiative. I know you
3 mentioned that in your response.

4 MR. FUNAKOSHI: Yes. The state is also
5 fully supportive of the Hawai'i Clean Energy
6 Initiative to reduce our reliance on the fossil fuels
7 and promote energy independence. So certainly the
8 latter day actions not only in this docket, but in
9 other actions, are consistent with what the state is
10 moving towards in terms of lowering the cost of energy
11 as well as achieving higher rates of renewable energy.

12 Q Thank you, Rodney. Another question I
13 have for you is arising out of the Commission's
14 original approval in 1988, that Decision and Order. I
15 have a copy if you don't have one handy. As far as
16 you know did the Commissioners put conditions or
17 development a certain timeline for development in this
18 Decision and Order?

19 A It's been a while since I reviewed it, but
20 correct me if I'm wrong but I don't believe there was
21 a timeline.

22 Q You're absolutely correct. It did not.
23 And I've got a follow up question. To your
24 recollection did the Commissioners put a condition in
25 the Gentry Decision and Order requiring a compliance

1 with the substantial representations?

2 A I'm not sure of that actually.

3 Q And you will --

4 MR. YEE: We'll stipulate to the fact that
5 the condition is not contained in the 1988 Order.

6 MS. LIM: Thank you.

7 Q Now, I think this will be my last
8 question. Because when you were discussing the Office
9 of Planning's proposed conditions of approval on this,
10 one of those conditions is the fact of substantial
11 compliance with representations made to the
12 Commission, is that correct?

13 A Yes.

14 Q And Kamehameha Schools has been receptive
15 and agreed to that condition?

16 A That is my understanding.

17 MS. LIM: Thanks very much, Rodney. I
18 don't have any further questions.

19 MR. FUNAKOSHI: Okay. Thank you.

20 CHAIR McDONALD: County?

21 MR. LEWALLEN: No questions.

22 MR. YEE: No redirect.

23 CHAIR McDONALD: Commissioners, any
24 questions for Mr. Funakoshi? (No reply) Thank you,
25 sir.

1 MR. YEE: Mr. Funakoshi was our only
2 witness. With that we rest.

3 COMMISSIONER AHAKUELO: Excuse me.
4 Mr. Chair, could we have a recess of 5 to 10 minutes?

5 CHAIR McDONALD: Sure. We'll go into
6 recess for 5 minutes. (Recess)

7 CHAIR McDONALD: (gavel) We're back on
8 the record. Mr. Purcell, as far as providing public
9 testimony at this point in time in the proceedings
10 I'll allow it this time. So will you please take the
11 witness stand.

12 THE WITNESS: Yes. Stan Purcell. Yes,
13 I'm a member of the public. I don't know that I need
14 to be sworn in as a public testifier.

15 CHAIR McDONALD: We'll swear you in.

16 THE WITNESS: Per Sunshine Law? Am I
17 required to be sworn in? I don't believe so. This is
18 a Sunshine Law hearing, by the way. I don't know if
19 you know that or not. It's not just lawyer perceived.
20 I don't need to be sworn in to provide these types of
21 comments.

22 First, I want to talk about the hearing on
23 this item, the procedures for this item and the
24 public's right and duty to be heard in these meetings.
25 It's absolutely integral in that, open and

1 transparent, clean proceedings.

2 So the way this was handled I think today
3 was inappropriate. First off it wasn't clear. I
4 mentioned this earlier. I had to get clarification on
5 it. It wasn't clear when public comments would be
6 heard. I notified at the beginning of the meeting
7 that public comments are immediately as the meeting
8 starts without granting, heard any of the testimony so
9 that I had to inquire during the meeting: Will you be
10 taking any other public comments? I guess that was
11 taken by the director to be a disruption of the
12 meeting. I needed clarification.

13 So the director approached me during the
14 lunch break and confronted me and told me I was
15 disrupting the meeting, not to, not to do it anymore.
16 That if I had any procedural questions to talk to
17 staff; that I am not to address the Chair on this even
18 though the Chair is in charge of this meeting. You
19 are in charge of this meeting here today, Chair
20 McDonald, not the director of the department.

21 CHAIR McDONALD: Sir, right now I don't
22 need a lecture. I had provided you this opportunity
23 to testify on the subject matter and the motion in
24 front of the Land Use Commission.

25 PUBLIC SPEAKER: I'm talking on this

1 hearing, the hearing on this item and the public's
2 role and ability to participate. My point being that
3 if the director -- and he was standing in front of me
4 as I was seated over here standing in front of me
5 yelling at me. I asked him to please leave me, just
6 leave me alone because he was physically
7 confrontational yelling in my face. I asked him to
8 leave.

9 So that amounts in some regard to
10 intimidation of the public. They may not want to
11 attend. If you look around there aren't many members
12 of the public here today. I did see one here earlier.
13 Maybe there is another member. Maybe there isn't.
14 But, so I would just encourage you, I know the last
15 hearing you had you had an executive session.

16 You almost didn't take public comments on
17 that. I had to, again, interject myself in the
18 meeting and let you know you're required to take
19 public comments even before an executive session
20 because the public can comment on executive session.
21 So that was an option, an opportunity where you
22 basically took -- weren't going to take my public
23 comments.

24 I'm about getting ready to wrap this up.
25 But I'll make one additional comment. That it's

1 disgraceful not to see a single woman on this board
2 here today. I know that's not your doing. But I do
3 hope that future appointments we get some women
4 appointed to this board. We need to diversify first
5 by the board hearing these issues. Mahalo.

6 COMMISSIONER McDONALD: Parties,
7 appreciate your patience on that. Commissioners, you
8 as well. Okay. With that, Commissioners do you have
9 any further questions for the parties? Given that the
10 parties have completed their presentations before the
11 Land Use Commission I declare that the evidentiary
12 portion of these proceedings to have been completed
13 and is now closed.

14 The Chair will now allow each party no
15 more than 15 minutes to present oral argument in
16 support of its proposed Decision and Order and/or its
17 exceptions of those proposed by other parties. The
18 Petitioner may reserve a portion of its time for
19 rebuttal.

