


STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 15-16, 2019

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew Choy, Acting Planning Program Manager
From: Julie-Ann Cachola, Planner 
Subject: G-1 Acceptance of the Beneficiary Consultation Report
for the Kahikinui Moa'e Kū Wind Energy Project Proposed
by Sempra Renewables USA LLC, at Kahikinui, Maui, TMK
(2) 1-9-001:003 (portion)

RECOMMENDED ACTION

That the Hawaiian Homes Commission (HHC) accept this report as the official record of the information disseminated to beneficiaries on the Kahikinui Wind Energy Project and beneficiary questions, comments, and concerns raised in response.

DISCUSSION

Introduction

In December 2018, DHHL issued a solicitation for renewable energy projects at Kahikinui, Maui. In January 2019, two competitive proposals were submitted for Kahikinui. The proposals were evaluated and scored. The top ranked project was a wind energy project proposed by Sempra Renewables, USA LLC (Sempra).

Following the selection of a renewable energy developer, the Planning Office conducted a Beneficiary Consultation meeting at the Kula Community Center where DHHL and Sempra presented background information and details about Sempra's proposed project at Kahikinui. Beneficiaries shared their concerns and raised questions which were answered by Sempra or DHHL. This submittal provides a record of that beneficiary consultation meeting.

Notification

On March 4, 2019 DHHL mailed invitation letters (**Exhibit A**) to 381 Lessees and Applicants that reside in the Kula zipcode (96790) area, which is the area where the proposed project is located. The letter invited beneficiaries to attend a beneficiary consultation meeting at the Kula Community Center on

Tuesday, March 19, 2019 from 6:00 p.m. to 8:00 p.m. to get information and provide comments on Sempra's Proposed Wind Energy Project at Kahikinui.

Beneficiary Consultation Meeting

Nineteen (19) beneficiaries participated in the consultation meeting and one (1) beneficiary emailed written comments (**Exhibit B**). Two (2) Sempra Representatives and four (4) DHHL staff from the Maui District Office, the Land Management Division, and the Planning Office were also present. All attendees received an informational handout (**Exhibit C**) and a blank sheet for comments.

Purpose of the Meeting

The Department's presenter, Julie-Ann Cachola, from DHHL's Planning Office made introductions and explained that purpose of the beneficiary consultation meeting, was to provide beneficiaries with information on the proposed project, to answer their questions and to record their concerns. More specifically, the meeting was to:

1. Provide background information about Kahikinui and renewable energy:
 - Why was a wind energy project being proposed at Kahikinui?
 - Why was DHHL getting involved in renewable energy at this time?
2. Provide Sempra the opportunity to present their proposed Kahikinui wind project to beneficiaries who reside in the area.
3. Provide beneficiaries the opportunity to ask questions and articulate their concerns directly to Sempra.
4. Explain upcoming activities and next steps related to the project.

About Kahikinui

Relevant background information on Kahikinui was presented:

1. Kahikinui is the only moku in DHHL's land inventory, comprised of 8 ahupua'a, from Auwahi to Manawainui.
2. DHHL lands comprise 7 of the 8 ahupua'a, totaling 23,000 acres, which constitute 75% of all DHHL lands on Maui.
3. In 1999, 75 Pastoral Kuleana Leases were awarded, the first of its kind. A handful of lessees have settled on the land, built their own homes and remain completely off-grid.
4. Separate maps depicting Wind Speed and Wind Power Density confirm that there is a tremendous wind energy resource on DHHL lands at Kahikinui.

The Wind Resource

Relevant background information on renewable energy was also presented:

*The Demand
for
Renewable
Energy*

1. The State Legislature establishes Renewable Portfolio Standards (RPS) which requires a specified percentage of the electricity that utilities sell that must come from renewable energy resources. By the year 2020, the utility needs to produce at least 30% of its electricity from renewable energy resources.
2. In its 2017-2018 Sustainability Report, the Hawaiian Electric Company reported that they were on-track to meet the 2020 RPS as they are already producing 26.8% of its electricity with renewable energy resources.
3. In 2015, the State Legislature established the Renewable Portfolio Standard of 100% by the year 2045. This means that by the year 2045, 100% of the electricity the utilities sell must be produced using renewable energy resources. This was a game-changing, landmark decision that created a huge demand for renewable energy projects across the State.

