



WAILUA - KAPA'A
NEIGHBORHOOD
ASSOCIATION

[via email: blnr.testimony@hawaii.gov]

December 12, 2018

Suzanne Case & Board Members
Department of Land and Natural Resources
1151 Punchbowl Street, Room 130
Honolulu, HI 96813

RE: Opposing the Holdover of RP No. S-7340 Kauai Island Utility Cooperative, TMK (4) 3-9-1:001; Lihue-Koloa Forest Reserve (Agenda Item D-13)

Aloha Chair Case and Board Members:

The Wailua-Kapaa Neighborhood Association (W-KNA) appreciates the opportunity to testify and express our objection to granting Revocable Permit No. S-7340 to KIUC to operate the water diversions on State land, whereby 100% of base flow from Wai`ale`ale and Waikoko Streams is taken and directed to KIUC's upper and lower hydroelectric plants.

We are concerned that KIUC has failed to meet the statutory and board requirements for over a decade and we strongly recommend that no further renewals or extensions be granted by BLNR until KIUC shows good faith by submitting the required documentation.

Additional facts to consider:

- a) BLNR told KIUC to begin their environmental studies as a condition of the renewal of their permit in December 2017. KIUC has failed to complete these studies.
- b) HRS §171.58 prohibits use of diverted surface water by lease, agreement or sale without an Environmental Impact Statement.
- c) HRS §171.58 prohibits consumptive use of diverted surface water (water that is not returned to the stream of origin).
- d) The State has concluded that the diversions operated by KIUC are 100% consumptive.
- e) Impacts to traditional and cultural practices and the sacred significance of Wai`ale`ale -- the *piko* of all State streams, has not been assessed sufficiently.
- f) KIUC has never quantified the amount of water needed daily to operate their 0.7 and 0.8 MW generators at maximum capacity. Yet, the Instream Flow Standard Assessment Report (August 2018) indicates approx. 30 million gallons daily (mgd) are carried by the Ili`ili`ula ditch system to the two hydro plants.
- g) A watershed management plan has not been completed.

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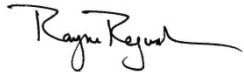
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Finally, it is important to recognize that KIUC's water interest (although beneficial) is not constitutionally protected by the Public Trust Doctrine.

We also understand that in 2017 KIUC testified that non-renewal of the RPs would not impact KIUC financially and would have negligible effect on power production at the upper and lower Waiahi hydropower plants.

In light of the facts presented above, we ask the board to deny the renewal of RP No. S-7340 and encourage KIUC to complete the environmental review process. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Rayne Regush". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Rayne Regush, Chairperson
On behalf of the W-KNA Board