20 At the conclusion of oral argument and
21 after questions from the Commissioners and answers
22 thereto the Commission will conduct formal
23 deliberations on this matter. Ms. Lim, are you
24 prepared to proceed with your closing argument?

25 MS. LIM: Yes, Chair.

1 CHAIR McDONALD: Please proceed.

2 MR. YEE: Chair McDonald, I have a
3 procedural question. Is it the Commission's intent to
4 vote on all aspects of this case including the
5 conditions and the wording of the D&O? Or simply on
6 the basic Motion to Amend?

7 CHAIR McDONALD: The intent is to include
8 the vote on the conditions as well.

9 MR. YEE: Thank you.

10 CHAIR McDONALD: Go ahead, Ms. Lim.

11 MS. LIM: Thank you, Chair and
12 Commissioners and staff and to the other parties for
13 bearing with us today. It was a long day. And this
14 has been a pretty long process. I started working
15 with Kamehameha Schools on this Project in earnest
16 about a year ago. And you've already heard from
17 Kamehameha Schools and also from SunEdison that they
18 have been looking at this for even longer.

19 I'm going back to when KS knew that they
20 were going to receive this property back from Gentry
21 after really having no control over it for decades.
22 They had to figure out what comes next.

23 The solar Project, to reiterate what
24 Giorgio Caldarone said, it's just a perfect match. We
25 hope that the Commission agrees with that because what

1 it allows KS to do is generate some kind of income out
2 of this property without committing to a particular
3 development plan that may not be the right development
4 plan for that organization and for that property.

5 And that's not to say that Kamehameha
6 Schools isn't going to pursue a development plan. You
7 heard from Ms. Camp the process that KS will go on
8 both internally and with the community.

9 And you've also heard assurances from
10 Kamehameha Schools that before any new development
11 plan is pursued we'll be back before the Commission so
12 that the Commission has an opportunity to analyze and
13 assess that Project and put appropriate conditions on
14 it.

15 So what we're asking for here and I hope,
16 even though we've been talking about it all day, we
17 worked for a long time getting ready for today, is
18 really a pretty simple request.

19 It's a 35-year maximum, we are trying to
20 be cautious building a little cushion on each side,
21 but a 35-year interim use of a large portion of State
22 Land Use Urban land for a solar farm Project, a solar
23 farm Project that's not going to create traffic, a
24 solar farm Project that's not going to create any kind
25 of environmental impacts except that it will

1 significantly reduce the State's reliance on oil.

2 There's no dispute that doing the solar
3 farm Project is obviously in keeping with the Clean
4 Energy Initiative with key aspects of the Hawai'i
5 State Plan which I know is an important consideration
6 of this Commission has to keep in its mind when it's
7 making any kind of decisions.

8 And as Nicola mentioned Phase 1 at 50
9 megawatts over the term of that Project should save
10 over \$145 million in energy costs. And those are
11 energy costs that are experienced by consumers.

12 Those numbers may change depending on the
13 cost of fuel. It's always a good comparison as solar
14 is cheaper depending on how much more expensive the
15 oil is. But it's absolutely not in dispute that Phase
16 1 will result in millions and millions of dollars of
17 savings through energy costs.

18 Phase 2, the numbers that she offered were
19 \$188 million. That's a lot, a lot of money that
20 consumers in the state of Hawai'i will have in their
21 pocket. And in the meanwhile that will also give the
22 Kamehameha Schools the opportunity to look at this
23 property that's urban, at this property that's in
24 Central O'ahu Sustainable Communities Plan also
25 designated for development and not within a Special

1 Management Area.

2 It's an area that's been determined
3 decades ago to be in the path for urban development.
4 So there's some questions raised: Well, you know,
5 maybe if KS isn't ready to move forward with
6 development maybe there should be a reversion.

7 And I would absolutely object to that.
8 Not only is that a due process concern under what the
9 Commission originally approved in 1988, but it's also
10 a concern because there's no dispute the property's
11 appropriate for urban uses.

12 The only question is what is the best
13 urban use for the property at this time with this
14 landowner. And to have this opportunity, a 5-year
15 opportunity, to be able to develop a revised Master
16 Plan for the remaining portions of the property.

17 And then also that will contemplate the
18 solar portions of the property when this solar Project
19 is completed. I think it's more than reasonable in
20 light of the fact that Kamehameha Schools only got the
21 property back a couple years ago.

22 I want to, if I can, talk a little bit
23 about the conditions of approval. This is somewhat
24 unusual because I had expected that we would be filing
25 for post Decision and Orders and that you all would

1 have those in front of you.

2 So I hope this isn't too tedious of an
3 exercise, but the starting point of our proposed
4 conditions of approval if the Commission agrees to
5 allow this interim solar farm use on the identified
6 portions of the property.

7 Their starting points for the proposed
8 conditions of approval and what Office of Planning had
9 submitted in their response and as is always the case,
10 the Petitioner has some objections or some tweaks to
11 those conditions. I don't believe the City sought to
12 impose any conditions. But in any event we've been in
13 communications on all issues. All the major issues
14 have been resolved. There's really just some language
15 changes.

16 So with the revised Master Plan conditions
17 that the Office of Planning had submitted, again
18 they're asking that Kamehameha Schools present the
19 Commission with a revised Master Plan for the entire
20 property within 5 years of the Commission's Order
21 approving the interim solar farm use.

22 Frankly, Kamehameha Schools has some push
23 back on that for the reasons I think Cathy Camp
24 articulated quite well. There's a long planning
25 process that KS has to go through. But at the same

1 time KS is sensitive to the Commission's concerns.
2 And the Commission's concerns that both the state,
3 this Commission, the public want to know what's going
4 to be happening on this property and when.

5 And ultimately although there is a pretty
6 intensive planning process that KS has to go through,
7 we have agreed within 5 years we'll be submitting a
8 revised Master Plan schedule for development. That
9 doesn't mean that we're going to be turning dirt in 5
10 years.

11 Obviously there's a process that has to be
12 followed, but we are in agreement with that condition.
13 And the access to the Waiawa Correctional Facility.
14 We're in agreement of that too. I'll say in a few
15 instances these are really just word tweaks, but they
16 had changed the language to say things like
17 "Petitioner shall cause the solar farm developer to
18 allow access or keep the Waiawa Correctional Facility
19 informed whenever heavy construction vehicles are
20 using the Mililani Cemetery Road," these are just
21 small word tweaks. There's really no substantive
22 objection on any of those conditions.