*DHHL's
interest in
Renewable
Energy at
Kahikinui*

There is a confluence of factors that have led to DHHL's interest in developing renewable energy at Kahikinui:

1. Wind energy is a renewable resource that produces clean energy. Energy generation from wind produces no toxic emissions; no heat-trapping emissions that contribute to global climate change.
2. With the goal of 100% renewable energy by 2045, there is a need and demand for renewable energy development.
3. Kahikinui has tremendous wind resources.
4. There are ample vacant lands at Kahikinui.
5. Wind turbines can coexist with other land uses.
6. The development of wind turbines at Kahikinui could provide secured roads that facilitate makai access for Kahikinui lessees.
7. The Homestead community has many community projects that could benefit from additional financial support.
8. The Homestead Association, Ka 'Ohana o Kahikinui, supports the project.

*Complex
Processes*

In spite of these compelling reasons to support renewable energy at Kahikinui, the presenter cautioned that in reality, engaging in renewable energy development involves complex and independent processes, including:

1. HECO's Request for Proposals (RFP) requirements
2. DHHL's requirements to lease land for renewable energy
3. DHHL's long-term land disposition requirements
4. Developer financing
5. Government tax credits

Major Players

To further illustrate the complexity involved in developing renewable energy, the presenter identified three (3) entities and their respective interests.

The Utility

1. The utility (HECO) controls the market because they are the only entity that will buy power from the renewable energy producers. Their goal is to purchase renewable energy at a low, fixed price.

Energy Producers

2. Renewable energy producers have the technology to produce renewable energy, but they need the energy resource and they need the utility to buy the energy they produce. They need exclusive access to an abundant renewable energy resource, which means that they need developable land in the right location. In order to utilize their technology, they need to secure a PPA from HECO.

Landowners

3. Large landowners can give energy producers the site control they require. Landowners are looking for a viable energy producer that will give them a high lease rent while still remaining competitively priced to ensure that it is selected by HECO for a PPA.

Private Lands

Private landowners can be flexible. They can render decisions and respond quickly to accommodate the needs of the renewable energy producer.

Public Lands

For Public landowners, like DHHL, land decisions are made by a Board or Commission, governed by statutes and rules that mandate a competitive, transparent, and public process that requires more time to complete.

In consideration of all the requirements that must be completed before DHHL issues a long-term General Lease, we decided to start our process earlier. It is DHHL's goal to complete the requirements to award a land disposition before HECO releases its Phase 2 RFP sometime in May or June 2019.

Sempra's Next Steps

The presenter outlined the work that still needs to be completed to develop the project. Sempra needs time on the land to do their due diligence studies. They need at least 1-year of wind data; they need to understand the terrain, historic sites, etc. They need accurate site data to develop accurate cost estimates so they can offer a more competitive bid to HECO. Sempra needs to secure a PPA from HECO and before the long-term General Lease is executed, Sempra needs to complete the Chapter 343, environmental review process.

DHHL's Next Step

DHHL and the HHC must negotiate final terms of the land disposition. When completed, DHHL can conduct the required Public Hearings (2 required) and the HHC can convene in Maui to consider approval of the land disposition. The long-term General Lease can only be executed upon the completion of an Environmental Assessment and Finding of No Significant Impact (FONSI).

Sempra's Presentation

At this point in the meeting, DHHL invited Sean Wazlaw, Project Development Manager for Sempra Renewables, to present their proposed Wind Energy Project at Kahikinui.

Conceptual Alignment Alternatives

SEMPRA'S KAHIKINUI WIND ENERGY PROJECT: CONCEPTUAL SITE LAYOUT



- Kahikinui Layout
- Existing Auwahi
- Auwahi 2 Layout
- Pi'ilani Highway
- Overhead Collector --Option A
- Overhead Collector --Option B
- Kahikinui Property Lines

Sempra's representative referred to the Conceptual Site Map as he discussed the location of the project. He explained that the project is proposed in area makai of Pi'ilani Highway, toward the eastern side of the parcel. He said that there needs to be some distance between the new

turbines and the existing turbines so that the new turbines do not block the wind. He added that the terrain on the Eastern part of the parcel looks easier to develop. In order to get the power to MECO, Sempra would tie-in to the existing line at Auwahi which is a distance of 4-miles. He shared that some people want the project to go mauka of Pi'ilani Highway because it could provide a fire break buffer. Sean emphasized that nothing is finalized and he welcomed continued discussion on the siting and alignment of the turbines.

