

DAVID Y. IGE
GOVERNOR OF HAWAII



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AUG 08 2016

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
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COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

July 26, 2016

Mr. Scott Glenn
Office of Environmental Quality Control
Department of Health
235 South Beretania Street, Suite 702
Honolulu, HI 96813

Subject: Acceptance of the Final Environmental Impact Statement for the Na Pua Makani Wind Project, Kahuku, Oahu

Dear Mr. Glenn:

At its meeting on July 22, 2016, under agenda item D-11, the Board of Land and Natural Resources accepted the Final Environmental Impact Statement for the Na Pua Makani wind project. A copy of the approved submittal is enclosed. Our acceptance is an affirmation of satisfactory fulfillment of the requirements of Chapter 343, Hawaii Revised Statutes.

Pursuant to Hawaii Administrative Rules Section 11-200-12, we respectfully request the publication of this acceptance in the next available issue of *The Environmental Notice*. Enclosed is a completed Publication Form.

Please feel free to contact Ian Hirokawa of my staff at 587-0420 should you require clarification or any further assistance.

Sincerely,

Suzanne Case
Chairperson

OFC. OF ENVIRONMENTAL
QUALITY CONTROL

16 JUL 26 PM 11:11

RECEIVED

Enclosure

cc: Mike Cutbirth, Na Pua Makani Power Partners, LLC
DLNR Land Division

17-036

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**APPLICANT
PUBLICATION FORM**

Project Name:	Na Pua Makani Wind Project
Project Short Name:	Na Pua Makani Wind Project
HRS §343-5 Trigger(s):	Use of state lands (use of Department of Land Natural Resources lands and use of State of Hawaii Department of Transportation's right of way)
Island(s):	Oahu
Judicial District(s):	Koolauloa
TMK(s):	TMK (1)5-6-005:018 (portion); (1)5-6-006:018, 47, 51, 55; and (1)5-6-008:006 (portion)
Permit(s)/Approval(s):	<ol style="list-style-type: none"> 1.National Environmental Policy Act EIS from the U.S. Fish and Wildlife Service 2.Incidental Take Permit from the U.S. Fish and Wildlife Service 3.National Historic Preservation Act Section 106, as necessary 4.U.S. Army Corps of Engineers Clean Water Act 401, 402, 404, as necessary 5.Federal Aviation Administration Clearance 6.Incidental Take License from the State Department of Land and Natural Resources /Division of Forestry and Wildlife 7.Clean Water Act Compliance Section 401, 402, 404 from the State Department of Health, as necessary 8.Stream channel Alternation Permit from the State Department of Health, as necessary 9.National Pollution Discharge Elimination System Construction Permit from State Department of Health 10.Community Noise Permit for Construction Activities from State Department of Health 11.Air Quality Permit from State Department of Health, as necessary 12.Purchase Power Agreement by the Public Utilities Commission 13.Lease for or easement right from State Department of Land and Natural Resources for use of state land 14.Use and Occupancy Agreement from the State Department of Transportation, as necessary 15.Conditional Use Permit – Minor from City and County of Honolulu 16.Permit to Move Oversized/Overweight Load from State Department of Transportation and City and County of Honolulu 17.Construction and Building permits from City and County of Honolulu
Approving Agency:	Board of Land and Natural Resources
<i>Contact Name, Email, Telephone, Address</i>	Suzanne Case, Chairperson, Department of Land and Natural Resources Kalanimoku Building, 1151 Punchbowl Street, Honolulu, Hawaii 96813 (808) 587-0400 dlnr@hawaii.gov
Applicant:	Champlin Oahu Wind Holdings, LLC
<i>Contact Name, Email, Telephone, Address</i>	Mike Cutbirth 2020 Alameda Padre Serra, Suite 105 Santa Barbara, CA 93103 (805) 568-0300 mcutbirth@champlinwind.com
Consultant:	Tetra Tech, Inc.
<i>Contact Name, Email, Telephone, Address</i>	Brita Woock 737 Bishop St., Suite 2340 Mauka Tower Honolulu, HI 96813 (808) 441-6600 Brita.woock@tetrattech.com