23 SHPD conditions that Office of Planning
24 wanted, Kamehameha Schools is in complete agreement
25 with that. The EIS will have to be approved before

1 construction starts. The aircraft hazard condition
2 again we're in complete agreement with that as you
3 heard from Ms. Doss.

4 Again, that's a situation where Kamehameha
5 Schools is the Petitioner. Petitioner will cause
6 SunEdison, or whatever the entity that's the solar
7 farm developer, to immediately start taking steps to
8 mitigate if there was a glare impact.

9 We have a little bit of a difference of
10 opinion on the traffic impact condition and the Office
11 of Planning's condition. I think perhaps they've
12 refined it a little bit. And Mr. Yee can correct me
13 if he thinks that's not the appropriate way to frame
14 this out.

15 But Office of Planning initially said that
16 a traffic assessment should be prepared. This was
17 based on the Department of Transportation's request --
18 should be prepared for DOT and accepted prior to the
19 start of construction.

20 So we've done a couple of things with that
21 proposed condition. Again, I'm sorry, all of this is
22 just for the solar Project. We're not at all talking
23 about trying to get relief on the existing conditions
24 that were put on Gentry.

25 So knowing that that was where the Office

1 of Planning was concerned, taking the DOT's concern,
2 and looking at that I believe it was filed in June, we
3 had an opportunity to get a traffic assessment
4 prepared now. And SunEdison did that. That's just
5 for Phase 1 of the solar Project. That's been
6 prepared.

7 I don't know if it's been formally
8 submitted to the DOT. If it hasn't been it will be
9 shortly. There's no objection on that. But the
10 language that we would ask this Commission to approve
11 is actually breaking the traffic impact initiative
12 into two parts because we've got a Phase 1 Solar
13 Project and a Phase 2 Solar Project.

14 So for Phase 1 the reports are even
15 prepared and if it hasn't been submitted it will be
16 submitted as soon as, you know, we know that we're
17 moving on to the next step.

18 So from that we would just ask that the
19 Commission require that that traffic assessment gets
20 submitted to DOT and that Petitioner requires a solar
21 farm operator to make whatever revisions to the
22 traffic assessment that DOT deems necessary.

23 In order for the DOT to be comfortable
24 with the traffic assessment, as I believe you probably
25 heard from other Petitioners, there's always some

1 discomfort on agreeing to the DOT formally accepting
2 a traffic study because there's not always a mechanism
3 for them to do that.

4 And time is especially tight here. So
5 you've heard the representations from the Petitioner
6 and also from SunEdison that the mitigation measures
7 described in the traffic report will be adhered to.
8 But particularly because of the tax credit issue where
9 this Project has to be up and running in a fairly
10 short period of time and we were held back for several
11 months due to some changes on the Commission.

12 We really don't want to be held hostage to
13 the DOT formally signing something saying we hereby
14 accept. It's not that we're rejecting DOT's feedback.
15 It's really just a mechanical exercise.

16 Whereas for Phase 2 on the traffic report
17 we've got plenty of time for that. So if the
18 Commission felt like for Phase 2 that actually DOT
19 formal acceptance would need to be obtained before
20 SunEdison can go forward with construction, we're
21 accepting of that condition because we've got lots of
22 time in front of us before Phase 2 construction would
23 start.

24 So even though DOT does have a reliable
25 formal acceptance process we've got enough time where

1 whoever has to do it can get on the phone and
2 basically nag DOT until they finally make their
3 decision.

4 As for the other conditions the
5 development schedule suggested by Office of Planning
6 that the Phase 1 solar farm would be completed within
7 5 years of the Commission's approval. No objections
8 at all. And going on that the Phase 2 would be
9 substantially completed within 10 years of the
10 Commission's approval. So if the Commission approves
11 it, as soon as the Decision and Order is issued,
12 there's no objections to that whatsoever.

13 Compliance with representations, again,
14 Petitioner will cause the solar farm operator to
15 develop the Phase 1 and Phase 2 solar farm in
16 substantial compliance with the representations.

17 We had added some conditions. Again,
18 these haven't been presented to you, but we had added
19 some conditions to what Office of Planning had
20 suggested.

21 Those are actually very typical
22 conditions. We added annual reported conditions
23 specific to the solar Project. We added a requirement
24 that the Notice of Imposition of conditions is being
25 recorded.

1 And the typical conditions where the
2 specific Decision and Order conditions on this solar
3 farm Project will be recorded at the Bureau so that
4 everybody, everyone knows that the Project is subject
5 to these specific conditions.

6 The reason why we're asking or we thought
7 about setting out the whole new set of conditions just
8 for the solar farm is because at this point in time
9 we're not asking this Commission to change or
10 reconsider or amend or in any way alter the conditions
11 that were imposed by the Commission in '88 on the
12 Gentry Project. Those conditions will stay as is.

13 What we are asking the Commissioners to do
14 is to just hold those conditions in abeyance
15 essentially. We've already discussed that there's no
16 timeline on those conditions. So it's not like
17 there's something that's not being done.

18 The reason why we're saying 'hold them in
19 abeyance' is until such time that Kamehameha Schools
20 comes back and says, "okay we're ready to do the
21 Gentry Project" or they come back and they say "Here's
22 our Motion to Amend for a new development plan."
23 Those conditions really don't apply to the solar
24 Project.

25 This Commission has the ability to impose

1 specific conditions just to mitigate the solar
2 Project. So as soon as we come in and seek approval
3 for a new Master Plan, or until KS comes in and says
4 "Okay, we are going to do Gentry," then, boom, those
5 conditions will no longer be held in abeyance and go
6 back on the property.

7 Now, imagine the Commission would probably
8 want to take a better look at those conditions at that
9 time. But so that's the thought process. That's
10 something that we've been discussing with Office of
11 Planning. I don't know that we've come to a
12 conclusion, but I think the discussions have been
13 pretty friendly, cooperative so far.