*Immediate
Need for Due
Diligence
Studies*

Sean explained that his immediate need is to get on the land to start the due diligence studies, which requires the ROE agreement. He needs at least one-year of wind data which will require construction of 2 meteorological evaluation towers (MET), under 200-feet that would measure attributes of climate and weather, including wind speed. He also needs an archaeology study and geotechnical studies which will help to determine if the project is feasible.

Sean explained that if the studies are not completed in time for HECO's Phase 2 RFP, or if the project is not chosen for a PPA by HECO, he would continue to pursue the project. He noted that MECO's energy plans call for 60MW of renewable energy. The Auwahi Project already produces 30MW; the Kahikinui project would add another 30MW allowing MECO to meet all of its renewable energy needs.

*Land Request
and Financial
Offer*

Sempra's request for land and financial offer includes:

1. A Right-of-Entry (ROE) for 2 years at \$100,000 per year that would be paid in full, upon signing the ROE agreement.
2. The option to extend the ROE three (3) times, at the same rate, in 1-year increments.
3. The conversion of the ROE to a General Lease when construction begins.
4. Sempra's offer for the General Lease is \$175,000 per year or 2.75% of gross revenue, whichever is greater, with percentage increases over time.
5. The option to extend term of the general lease term for another 25-years under renegotiated terms.
6. A community benefits package of a lump sum payment of \$500,000 or \$50,000 per year for the life of the lease.

Summary of Beneficiary Comments and Questions

Consultation meetings with beneficiaries provide valuable insight and information on the issues that the developer and the Department should address. With conventional development projects, this kind of insight often comes too late in the planning and

development process when plans have been drawn and there is no room for adjustments. By consulting with our beneficiaries early in the process, issues can be identified and addressed in due diligence studies. This section of the report provides a summary of beneficiary concerns raised during the meeting. **Exhibit D** is a complete record of beneficiary comments, questions, and DHHL and Sempra responses to the questions. For ease of use, the comments in Exhibit D are grouped by subject/topic area.

1. The Community Benefits financial offer needs to be increased.

The people who live in Kahikinui are giving up their land for the general public. We need to see a higher rate of return. A one-time payment of \$500,000 is not going to help us with everything we need. We would rather have a percentage of revenue over time.

2. Financial benefits for the community should start at the same time the Department starts to receive funds.

The Department starts generating revenue from the signing of the ROE, but the community benefit comes years later—if all of the requirements and approvals are met—if they get a PPA and only when they actually start producing energy. Community benefits should start at the same time the Department starts to receive leaseunds.

3. Identification and mitigation of health effects created by artificial magnetic fields, infrasound, subsonic rays, and microwave transmitters that come from the wind turbines

Beneficiaries engaged in a lengthy discussion about the effect of artificial magnetic fields, infrasound, subsonic rays, and microwave transmitters on individual and family health. The beneficiary that raised this issue, stated that, while most people believe that wind turbines are non-polluting, in some communities, wind turbines are making people sick. He stated that Auwahi is putting out an artificial electromagnetic field and sub-sonic rays which affects health.

When Sempra was asked if they had conducted any studies on the effect of artificial magnetic fields, infrasound, subsonic rays and microwave transmitters on individual and community health, Sempra stated that they have not. Sean noted that these studies should be conducted by a neutral third-party. He stated that there is a lot of information on the internet. Another beneficiary confirmed that there's a lot out there, but none of it is scientifically sound, it is just people talking about it.

4. The location of the wind turbines needs to be carefully considered, because it affects the alignment of the electric transmission lines which impact other issues, including:

- a. Wildfire Suppression Efforts: The power lines should be sited in a way that does not hinder wildfire suppression efforts. The overhead power lines would be right in the path where helicopters fly back and forth to bring seawater to the fire. The power lines should be sited away from the road so the big trucks can pass through. The fuel trucks come in and use Hale Pili as a staging area for the helicopters to re-fuel. The option further away from the road is preferred. We don't want the lines to be a hindrance to fire suppression, fire trucks, helicopters, or tankers.

Sean noted that some people have recommended that the wind turbines should be located mauka of Pi'ilani Highway because the road that connects the wind turbines could also serve as a fire break buffer.

- b. Flights of Bats/Seabirds: We have been losing bats because of these windmills. DLNR has actually increased the amount they are permitted to take (kill). I wanted to state for the record that there should be alternatives to avoid killing more bats. They have a sonic device that can keep the bats away from dangerous areas. It's not the bat's fault--the wind turbines are in their traveling space.
- c. Underground Electric Transmission Lines: Beneficiaries want Semptra to consider running the transmission lines underground wherever possible. Underground cables could mitigate against potential health impacts of tower emissions. It would decrease the taking of bats and seabirds, and would mitigate against the visual impacts of the project. Underground transmission lines would make the project more resilient -able to withstand high winds, fire and rain.