Status (select one)

Submittal Requirements

- DEA-AFNSI Submit 1) the approving agency notice of determination/transmittal letter on agency letterhead, 2) this completed OEQC publication form as a Word file, 3) a hard copy of the DEA, and 4) a searchable PDF of the DEA; a 30-day comment period follows from the date of publication in the Notice.
- FEA-FONSI Submit 1) the approving agency notice of determination/transmittal letter on agency letterhead, 2) this completed OEQC publication form as a Word file, 3) a hard copy of the FEA, and 4) a searchable PDF of the FEA; no comment period follows from publication in the Notice.
- FEA-EISPN Submit 1) the approving agency notice of determination/transmittal letter on agency letterhead, 2) this completed OEQC publication form as a Word file, 3) a hard copy of the FEA, and 4) a searchable PDF of the FEA; a 30-day comment period follows from the date of publication in the Notice.
- Act 172-12 EISPN
("Direct to EIS") Submit 1) the approving agency notice of determination letter on agency letterhead and 2) this completed OEQC publication form as a Word file; no EA is required and a 30-day comment period follows from the date of publication in the Notice.
- DEIS Submit 1) a transmittal letter to the OEQC and to the approving agency, 2) this completed OEQC publication form as a Word file, 3) a hard copy of the DEIS, 4) a searchable PDF of the DEIS, and 5) a searchable PDF of the distribution list; a 45-day comment period follows from the date of publication in the Notice.
- FEIS Submit 1) a transmittal letter to the OEQC and to the approving agency, 2) this completed OEQC publication form as a Word file, 3) a hard copy of the FEIS, 4) a searchable PDF of the FEIS, and 5) a searchable PDF of the distribution list; no comment period follows from publication in the Notice.
- FEIS Acceptance
Determination The approving agency simultaneously transmits to both the OEQC and the applicant a letter of its determination of acceptance or nonacceptance (pursuant to Section 11-200-23, HAR) of the FEIS; no comment period ensues upon publication in the Notice.
- FEIS Statutory
Acceptance The approving agency simultaneously transmits to both the OEQC and the applicant a notice that it did not make a timely determination on the acceptance or nonacceptance of the applicant's FEIS under Section 343-5(c), HRS, and therefore the applicant's FEIS is deemed accepted as a matter of law.
- Supplemental EIS
Determination The approving agency simultaneously transmits its notice to both the applicant and the OEQC that it has reviewed (pursuant to Section 11-200-27, HAR) the previously accepted FEIS and determines that a supplemental EIS is or is not required; no EA is required and no comment period ensues upon publication in the Notice.
- Withdrawal Identify the specific document(s) to withdraw and explain in the project summary section.
- Other Contact the OEQC if your action is not one of the above items.

Project Summary

Provide a description of the proposed action and purpose and need in 200 words or less.

Na Pua Makani Power Partners, LLC (NPMPP), a wholly owned subsidiary of Champlin Oahu Wind Holdings, LLC, (previously Champlin Hawaii Wind Holdings, LLC) proposes to construct and operate the Na Pua Makani Wind Project (Project) near the town of Kahuku on the island of Oahu, Hawaii. The Project would consist of up to 9 wind turbine generators, with a nameplate generating capacity of up to approximately 25 megawatts (MW). The turbine array could include a combination of models from a single manufacturer ranging in dimensions, based on site-specific conditions and setback requirements. Supporting infrastructure for the proposed Project would include access roads, wind turbine assembly lay down areas, overhead transmission and underground electrical collector lines, an on-site substation and an operations and maintenance building and associated storage yard and parking area. The purpose of the proposed Project is to provide clean, renewable wind energy for the island of Oahu. The energy delivered by the proposed Project would help HECO meet its Renewable Portfolio Standard (RPS), established in HRS § 269-92 and the state of Hawai'i goal of increasing energy independence through the development of additional sources of renewable energy.