14 I've probably talked so much. If I have
15 any time left for rebuttal I'd like to save it. If I
16 don't I just want to thank you all for a long day and
17 for asking such good detailed questions of our
18 witnesses. I hope that you heard the things that you
19 needed to hear from us. And I hope that you can
20 approve our request.

21 CHAIR McDONALD: Thank you, Petitioner.
22 County?

23 MR. LEWALLEN: Just a brief statement.
24 The City's position if the Petitioner goes forward as
25 set forth in the plan, that we don't see the

1 conditions in the 1988 order coming into play. But
2 the City's position is if there's some kind of
3 variances or deviations from the parties as put forth,
4 then it may well be come into -- the conditions may be
5 triggered and come into play.

6 So based on what we're seeing today we
7 have no objections to what we've heard. Our position
8 is to reserve our position should there be such a
9 change where the 1988 Order's conditions might come
10 into play. That's all we have to say on the matter.
11 Thank you.

12 CHAIR McDONALD: Thank you, County.
13 State?

14 MR. YEE: First of all, let me repeat
15 myself from the last time. Thank you for serving.
16 It's nice to be back at work again. (Laughter). I'm
17 going to start with a sort of a broader statements
18 before I get into the specifics. If this is too basic
19 I apologize. I just want to make sure we're sort of
20 all on the same page.

21 I start with Hawaii Administrative Rules
22 15-15-94 which sets out the basis by which you can
23 amend or modify a decision. That basically says you
24 can amend or modify any decision for good cause.

25 Good cause is not a very easy concept.

1 It's not a -- it's a very broad standard. It's
2 substantial. It's based upon the individual facts and
3 circumstances.

4 It doesn't really help you a lot with the
5 analysis of any particular case. What the Office of
6 Planning does, when we look at these Motions to Amend
7 is that parameters are the structure of the analysis
8 we start with is we accept the prior decision. We
9 don't try to re-litigate the prior decision.

10 So we sometimes look at a case, we look at
11 the conditions, we think, "I could have done a better
12 job on that. I could have suggested this other
13 condition." You know if it wasn't included we don't
14 try to re-litigate that question.

15 This will come up more specifically when
16 you look at, for example, two conditions. The Office
17 of Planning recommends that there be a development
18 schedule for Phase 1 and Phase 2. Without
19 recommending the imposition of a development schedule
20 for the original Project or the remainder of the
21 Project, but because this is new we are recommending a
22 development schedule for the new leases, the new
23 proposal.

24 Similarly with the compliance with
25 representations. We're not asking that a condition be

1 imposed requiring the Petitioner to comply with their
2 old representations that may or may not be an implied
3 condition.

4 But at least with respect to the explicit
5 condition we are asking that their representations be
6 made in *this* process that they be required to
7 substantially comply as reflected in the Findings of
8 Fact, Conclusion of Law and Decision and Order.

9 I do want to stop here briefly to say what
10 happened in the past was that we used to just say:
11 "substantially comply with their representations"
12 period. And then we had a case in which the county
13 said, "Well, it's really hard to figure out what all
14 the representations are."

15 So we amended the Decision and Order or
16 the condition to say "substantially comply with
17 representations as reflected in the Findings of Fact
18 and Decision and Order" so that there's a single
19 document you can look at to know what all the
20 important representations are.

21 That does mean that the drafting of the
22 Findings of Fact, Conclusions of Law become more
23 important. So I am just going to simply ask that you
24 be cognizant of that fact and that you include within
25 your findings all of the important representations

1 which from the Office of Planning's viewpoint includes
2 any of the mitigation that's not specifically
3 included.

4 So, for example, if it is the
5 representation that they're going to be doing a Master
6 Plan, that they're going to be coming back to the
7 Commission with any changes, any significant changes,
8 if it involves any of these other statements that were
9 made regarding recycling, while it's not a huge issue
10 it's, nevertheless, it's unenforceable and must be
11 included in the findings of fact given our change to
12 the condition.

13 So as I said we don't re-litigate the
14 prior decision. So I know the question was asked:
15 Well, why you don't you just revert. I don't think
16 anyone will suggest we do revert. I think the
17 question was just more along the lines of trying to
18 understand the process. If you're going to start from
19 scratch why don't you just start from scratch.

20 And really I think the answer in large
21 part is you take away the urban classification and
22 that property value plummets. And it creates a level
23 of uncertainty for a landowner. They really want --
24 they really want to hold onto that Urban
25 classification so that if there is anything that goes

1 wrong with the new proposal they at least still have
2 the urban classification to go back to their original
3 proposal, even if it didn't make a lot of sense
4 because it's very valuable.

5 So we understand why they're not going to
6 give up that urban classification. We obviously, as I
7 said, do look at the new uses and the impacts. We
8 apply a current analysis to that. So when we looked
9 at solar, although solar does not have a, does not
10 have a great impact, it's not like some certain
11 industrial uses, for example, where you might think
12 would have a lot of environmental impacts. Solar does
13 not. It's fairly low on impacts. But there are some.

14 So we've included conditions, proposed
15 conditions, for example, regarding traffic, regarding
16 aircraft hazard and the like and development schedule,
17 et cetera. So as Mr. Funakoshi pointed out we sent it
18 to all the state agencies.

19 We got feedback from them. That feedback
20 was presented to you and is reflected in these
21 conditions about whether the impacts need to be
22 mitigated. As I said they're reflective of the
23 conditions.

24 The third thing we do look at is
25 conformance with the existing conditions. So in this

1 case, for example, you may notice we specifically
2 asked DLNR: "Does Condition 9 regarding access to the
3 mauka conservation area, is that okay?" DLNR came
4 back to us said, "Yes, that's fine."

5 So we're satisfied that there's no current
6 ongoing violation, that they're in good standing and
7 they're not in violation of any of the conditions. We
8 also apply an analysis for archaeology and cultural
9 issues. That results in large part from the Supreme
10 Court case called *Ka Pa'akai O ka Aina*. That
11 basically says that when you have a motion you need to
12 look and make a determination about the impacts of the
13 decision upon Native Hawaiian, actually any
14 archaeological or cultural impacts from your decision.

15 And that resulted in initially a concern
16 that Archaeological Impact Survey was not initially
17 done, but it was done subsequently for the entire
18 property as we asked for. And some of our concerns on
19 those issues were resolved.