5. The 'Ohana lessees want to be able to use Semptra's road to access the makai lands and resources.

When the roads are completed and the towers are up, beneficiaries want assurances that the 'Ohana will still be able to use the roads. Sean confirmed that the area around the turbines will be for exclusive use. The roads are closed to the public, but could be used by the Kahikinui residents.

RECOMMENDATION:

Staff respectfully requests the Commission's approval of the Recommended Action.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

JOSH GREEN
L.T. GOVERNOR
STATE OF HAWAII

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879
HONOLULU, HAWAII 96805

March 4, 2019

Aloha!

The Department of Hawaiian Home Lands (DHHL) is considering issuing a long-term General Lease to Sempra Renewables LLC to develop a 30-megawatt wind energy project at Kahikinui, makai of Pi'ilani Highway. We want to inform beneficiaries and get input on the proposed project. We are inviting all lessees and applicants who reside in the Kula (96790) zip code area to attend the scheduled Beneficiary Consultation meeting:

**BENEFICIARY CONSULTATION MEETING
ON SEMPRA'S PROPOSED KAHIKINUI WIND ENERGY PROJECT
KULA COMMUNITY CENTER
TUESDAY, MARCH 19, 2019
6:00 p.m. to 8:00 p.m.**

The Consultation meeting will clarify DHHL requirements for renewable energy development, including the process and timeframe involved in awarding a General Lease. Sempra representatives will explain their proposed wind energy project at Kahikinui. Most of the meeting will focus on responding to beneficiary questions and ensuring an accurate record of beneficiary comments. Written comments may also be submitted after the meeting, no later than Friday, April 5, 2019 via email to: dhhl.planning@hawaii.gov.

Staff will prepare a Beneficiary Consultation Report that will compile the input received and will submit the Report to the Hawaiian Homes Commission at its regular meeting in April 2019. In June 2019, two Public Hearings will be held to hear concerns from the General Public, including beneficiaries. The Commission can take action on Sempra's long-term General Lease upon completion of the Public Hearings. The steps leading up to the General Lease and requirements of the General Lease will be explained at the Beneficiary Consultation meeting.

For these reasons, I look forward to your participation at the Beneficiary Consultation meeting.

Aloha,

Jobie M.K. Masagatani
Chairman, Hawaiian Homes Commission

EXHIBIT B

Beneficiary Consultation on Sempra's Wind Energy Project at Kahikinui

List of Beneficiary Participants

1	Barbara	Baisa
2	Kaleo	Cullen
3	Kawika	Davidson
4	Charmaine	Day
5	Patrick	Day
6	Lance	De Silva
7	Kauai Awai	Dickson
8	Kekoa	Enomoto
9	Blossom	Feiteira
10	C. Mikahala	Kermabon
11	Chad	Newman
12	Lisa	Pahukoa
13	Kaia	Pali
14	Allen Nainoa	Purdy, Sr.
15	Edward M.	Ramos
16	Ben	Rodrigues
17	J. Alohalani	Smith
18	Donna	Sterling
19/20	Cory and Kapeka	Vares

BENEFICIARY CONSULTATION ON SEMPRA'S PROPOSED KAHIKINUI MOA'E KŪ WIND PROJECT



Beneficiary Consultation Meeting on Sempra's Proposed Kahikinui Moa'e Kū Wind Project

Kula Community Center
Tuesday, March 19, 2019
6:00 pm-8:00 pm

AGENDA

- 1. Welcome, Introductions, Purpose**
- 2. Background Information**
 - Kahikinui
 - Renewable Energy
 - Current Solicitation Process
- 3. Sempra's Kahikinui Moa'e Kū Wind Energy Project**
- 4. Next Steps**
- 5. Questions and Answers, Comments, Concerns**

PURPOSE OF TONIGHT'S MEETING

- 1. Information on Kahikinui and Renewable Energy**
 - Why/How is DHHL involved in Renewable Energy?
 - Why Kahikinui?
 - Why Now?
- 2. Information on Sempra's Kahikinui Moa'e Kū Wind Project Proposal**
- 3. Beneficiary Comments, Concerns, Answer Questions**
- 4. Next Steps:**
 - How to Submit Comments
 - Deadline for Comments
 - Public Hearings in June

How to Submit Comments

1. You can present your comments tonight.
2. You can write your concerns down on the half-sheet blank and turn it into the staff at the registration table.
3. You can think about it and submit written comments later.