AUG 08 2016

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

July 22, 2016

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

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NFC, OF ENVIRONMENTAL
QUALITY CONTROL

Acceptance of Final Environmental Impact Statement (FEIS) for Na Pua Makani Wind Power Project situate at Kahuku-Malaekahana, Koolauloa, Oahu, Tax Map Key: (1) 5-6-008:006.

APPLICANT:

Na Pua Makani Power Partners LLC, a Delaware limited liability company.

LEGAL REFERENCE:

Hawaii Revised Statutes (HRS) Section 343-5 and Hawaii Administrative Rules (HAR) Section 11-200-23.

LOCATION:

Portion of Government lands situate at Kahuku-Malaekahana, Koolauloa, Oahu, identified by Tax Map Key: (1) 5-6-008:006, as shown on the attached map labeled Exhibit A.

AREA:

231.927 acres, more or less.

ZONING:

State Land Use District: Agriculture
City and County of Honolulu LUO: Agricultural 1 and 2

TRUST LAND STATUS:

Non-ceded, government land acquired since statehood from the Estate of James

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON
July 22, 2016

Campbell, Deceased.

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Unencumbered.

CHARACTER OF USE:

Wind farm purposes.

DESCRIPTION OF PROJECT:

The proposed project is a wind farm located at Kahuku-Malaekahana, Koolauloa, Oahu. The applicant is requesting a direct lease pursuant to HRS Section 171-95 for a state owned parcel, TMK (1) 5-6-008:006, with an area of approximately 231.927 acres. The parcel was previously set aside to the Hawaii Department of Agriculture via Governor's Executive Order (EO) 3575 for Kahuku Agricultural Park purposes. In order to pursue the lease for the project, the parcel was withdrawn from EO 3575 by EO 4482, dated March 23, 2015. The state owned parcel is currently vacant. The applicant is also seeking to obtain a lease over adjacent private lands owned by Malaekahana Hui West, LLC, as well as access easements over state lands set aside to the Department of Agriculture. The total leased area plus the State-owned access is approximately 707 acres. Within the leased area, all proposed project activities would occur within a smaller approximately 464-acre project area.

Since a portion of the project will be constructed on state unencumbered land, the proposed lease serves a trigger for an Environmental Impact Statement (EIS) under HRS Section 343-5, and the Board of Land and Natural Resources (Board) would be the appropriate accepting authority. The preferred alternative for the project, identified as the Modified Proposed Action Option¹ in the FEIS, is a wind-farm consisting of a maximum of nine (9) turbines. The three blade turbines would reach up to a total height of 656 feet. The height of each tower would extend up to 443 feet. The rotor diameter would reach up to 427 feet with the blade length up to 208 feet. The rotor swept area would encompass up to 143,160 square feet. The cut-in wind speed is 10 feet per second and the cut-out wind speed is up to 82 feet per second.² The turbines would be capable

¹ A summary of the modifications undergone by the project is included in the Discussion section of this submittal. To the extent of staff's knowledge, the Modified Proposed Action represents the project as to be implemented.

² The cut-in wind speed is defined as the minimum wind speed at which the turbine blades overcome friction and begin to rotate. The cut-out wind speed is defined as the speed at which the turbine blades are brought to rest to avoid damage from high winds. Source: www.wind-power-program.com

of generating up to 3.45MW. Five of the turbines would be located on the State parcel, the remaining four turbines on private land.

The applicant is currently considering newer turbine models from leading turbine manufacturers including Siemens, Vestas, and GE. The turbine array could include a combination of models from a single manufacturer ranging in generating capacity and dimensions. The applicant would select the most appropriate turbines for the site-specific conditions of the wind farm site prior to construction. The proposed project would also include permanent facilities including access roads, overhead and underground transmission and collector lines, an onsite substation, and an operation and maintenance (O&M) building and associated storage yard and parking area. Temporary wind turbine assembly lay-down areas would also be used during construction.