20 We also look at public trust resources
21 impacts as reflected in the Kaua'i Springs case that
22 says, again, says something similar that: You need to
23 apply public trust analysis to your decisions.

24 That's, for example, the analysis we did
25 on the hydrologic Zone of Contribution where will this

1 Project impact our groundwater supply. The answer was
2 as long as you keep the battery and substation outside
3 the zone you're fine. We wanted that to be a specific
4 representation in the findings as well.

5 We did, to some extent apply -- every
6 decision has to determine the Hawai'i State Plan is
7 complied with and we're satisfied that that's true in
8 this case. So this is the reason why the Office of
9 Planning supports the Motion to Amend.

10 I do want to talk about a couple of things
11 specifically about the conditions. The Office of
12 Planning proposed conditions. There is general
13 agreement in concept with these conditions by the
14 Petitioner. They wanted some changes.

15 Some changes involved wording choices like
16 rather "Petitioner shall" it's "Petitioner shall cause
17 the solar farm operator to" the Office of Planning has
18 no objection to that change. Frankly, we think
19 Petitioner is still on the hook if there's a
20 violation. So we're satisfied with that change.

21 They also proposed some changing to the
22 wording in traffic impacts. It's hard because you
23 don't have these proposed changes in front of you.
24 But all I can say is the Office of Planning is okay
25 with separating Phase 1 and Phase 2 so that the

1 concern by the Petitioner was they didn't want the
2 traffic assessment to be accepted, have to be accepted
3 by DOT prior to.

4 The Office of Planning is willing to --
5 I'm trying to not use the word 'accept'--is amenable
6 to that change so you don't have to get an official
7 DOT acceptance. But we do think that Petitioner does
8 need to implement the recommendations actually
9 explicit in the conditions shall implement the
10 recommendations in the traffic assessment and any
11 mitigations recommended by the Department of
12 Transportation.

13 You may remember the Department of
14 Transportation included a suggestion by the location
15 of a particular access road should be located a little
16 further away. And I am not sure that was included in
17 the traffic assessment. And the traffic assessment
18 itself, as we said, has the issue of the work schedule
19 as well as the traffic mitigation plan and the
20 shuttle.

21 I want to talk briefly about the proposed
22 condition about the abeyance. This was probably the
23 one issue. As you may imagine the parties usually
24 talk before we get here. As she said we were sort of
25 anticipating we might have a little more time to try

1 to resolve this. But let me just tell you what our
2 current thinking is.

3 We were not able to reach agreement on
4 that because we're just not comfortable with the idea
5 that conditions are held in abeyance. We're
6 comfortable with the idea that this decision will
7 allow the solar farm to operate. We are comfortable
8 with the statement that the operation of the solar
9 farm is consistent with the prior conditions. It's
10 just not clear to us what it means by "holding
11 conditions in abeyance." I don't think this condition
12 should hold up the approval.

13 I think you can sort of move forward with
14 this without it. So we believe ultimately from the
15 state for the Land Use Commission on whether they
16 think that condition makes any sense. But it just
17 didn't seem necessary to us.

18 The conditions, the prior conditions are
19 what the prior conditions are. The operation of the
20 solar farm did not seem to violate any of those
21 conditions. We don't know why you need to hold any of
22 them in abeyance.

23 As I said we have no objections to the
24 determination that the operation of the solar farm
25 would not violate any of the conditions that were

1 previously imposed. That was our official -- that's
2 what we specifically said in our response that with
3 the understanding that the original conditions remain
4 valid, OP recommends approval.

5 So with that, again, I don't mean to
6 diminish the value of a solar farm. I haven't spent a
7 lot of time talking about how important it is at
8 stake. It seems obvious, so I just don't want to take
9 your time discussing that. But we do support the
10 motion. We do ask for conditions. And, again, thank
11 you for your service. Thank you.

12 CHAIR McDONALD: Ms. Lim, any rebuttal?

13 MS. LIM: No, Chair, I think we'll rest.

14 CHAIR McDONALD: Commissioners, do you
15 have any further questions for the parties?

16 COMMISSIONER WONG: I don't have questions
17 for the parties but a question to the attorney
18 general, our attorney general. Sorry. (Off mic)
19 We're talking about abeyance right now. I'm just a
20 little concerned because of the Turtle Bay issue. If
21 they do put something in abeyance would the Turtle Bay
22 issue come up into play?

23 MR. SUZUKI: I don't believe so. I think
24 if we're talking about basically holding the present
25 conditions that are in the D&O, basically staying

1 those, the enforcement of those provisions until a
2 later date or whatever it is. That's a different
3 story.

4 But I think, basically my advice to you
5 would be I would think that with the representations
6 from OP that they don't read the conditions being
7 contradictory to this Project, that there is no need
8 to hold those conditions in abeyance.

9 And I think if that's the interpretation
10 from OP and that's the understanding of the parties,
11 then my recommendation is that there's no need to hold
12 those conditions.

13 COMMISSIONER WONG: Can we go into
14 executive session 'cause I have some questions for the
15 attorney general about procedures.

16 CHAIR McDONALD: We have a motion for
17 executive session. Do we have a second?

18 COMMISSIONER AHAKUELO: Second.

19 CHAIR McDONALD: All those in favor? All
20 in favor say aye. Aye, any opposed? The Commission
21 is now going into executive session. If you folks
22 could remove yourselves from the room. Staff will get
23 you when we come back. (Executive session) (4:08)

24 COMMISSIONER WONG: Chair, we move to get
25 out of executive session. (4:21)

1 CHAIR McDONALD: I think we already are.
2 We're back on the record. Again, Commissioners, any
3 further questions for the parties?

4 COMMISSIONER WONG: Well, not for the
5 parties in general but just, sorry, I'm just confused
6 in general or concerned just about the abeyance and
7 for the old conditions and the new condition that was
8 recommended. You know, I just don't -- sorry, I just
9 can't see it without seeing it in front of me. I
10 would like to see something in writing.

11 CHAIR McDONALD: Sure. Sure. Do you have
12 a statement, Ms. Lim?

13 MS. LIM: If the Chair would let me
14 respond to that I think, and this is what I want to
15 say the idea of abeyance was an idea the Petitioner
16 came up with. Then our thought process was that it
17 would allow this Commission to make a decision without
18 having to delve into a deep analysis of those old
19 conditions.