The deadline for comments is Friday April 5, 2019 (2+ weeks)

Written comments can be:

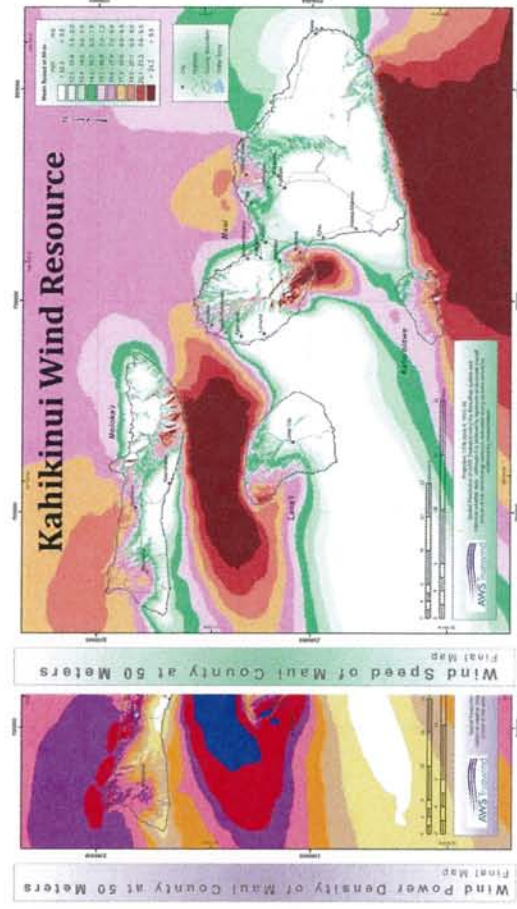
- Emailed to the Planning Office at: DHHL.Planning@hawaii.gov
- Mailed to: DHHL Planning Office
P.O. Box 1879
Honolulu, HI 96805

Info. on the 2019 solicitation: <http://dhh.hawaii.gov/procurement/>



Kahikinui Moku

- Kahikinui, translated as "Great Tahiti" is thought to be where original Polynesians first came ashore in Hawaii
- The Moku of Kahikinui is comprised of 8 ahupua'a (Auwahi to Manawainui)
- DHHH: 7 of 8 ahupua'a; 23,000 acres, 75% of DHHH lands on Maui; forest reserve
- 75 Pastoral Kuleana Leases were awarded in 1999; first of its kind; off-grid
- 'Āina Malo'o dryland cultivation; untouched by plantation agriculture and urbanization, archaeological sites are largely intact.
- Majority of land in the Special District.



Status of Renewable Energy Development

- Renewable Energy Goals:**
- 30% by the year 2020 (26.8% now)
 - 100% by the year 2045



MAUI COUNTY



Why is DHHH Interested in Developing Renewable Energy at Kahikinui?

- With the goal of 100% renewable energy by 2045, there is a need and demand for renewable energy.
- Wind is clean energy—no toxic emissions, no heat trapping emissions that contribute to global climate change.
- Kahikinui has tremendous wind resources—wind speed, wind power.
- There are ample lands at Kahikinui.
- Wind turbines can coexist with other land uses and might help to access makai.
- The Homestead community at Kahikinui supports the project.

How Do We Get On-Board?

- Complex and Independent Processes:
 - HECO's RFP for Renewable Energy
 - DHHL's Process to Lease Land for Renewable Energy Development
 - DHHL's Normal Land Disposition
 - Developer's financing, tax credits
- Long-Term
 - Institutional memory—accountability
- Build Supportive Relationships