PROPOSED ACTION:

The applicant is seeking a direct lease for the state owned parcel TMK (1) 5-6-008:006, pursuant to HRS Section 171-95, a use of state land under HRS Section 343-5(a)(1).

OBJECTIVE OF THE PROPOSED ACTION:

The primary purpose for the leasing of state land is the proposed construction of the wind farm project. Per the applicant's FEIS, the purpose is to provide clean, renewable wind energy for the island of Oahu, and to assist HECO in meeting Hawaii's Renewable Portfolio Standard (RPS) requirements and the State's goal to reduce electricity costs. Hawaii's Clean Energy Initiative sets goals for the state to achieve 100 percent clean energy by 2045 coming from locally generated renewable sources. The cost of electricity from renewable energy is currently about one-half the cost of electricity from burning oil and other non-renewable sources. Toward that end, the Project plans to begin operation in 2017. The power generated by the Project would be sold to HECO pursuant to the Purchase Power Agreement under a long-term, fixed-price contract with fixed annual escalation providing long-term price stability for consumers.

Additionally, the FEIS states that the applicant anticipates that operation of the proposed Project would contribute to the State's diversified portfolio of renewable energy projects, provide environmental and economic benefits to the State, County, and local communities, diversify Oahu's power supply, and contribute to the State's energy independence and security and reduce the import of foreign oil. Production of wind generated energy would replace a portion of the State's electricity that is currently generated by burning fossil fuels, thus reducing greenhouse gas (GHG) emissions and other forms of pollution that are detrimental to the environment and human health. The energy potentially generated by the proposed Project would eliminate the use of approximately 13.44 barrels of oil for every hour of operation, which in turn would reduce emissions of carbon dioxide (CO₂) and other air pollutants including sulfur dioxide (SO₂), nitrogen oxides (NO_x), and mercury (Hg).

FEIS ACCEPTABILITY EVALUATION:

Pursuant to HAR Section 11-200-23(b), a statement shall be deemed to be an acceptable document by the accepting authority or approving agency only if all of the following criteria are satisfied:

- 1) The procedures for assessment, consultation process, review and the preparation and submission of the statement, have all been completed satisfactorily as specified in this chapter;
- 2) The content requirements described in this chapter have been satisfied; and
- 3) Comments submitted during the review process have received responses satisfactory to the accepting authority, or approving agency, and have been incorporated in the statement.

The FEIS considered four alternatives, inclusive of a No Action alternative (Alternative 1). Alternative 2 and 3 consisted of the wind farm projects consisting of up to 10 and 12 turbines respectively. Alternative 2a is the Modified Proposed Action of up to 9 turbines described previously and designated the preferred alternative. However, the turbines included in Alternatives 2 and 3 would have a shorter height of 512 feet. The FEIS evaluated the direct, indirect and cumulative effects of the various alternatives against a range of environmental categories including geology and soils; hydrology and water resources; air quality and climate change; noise; hazardous and regulated materials and wastes; natural hazards; vegetation; wildlife; threatened and endangered species; socioeconomics; historic, archaeological and cultural resources; land use; recreation and tourism; visual resources; transportation; public health and safety; environmental justice; public infrastructure; military interests; and agriculture.

The project EIS published the following public notices in the Hawaii Office of Environmental Quality Control Environmental Notice:

- December 23, 2013: EIS Preparation Notice (EISPN).
- November 8, 2014: Second EISPN, replacing the original EISPN due to project design changes.
- June 8, 2015: First Draft EIS, initiating 45 day public comment period.
- April 23, 2016: Second Draft EIS, initiating additional 45 day public comment period.