20 I heard something today from Office of
21 Planning that completely removed that concern from
22 Petitioner's radar. That was that a confirmation at
23 least from the Office of Planning's perspective, their
24 solar farm project can be entirely consistent with
25 those existing conditions. Okay.

1 So to the extent that it's of interest to
2 you, the Petitioner's no longer concerned about
3 abeyance or not abeyance. It's whatever is in the
4 Commission's discretion, of course. That was the
5 thought process.

6 Again, we've heard the comfort from the
7 Office of Planning and ultimately it's going to be
8 whatever this Commission thinks is appropriate.

9 COMMISSIONER WONG: I'm sorry. I still
10 would like it in writing because I just want to see
11 stuff in black and white.

12 MS. LIM: Okay.

13 COMMISSIONER WONG: Just because that's my
14 concerns.

15 CHAIR McDONALD: Okay. So noted,
16 Commissioner.

17 COMMISSIONER WONG: Thank you.

18 COMMISSIONER SCHEUER: Mr. Chair I have a
19 question or a request actually.

20 CHAIR McDONALD: Go ahead.

21 COMMISSIONER SCHEUER: Just for clarity
22 there was some discussion about the Department of
23 Transportation taking some time to review and approve
24 construction drawings. I wasn't quite sure is it the
25 Petitioner's position that we make a decision, but

1 they will obtain DOT approval before construction
2 commences? I wasn't quite sure what that discussion
3 was being that DOT taking so long to approve
4 construction drawings.

5 MS. LIM: I'd like to respond to that.

6 COMMISSIONER SCHEUER: Just for clarity.

7 MS. LIM: Sure. Actually it's not a DOT
8 approval of construction drawings. In fact, there
9 shouldn't be in DOT construction drawings per se
10 because there really won't be any building on DOT
11 roads. The condition that had been proposed by Office
12 of Planning that we were responding to was a request
13 that there be a traffic assessment prepared for the
14 Project for Phase 1 and Phase 2 of the Project.

15 And that that traffic assessment be
16 accepted, deemed approved by the Department of
17 Transportation before SunEdison began doing the
18 grading and doing the work.

19 It is that acceptance that was a point of
20 some friction because, particularly because of the
21 sensitive time and nature of SunEdison needing to get
22 the Project into operations, and the fact that the
23 Department of Transportation doesn't have a formal
24 acceptance process for traffic assessments unlike
25 construction drawings.

1 Construction drawings you often do have to
2 signoff or the traffic assessments. They review them
3 all the time but they don't, as a regular matter of
4 course, issue a letter saying, "I hereby accept your
5 traffic assessment." It's not unheard of but it's
6 pretty unusual.

7 So for what we asked the Office of
8 Planning to consider, and it sounds like they're in
9 agreement with this generally, is for Phase 1 for the
10 50 megawatt Solar Project, we've already had the
11 traffic assessment prepared. It will be, if it hasn't
12 already, it will be submitted to the State DOT, you
13 know, as soon as possible.

14 If there are comments, feedback from the
15 State DOT on that traffic assessment, those will be
16 incorporated and addressed in whatever the
17 construction management program is that SunEdison
18 requires the contractors to employ on the Project.

19 However, because we know that having
20 traffic assessment acceptance is often an issue that
21 the Office of Planning is concerned about, respecting
22 that we said, "Well, for Phase 2 of the solar Project,
23 because we had a lot of time between now and when
24 SunEdison would actually be needing to do grading
25 Phase 2. Well, for that we will, SunEdison will go

1 get a traffic assessment accepted by DOT."

2 That doesn't take away from the fact that
3 DOT doesn't, again, really have a formal acceptance
4 process. But when SunEdison and Kamehameha Schools
5 know that there are several years in order to get DOT
6 to eventually sign a letter, whatever it is that
7 they'll sign, to say yes we've accepted it, that seems
8 like a reasonable condition that certainly KS can
9 require SunEdison to comply with.

10 COMMISSIONER ACZON: So would site
11 construction commence or will not commence until the
12 DOT accepts the assessment?

13 MS. LIM: For Phase 2.

14 COMMISSIONER ACZON: So you might start
15 site construction before on Phase 1, before the DOT
16 accepts the assessment.

17 MS. LIM: What we have done -- DOT will
18 get the traffic assessment and they can respond to the
19 traffic assessment as they see fit. The City, through
20 the conditional use permit process will, that's the
21 next permit and SunEdison has yet to do this, will, I
22 believe, circulate the conditional use permit to the
23 Department of Transportation Services.

24 So the City will have its opportunity and
25 if they're traffic issues that will be weighed in on.

1 But the formal acceptance by DOT of a traffic
2 assessment is that the condition that we're trying to
3 get away from -- and it's not because -- you heard
4 from SunEdison -- it's not because SunEdison is trying
5 to back away from the mitigation measures recommended
6 in this traffic assessment.

7 It is strictly because of the timeliness
8 and knowing DOT is a huge state agency, getting them
9 to actually send something before SunEdison can begin
10 grading is it could be difficult. It's not a
11 substance issue. It's a mechanical issue. How
12 quickly will they actually sign something when they
13 don't have a process to actually sign and approve
14 traffic assessments to begin with.

15 COMMISSIONER ACZON: Okay. Thank you.

16 CHAIR McDONALD: Commissioner Scheuer.

17 COMMISSIONER SCHEUER: I had another
18 question for the Petitioner. It just goes to what the
19 representations were because I heard from Ms. Camp and
20 Mr. Caldarone that you really, you looked at the
21 Gentry plan, your client looked at the Gentry plan
22 like it's dated, it doesn't fit market conditions,
23 it's not really what we are going to want to do and we
24 don't know exactly what we are going to want to do.

25 And then we're close to the evidentiary

1 part. And you said in your closing argument you
2 would, you know -- it wouldn't be in place until such
3 time we go forward with the Gentry Project or not go
4 forward with something else. So what I hear clearly
5 from the client was you're not going forward with the
6 Gentry Project.