MAJOR PLAYERS	ROLE/FUNCTION
<ol style="list-style-type: none"> The Utility -HECO, MECO, HELCO Secure renewable energy resource Fixed price 	<ul style="list-style-type: none"> • Goal: secure Power Purchase Agreements (PPAs)—the producer agrees to produce the energy and the utility agrees to buy it at a certain rate. • Process: [11-months] <ol style="list-style-type: none"> 1. HECO releases RFP 2. Renewable Energy producers submit proposals. 3. HECO selects short list of companies 4. Companies make Best and Final Offer 5. HECO negotiates PPA 6. PPA to PUC for approval • HECO Phase 2 BEPs: May/June 2019
<ol style="list-style-type: none"> Renewable Energy Producers Long-term PPA Land/Resource 	<ul style="list-style-type: none"> • Plan, design, finance, construct, own, operate and maintain a renewable energy facility that generates and dispatches energy to HECO. • They need land for their facility • They need renewable energy resource
<ol style="list-style-type: none"> Large Landowners (private and public) High Lease Rent Without pricing out of the market 	<ul style="list-style-type: none"> • Private landowner—can sell, lease or give land to any renewable energy producer • Public landowner (State, DHHL): General Lease lands for renewable energy development, pursuant to Chapter 171-95.3, HRS. <ul style="list-style-type: none"> • Required to notify other renewable energy producers so they can submit a proposal. • Required to conduct 2 Public Hearings on island • Action taken on the project must be on island • Use of state lands require Chapter 343, HRS compliance (Environmental Assessment) <p>**Our process requires more time—so we're trying to get in front of it.</p>

WHAT HAVE WE DONE SO FAR?

- HHC Approval for the 2018-2019 Solicitation Process
- Published a Solicitation for Renewable Energy Development Proposals for Kahikinui, Maui and Kalaeloa, O'ahu.
- Received Two (2) Applications to Develop Wind Energy at Kahikinui.
- A Committee Reviewed and Scored the Proposals.
- ****Sempra Renewables LLC was selected****
- Beneficiary Consultation Meeting.

WHAT DO WE STILL HAVE TO DO?

- I. For Sempra to Develop the Project
 1. They need time on the land to do their studies.
 2. Accurate site information will provide more accurate cost estimates.
 3. The use of State lands require an EA/EIS which has to be completed before entering into a long-term land agreement.
 4. They need to get a PPA from HECO
- II. For DHHL to Lease the Land to Sempra
 1. Conduct 2 Public Hearings on Island - June
 2. Negotiate Final Terms of the Agreement
 3. Commission Approval on Island
- III. Approve Land Disposition
 1. Right-of-Entry (ROE): 2 years, option to extend (3) 1-year periods
 2. Date of Operation--General Lease for 25-years, option for 25-years

The Proposed Project

WHO:

- Sempra Renewables LLC
- Wholly-owned by Sempra Energy based in San Diego, California and ranked 280 on 2018 Fortune's top 500
- Same developer that owns the Auwahi wind farm on Ulupalakua Ranch land next to Kahikinui's west boundary

The Proposed Project

WHAT?

- Construction of the proposed 30MW Kahikinui Moa'e Ku Wind Project
 - 8 to 15 wind turbine generators
 - Each turbine generating between 2MW - 5MW of energy
- ### WHY?
- MECO still requires 40MW in renewable energy and storage to meet its 2022 power needs

WHERE?

- Southeastern portion of DHHH land in Kahikinui region.

Existing Auwahi wind project

Approximate Project Area Location



Preliminary Conceptual Site Layout



The Proposed Project

• Exact location to be determined in due diligence and investigation period during ROE:

- ✓ Wind analysis, including installing on-site monitoring equipment
- ✓ Environmental studies
- ✓ Engineering assessment, including drilling to evaluate soil and bedrock
- ✓ Cultural field studies to identify sensitive areas and sites to avoid

The Proposed Project

HOW MUCH LAND IS NEEDED?

- An estimated 100 acres to be used during construction and as buffer area

• Only 50 acres will ultimately be needed under the General Lease WHEN?

- Due diligence and investigation period begins upon execution of ROE for two years
- Option to extend ROE for three one-year periods
- Project completion and operation by December 31, 2022
- Sempra requesting a 25-year lease term from date wind project can deliver energy to power grid
- Option to extend General Lease for another 25 years

The Proposed Project

FINANCIAL OFFER:

- \$100,000/year for the first two years under the ROE
- \$100,000/year for three one-year ROE extensions, if needed
- Lease rent to be the greater of \$175,000/year OR 2.75% of gross revenue and percentage increases over time
- Lease rent under option to extend lease term for another 25 years to be renegotiated

The Proposed Project

FINANCIAL OFFER:

- Community benefits package of a \$500,000 lump sum OR \$50,000/year during lease term
- Both lease rent and community benefits amounts depend on price of energy MECO buys from wind project
- Price of energy and ultimate size of project unknown until MECO selects Sempra's wind project and Power Purchase Agreement (PPA) is finalized