Additionally, the applicant conducted three public scoping meetings for the EIS preparation notices on November 13, 2013, January 10, 2014 and November 19, 2014. The applicant conducted public comment meetings, following the publication of the first and second draft environmental impact statements, on June 23, 2015 and May 25, 2016 respectively. The applicant also conducted outreach with various community associations in the project location and the adjacent areas. Furthermore, the FEIS

contains the applicant's responses to public comments received, both in favor and in opposition to the project. The primary issues of concern were the effects on visuals, noise, health and the take of threatened and endangered species, specifically the Hawaiian Hoary Bat. The applicant will address take issues related to endangered species by seeking Board approval of a Habitat Conservation Plan (HCP) for issuance of an Incidental Take License as well as consultation with the U.S. Fish and Wildlife Service for issuance of a federal Incidental Take Permit (ITP).

DISCUSSION:

Due to a significant change in the proposed project, the applicant produced a second draft EIS for public review and comment. The first draft EIS contemplated the project as a ten turbine project as described in Alternative 2. After the closure of the public comment period, the applicant produced a draft FEIS dated February 2016 which incorporated the Modified Proposed Action as Alternative 2a. Since Alternative 2a was not included in the first draft EIS that was published in the Environmental Notice, the public did not receive notice and was not provided an opportunity to comment on the Modified Proposed Action. The following is the applicant's rationale for the Modified Proposed Action:

“In response to public comments on the original Draft EIS related to visual impacts and consideration of fewer turbines with larger generating capacities (to reduce the total number of turbines), [applicant] reevaluated the proposed turbine locations and turbine models considered in the original Draft EIS. Through this effort, [applicant] was able to reduce the maximum number of turbines needed to meet the target generating capacity for the Project. This modification takes advantage of recent technological advancements that have resulted in the availability of uprated versions of turbine models that are have increased generating capacity, more efficient, and taller and are better suited for the existing wind conditions of the wind farm site than previous models.”

Concerns were raised that the Modified Proposed Action represented a significant change to the project, so the public must receive adequate public notice and be provided an opportunity to comment on the alternative prior to the Board accepting the FEIS. After Land Division consulted with the Department of the Attorney General and Land Division's discussions with the applicant, it was decided to require the applicant to provide a second draft EIS including the Modified Proposed Action for publication in the Environmental Notice. The second draft EIS including the Modified Proposed Action was published in April 2016 and the applicant held a second public comment meeting on May 25, 2016. Now that the public has been afforded the opportunity to comment on the revised project, staff brings the FEIS is before the Board recommending acceptance and final publication in the Environmental Notice.

In addition to the public comment period required by HRS Chapter 343, this project also requires additional Board approvals for the direct lease and HCP, giving the public additional opportunities to testify in the project in an open, sun-shined meeting.

Furthermore, as previously noted, the project requires an ITP from the U.S. Fish and Wildlife Service. In order to obtain the ITP, applicant conducted an EIS in conformity with the National Environmental Protection Act (NEPA) requirements as well. However, it should be noted that the applicant was not required to complete a second draft EIS for the ITP since NEPA provides for an additional public comment period following the publication of the final EIS. Board members will receive electronic copies of the FEIS for their review. A copy of the complete FEIS can be found at:

<http://dlnr.hawaii.gov/ld/na-pua-makani-wind-project-final-eis/>

RECOMMENDATION:

That the Board accept the Final Environmental Impact Statement for the Na Pua Makani Wind Power Project located at Kahuku-Malaekahana, Koolauloa, Oahu, Tax Map Key: (1) 5-6-008:006.

Respectfully Submitted,



Ian Hirokawa
Special Projects Coordinator

APPROVED FOR SUBMITTAL:



Suzanne D. Case, Chairperson

Public Land Trust Information System



July 6, 2016

EXHIBIT "A"

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and

The content within the PLTIS, including maps and data, has been collected from multiple city, county, and state sources, and may not have been prepared