7 There might be elements of it that you'll
8 say, yeah, it does make sense to you use next year or
9 something like that, but that's not the Project that
10 will come back.

11 MS. LIM: And that's correct. I think
12 that it is highly unlikely that Kamehameha Schools
13 will come back to this Commission ever and say,
14 "Commissioners, we are about to embark on the exact
15 development program that was proposed by Gentry." I
16 think that that's highly unlikely.

17 And for all the reasons that Ms. Camp
18 articulated, between that old Gentry plan and whatever
19 their ultimate development plan may be, they may not
20 be radically dissimilar. But I just don't know.

21 So in presenting to the Commission I
22 wanted to be as comprehensive as possible and again
23 respecting the fact that the Commission in 1988 looked
24 at a plan and made a decision based on that plan.
25 We're not prepared to completely turn our back on that

1 plan and say, "Well, it's rubbish. It's never going
2 to be developed."

3 You've heard very clearly Kamehameha
4 Schools doesn't think it's the right plan. But a lot
5 more has to be done on the Kamehameha Schools' side
6 before they can make that absolute affirmative
7 decision. So I hope that doesn't appear evasive.
8 What I was trying to do is leave open that
9 possibility.

10 COMMISSIONER SCHEUER: Yeah. I just am
11 following. I just understand the representations
12 because it seemed to be very different than what
13 Ms. Camp or Mr. Caldarone had said, which was not any
14 possibility of really coming forward with the Gentry
15 plan.

16 MS. LIM: As I said I hope I responded.
17 But as I said I think the chances of Kamehameha
18 Schools coming back with the exact Gentry plan is
19 very, very minimal. That's the plan that was approved
20 by the Commission. I feel it's important to just
21 leave that door open. But you're correct.

22 It sounds like Kamehameha Schools very
23 much intends on analyzing, re-analyzing and at least
24 preliminary they're not looking with a lot of optimism
25 of using the Gentry plan.

1 COMMISSIONER SCHEUER: Thank you.

2 CHAIR McDONALD: Anything else,
3 Commissioners? Okay. The Commission will now conduct
4 formal deliberations concerning whether to grant the
5 Petition, whether in whole or in part or to deny the
6 Petition.

7 If the Commission decides to grant the
8 Petition in whole or in part, it needs to determine
9 what Conditions of Approval to impose. I would note
10 for the parties and the public that during the
11 Commission's deliberations I will not entertain
12 additional input from the parties or the public unless
13 those individuals or entities are specifically
14 requested to do so by the Chair. If called upon I
15 would ask that any comments be limited to the question
16 at hand.

17 The Commission held a hearing on the
18 merits of this Petition earlier today and oral
19 arguments were just concluded. Commissioners, let me
20 confirm that each of you have reviewed the record and
21 read the transcripts for any meetings that you may
22 have missed and are prepared to deliberate on the
23 subject docket.

24 After I call your name would you please
25 signify with either an aye or a nay that you're

1 prepared to deliberate on this matter. Commissioner
2 Ahakuelo?

3 COMMISSIONER AHAKUELO: Aye.

4 CHAIR McDONALD: Commissioner Aczon?

5 COMMISSIONER ACZON: Aye.

6 CHAIR McDONALD: Commissioner Scheuer?

7 COMMISSIONER SCHEUER: Aye.

8 CHAIR McDONALD: Commissioner Hiranaga?

9 COMMISSIONER HIRANAGA: Aye.

10 CHAIR McDONALD: Commissioner Wong?

11 COMMISSIONER WONG: Aye.

12 CHAIR McDONALD: The Chair is also
13 prepared to deliberate on this matter. The goal today
14 is determined by way of motion the Commission's
15 decision on whether to grant in whole or in part
16 Petitioner's request to modify the Commission's
17 Findings of Fact, Conclusion of Law, and Decision and
18 Order dated May 17, 1988 as amended by the
19 Commission's November 30, 1999 *Order amending*
20 *Condition No. 6 of the Decision and Order dated*
21 *May 17, 1988* to expressly authorize the use of portion
22 of the KS property for solar farm development for an
23 interim period not to exceed 35 years with regard to
24 the subject property or to deny the motion.

25 If a decision is reached today and based

1 upon the Commission's guidance, staff will be directed
2 to draft appropriate Findings of Fact, Conclusions of
3 Law and Decision and Order reflecting the Commission's
4 decision. Commissioners, is there any discussion on
5 this matter?

6 COMMISSIONER WONG: Chair, I just wanted
7 to say as I said previously I am concerned. I would
8 like something in writing on the conditions that are
9 set forth by all parties just before we vote on it.

10 CHAIR McDONALD: So noted, Commissioner
11 Wong. I heard from the Commissioners that there is a
12 little bit of confusion. I think what I'll do is why
13 don't we vote on the first motion to recognize
14 Kamehameha Schools as the successor Petitioner with
15 standing to seek and obtain the relief requested by
16 the motion.

17 And the second motion, I'll address if
18 there's a motion on the first.

19 COMMISSIONER ACZON: Mr. Chair, if I may.
20 I return Kamehameha Schools as the successor
21 Petitioner to seek and obtain the relief requested by
22 the motion.

23 CHAIR McDONALD: Do we have a second?

24 COMMISSIONER AHAKUELO: Second.

25 CHAIR McDONALD: Mr. Orodener, would you

1 please poll the Commission.

2 MR. ORODENKER: Thank you, Mr. Chair. The
3 motion is to recognize Kamehameha Schools as the
4 successor Petitioner with standing to seek and obtain
5 the relief requested by the motion. Commissioner
6 Aczon?

7 COMMISSIONER ACZON: Aye.

8 MR. ORODENKER: Commissioner Ahakuelo?

9 COMMISSIONER AHAKUELO: Aye.

10 MR. ORODENKER: Commissioner Hiranaga?

11 COMMISSIONER HIRANAGA: Aye.

12 MR. ORODENKER: Commissioner Scheuer?

13 COMMISSIONER SCHEUER: Aye.

14 MR. ORODENKER: Commissioner Wong?

15 COMMISSIONER WONG: Aye.

16 MR. ORODENKER: Chair McDonald?

17 CHAIR McDONALD: Aye.

18 MR. ORODENKER: Mr. Chair, the motion
19 passes.

20 CHAIR McDONALD: Okay. Regarding the
21 second motion with regards to modifying the Findings
22 of Fact, Conclusions of Law and Decision and Order for
23 the May 1988 decision.