NEXT STEPS

- **Before April HHC Meeting Negotiate final ROE and General Lease terms**
- **April 15-16 HHC Meeting – Beneficiary Consultation Report Comments from tonight’s meeting and written comments will be presented to the HHC**
- **June Conduct (2) Public Hearings on Maui (notices will be in the newspaper)**
- **June? Decision-making by HHC**



EXHIBIT D

**Beneficiary Consultation on Sempra’s Kahikinui Wind Energy Project
Beneficiary Comments, Questions and Responses by Subject**

The table below presents beneficiary questions and the responses provided by Sean Wazlaw, Project Development Manager representing Sempra, and Julie-Ann Cachola, Planner, representing DHHL. Beneficiary comments are also included. They are statements with no corresponding response. The table also includes written comments submitted after the consultation meeting. Comments are grouped by subject/topic area.

SUBJECT	QUESTION OR COMMENT	RESPONSE
Roads and Access	When the roads are completed and the towers are up, will the Ohana be able to use the roads?	Sempra: The area around the turbines will be for exclusive use; they will not be open for anyone to access. The roads could be used by the Kahikinui residents.
Roads and Access	Will the roads be open to the public?	Sempra: No the roads will not be open to the public.
Turbine Impact on Health	Have you done any studies on the effect of wind turbines on health--adverse health effects—for children and those over 50 years old? People are usually supportive of wind projects, but communities are getting sick. Auwahi is putting out an artificial electromagnetic field and sub-sonic rays which affects health.	Sempra: There are lots of information out there. Some studies show there are health effects and others show there are no health effects. We rely on 3 rd party reports, we don't have our own studies. There's no studies on the effect on animals.
Turbine Impact on Health	It's all about the adverse effects of sub-sonic energy. There are other areas in Hawaii that could be an example. It's the constant exposure that would affect the community. Eventually it will affect you.	
Turbine Impact on Health	The windfarms in Ka'u have had no adverse health effects and that project has been going on for 30 years.	
Turbine Impact on Health	Considering the health issues that are being raised, would underground wires lessen those effects?	
Turbine Impact on Health	Yes, it would lessen the impact of artificial magnetic fields. The magnetic fields alter our DNA. It would affect all biology.	
Turbine Impact on Health	I did some research too, but none of it is scientifically sound, it's just people talking about it.	Sempra: I have some articles I could send to DHHL.
Turbine Impact on Health)	Look up artificial magnetic fields and infrasound.	
Turbine Impact on Health	Are the turbines microwave transmitters? If you're downloading data, less than 200-feet, it must be microwave.	Sempra: I don't know, but the measuring device is on the tower.

SUBJECT	QUESTION OR COMMENT	RESPONSE
Need to Understand Impacts	One of the things that has been happening in the US, is that projects that were supposed to benefit indigenous people sometimes harm indigenous people. So it's good to hear that perspective. It's our kuleana to do this research so we don't hurt our keiki and mo'opuna. I support Sempra, but we still need to do our research. We need to keep our minds open and get the information that we need.	
Need to Understand Impacts	One of the things I do on the land I lease from Ulupalakua Ranch is health and wellness activities. I am concerned because I am downwind of the turbines.	
Need to Understand Impacts	People come up with their own conclusions of effect, it is not scientific. I have lived in Kahikinui and have experienced no ill effect from the existing windmills.	
Community Benefits	Can the Community benefits be a percentage of gross revenue. The people who live in Kahikinui are giving up land for the general public. We need to see a higher rate of return—a one time payment of \$500,000 is not going to help us on everything we need. We would rather have a percentage of revenue over time. In addition, the Dept starts generating revenue from the signing of the ROE, but the community benefit comes years later—if all of the requirements and approvals are met—if they get a PPA and only when they actually start producing energy. Community benefits should start at the same time the Department starts receiving funds.	It's really up to DHHL how they want to distribute revenues between DHHL and community benefits package.
Community Benefits	Panaewa, gets money from Kuhio Mall. Why would the money go to DHHL?	DHHL: The money Pana'ewa gets is a portion of their community benefits agreement. DHHL still gets lease rent. This is how we generate revenue.
Alignment Alternatives	The power lines should be sited in a way that doesn't hinder wildfire suppression efforts. The fires start mauka of the highway and go mauka. Keep in mind that the overhead power lines is right in the path where helicopters fly back and forth to bring seawater to the fire. The power lines should be sited away from the road so that big trucks can pass through. The fuel trucks come in and use Hale Pili as a staging area for the	Sempra does not want to create additional fire hazards. Mahalo for the comment.

SUBJECT	QUESTION OR COMMENT	RESPONSE
	helicopters to re-fuel. The option further away from the road is preferred. We don't want the lines to be a hindrance to fire suppression, fire trucks, helicopters, and tankers.	
Alignment Alternatives	The conceptual map may not be the final project? It may change?	Sempra: Yes it is conceptual and may change based on what we learn from the studies.
Alignment Alternatives	What is the yellow line on page 4? Are the purple line and yellow line options for overhead lines?	Sempra: The purple line and yellow show conceptual routes for power lines. The purple line stays makai of Pi'ilani and the yellow line goes mauka of Pi'ilani. Options also consider completely undergrounding the line or only portions of the line.
Alignment Alternatives	I didn't know we had telephone lines going to the Hale Pili. Sempra should get a mark-out of existing lines.	
Alignment Alternatives	When you tie in to Auwahi and if you're talking about providing a fire break, is an underground line an option?	Sempra: Yes we can look into it and identify costs. Or maybe there could be a portion that is underground. Underground is more expensive.
Impacts on Bats	I am in full support of Sempra's Project in Kahikinui but I have concerns about the Bats. It seems we have been losing bats for the sake of these windmills and DLNR has only increased the amount they are permitted to take (kill). I wanted to state this for the record that there should be alternatives to avoid killing more bats with even more windmills added. Have a sonic device that keeps the bats away from the area to avoid being killed as a preventative measure. You know the windmills are in their traveling space? It's not their fault for living. This is wrong yet DLNR continues to fail miserably in protecting and preserving our native species for the mighty dollar.	
Other Questions	How much land are you requesting?	Sempra: 100 acres during construction. The lease would only cover the roads and the turbine platforms, so in total, it would be 50-acres or less.
Other Questions	Have you ever had a bleed off of energy, where you produce too much electricity?.	Sempra: The turbines would break first. I invite you to come visit the site and do your own study.
Other Questions	What is the dollar amount for the most recent PPA?	Sempra: I do not know the most recent PPA for wind. MECO's PPA for a solar project with battery storage ranges from 78 cents to \$1.18.

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Other Questions	Are you just collecting data during the ROE? No emissions?	Sempra: Yes, we are collecting data on wind speed. There's no energy generation during the ROE. We put up 2 towers that have measurement devices toward the top of the tower.
Other Questions	How tall is the tower?	Sempra: The tower is supposed to be less than 200 feet. Any higher it would trigger FAA requirements.
Sempra	What do you do for Sempra Sean?	Sempra: I do everything up to the point of construction, which includes getting leasing agreements, and the PPA
Sempra	Where is Auwahi 2?	Sempra: It is immediately west of Auwahi 1
Sempra	What is the Auwahi 2 Project?	Sempra: Auwahi 2 is a solar project with battery storage
AEP's Purchase of Sempra	In the transition to the new owner, how can we ensure that they are going to do what Sempra agrees to do?	Sempra: All the agreements made between DHHL and Sempra will be transferred to AEP. All of the terms will be in the lease and ROE.
AEP's Purchase of Sempra	It is important for AEP employees to have the training to take over for Sempra.	Sempra: AEP has offered everyone in Sempra's San Diego office to stay in their current positions.
Project Need	I would look at something that is less impacting like photovoltaic cells. Do we even need electricity? I like the pristine atmosphere. Now we are putting windmills out there.	
Overall Project	What is your baseload? How many windmills would we need to put up to replace coal?	Sempra: These are the questions we need to ask and answer.
Overall Project	When Import/exports stop, we will be energy sufficient but let's not overkill Maui with Windmills all over the 'Āina.	
Solicitation Process	Who was the other competitor in the solicitation?	DHHL: Elemental Energy is from Canada and have experience working with indigenous communities.
Solicitation Process	Isn't the public hearing an opportunity for the larger public to provide input?	DHHL: The public hearing is an informational meeting. We are required to let the public know the decision that was made and why
Solicitation Process	Is the PUC a factor in the approval or denial of the project?	DHHL: Yes, they ultimately approve the PPA that HECO submits to them after it has been negotiated, which is much later in the process.
Solicitation Process	When will the project be in operation? Are we pushing the timeline a little bit?	Sempra: HECO requires the project to be operational by 2022 because tax credits expire in the same year. The tax credits make the project viable. If Sempra does not win the HECO PPA bid, we will use the ROE period for due diligence to refine our bid for the next RFP.