24 What I'm going to propose to the parties
25 is I'm hoping that you folks will stipulate on filing

1 your Findings of Fact, Conclusions of Law and proposed
2 D&O, and file that with the Commission staff within
3 one week. So we're looking at November 5th for the
4 Commission's review. Go ahead.

5 MS. LIM: And, Chair, Petitioner is
6 prepared to file that or at least present it to the
7 other parties for review within I'd say within the
8 next 3 days, 2 days.

9 The only issue I would have on doing that
10 is the transcript. I don't know -- as skilled as
11 Holly is, I don't know how quickly she would be able
12 to provide the transcript of these proceedings for me,
13 then to supplement that into the Findings of Fact,
14 Conclusions of Law and Decision and Orders.

15 Whereas if the issue is actually a
16 stipulated set of conditions of approval, if not
17 stipulated Finding of Fact, Conclusions of Law and
18 Decision and Order, I believe that the parties should
19 be able to provide that to the Commission that I would
20 hope fairly quickly. I'm looking to the other
21 parties.

22 MR. YEE: We'll certainly do whatever the
23 Commission is asking us to do. I think we can review
24 any document within a week. If it's possible -- I
25 guess I would ask, if it's possible could we have a

1 week to review the documents if they need 3 days to
2 draft whatever it is they're drafting? Then if we get
3 a week after. If they took 3 days we could review, I
4 think, the Findings of Fact and Conclusions of Law and
5 Decision and Order within a week.

6 If anything we submit to you would not
7 have -- or it would be difficult to get record
8 citations to you. So you're just going to have to --
9 I mean unlike other cases in which we'll give you the
10 transcript cites, et cetera.

11 The conditions itself, if you just wanted
12 the conditions I think we could do within a week. It
13 might be somewhat dependent on whether you're going to
14 agree to certain findings.

15 CHAIR McDONALD: So I'm inclined what we
16 want to see is an entire set of Findings of Fact,
17 Conclusion of Law and proposed D&O. Just so the
18 Commission is clear as far as the representations we
19 want to be sure that we have the correct record and
20 representations made before us before we make any type
21 of decision.

22 I recommend to you all what I'm proposing
23 is if you folks stipulated on that and get it back to
24 staff within 1 week, November 5th.

25 MR. YEE: We'll do whatever the Commission

1 wants. (Audience laughter).

2 CHAIR McDONALD: Thank you, Mr. Yee.
3 Actually I should be cognizant of our court reporter's
4 time as well. Holly, is that possible without looking
5 at Mr. Yee? (Laughter).

6 THE REPORTER: Two to 3 days? Is that...
7 are you going to have other things coming through?

8 CHAIR McDONALD: Other things coming
9 through? No. I think what they'll be waiting on is
10 your transcript.

11 THE REPORTER: Two to 3 days.

12 MS. LIM: As soon as you have it ready. I
13 have a draft proposed D&O with citations to all of
14 their record. If you could give me a transcript by
15 Friday that would be fantastic.

16 THE REPORTER: I can.

17 CHAIR McDONALD: Thank you, Holly. I
18 guess, parties, any other questions or clarification
19 on the request?

20 MR. YEE: Well, actually if the
21 transcripts come in Friday and the Findings of Fact
22 get drafted by the Petitioner, comes to me Monday, it
23 might be issued Wednesday?

24 CHAIR McDONALD: That's what we'll ask.

25 MR. YEE: We will do our best. Would

1 Friday be acceptable by the Commission?

2 CHAIR McDONALD: We'll see. (Laughter).

3 MR. YEE: Tuesday is a holiday. So if we
4 get it Monday. November 4th is the actually Elections
5 Day.

6 CHAIR McDONALD: Mr. Yee, we're trying to
7 fit all these filings in with our agenda, our
8 schedule. So do the best you can. Work with the
9 staff and they can inform you if they have any issues.

10 MR. YEE: All right.

11 MS. LIM: Chair, and just to confirm so
12 you're saying by the 5th the Commission actually wants
13 to see a stipulated proposed D&O. So something that
14 all 3 parties have signed off on in all respects.

15 CHAIR McDONALD: That's what we want to
16 see. If not at all possible, but it sounds like you
17 folks are close. I can't imagine -- it didn't sound
18 like you folks had a whole lot of issues pertaining to
19 the conditions.

20 MR. YEE: No. What you might get, of
21 course, is a proposal, a stipulation as to 95 percent
22 of the things and the identification of the 10
23 findings and 1 condition that we're going to be in
24 disagreement about.

25 CHAIR McDONALD: That's fine. The

1 Commission is able to deal with that.

2 MS. LIM: We're motivated to do this well
3 and cooperatively.

4 CHAIR McDONALD: I appreciate your folks'
5 time today. That was a *long* day. I'm glad we could
6 get through this. Again I appreciate, County, State
7 OP, also staff. It was a long day. So we have a
8 scheduled executive session, but I think I'm going to
9 delay that to the next hearing date.

10 MS. LIM: I'm so sorry, Chair. I
11 neglected to ask if the stipulated D&O is due on the
12 5th could I ask whether the Commission will convene
13 for decision making or has that not been determined?

14 CHAIR McDONALD: Let me call up the
15 schedule. Would you think it would fit in
16 November 12th hence the reason for the push.
17 Commissioners, any other items of discussion?
18 Parties? Thank you. We're done. (Gavel)

19

20

21 (The proceedings were adjourned at 4:57 p.m.)

22

23

--oo00oo--

24

25

C E R T I F I C A T E

I, HOLLY HACKETT, CSR, RPR, in and for the State of Hawai'i, do hereby certify;

That I was acting as court reporter in the foregoing LUC matters on the 29th day of October 2014;

That the proceedings were taken down in computerized machine shorthand by me and were thereafter reduced to print by me;

That the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings had in the foregoing matters.

DATED: This_____ day of_____2014

HOLLY M. HACKETT, HI CSR #130, RPR #5910
Certified Shorthand Reporter

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25