

March 1, 2011

Allen G. Kam, Esq., AICP State Energy Office Renewable Energy Branch Dept. of Business Economic Development and Tourism 235 South Beretania Street, Rm. 504 Honolulu, HI 96813

> Subject: Environmental Assessment / Environmental Impact Statement Preparation Notice to Prepare a Programmatic Environmental Impact Statement for the Hawai`i Interisland Renewable Energy Program (HIREP): Wind on the Islands of Oah`u, Maui, Moloka`i, and Lāna`i

Dear Mr. Kam:

Thank you for providing us the opportunity to comment on the scope of the Programmatic Environmental Impact Statement (PEIS) that is being prepared for the *Hawai`i Interisland Renewable Energy Program (HIREP): Wind on the Islands of Oah`u, Maui, Moloka`i, and Lana`i*, pursuant to Chapter 343, HRS and Chapter 200-2, HAR. We offer the following comments in support of the programmatic approach being taken by the Department of Business, Economic Development and Tourism (DBEDT) in preparing this PEIS.

Hawai'i depends on imported fossil fuel (mostly oil) for over 90 percent of its energy for land, air, sea transportation, and generation of electricity. Hawai'i has the highest energy dependence on imported oil of any state in the United States and is thereby vulnerable to price increases and changes in oil availability, as more than 96 percent of the crude oil used in the state comes from foreign sources. Importation and use of oil also creates community, economic, and environmental challenges, and contributes to global climate change. First Wind therefore strongly supports the Hawai'i Clean Energy Initiative (HCEI) goals to decrease energy demand and accelerate the use of renewable, indigenous energy resources in Hawai'i in commercial, residential, industrial, utility, and transportation end-use sectors and "to achieve 70 percent clean energy by 2030 with 30 percent from efficiency measures, and 40 percent coming from locally generated renewable sources."

Yet within the state, the greatest demand for energy is on the island of O'ahu where residential, public, and commercial demands are the highest, whereas the greatest available sources of renewable energy are generally on the other islands. The state is faced with the increasing challenge of meeting the greatest energy demand on O'ahu through the development of renewable sources of energy supply on other islands, and the HIREP is essential to addressing this challenge within the time frames specified by law, and consistent with the goals of HCEI.

While a variety of renewable energy sources may come into use in the future, in the near term, electricity generation from wind is the most fiscally prudent and technologically feasible form of renewable energy available on an utility scale and, in the State of Hawai'i, Maui County (including the islands of Maui, Lāna'i, Moloka'i) has the most abundant and viable wind resources on islands located closest to O'ahu.

With respect to the PEIS, First Wind strongly supports defining the *proposed action* to provide for the implementation of an oversight program to develop up to 400 megawatts (MW) of wind energy on the Maui County islands of Maui, Lāna'i, and/or Moloka'i and transmission of that energy to O'ahu. The EISPN suggests that the PEIS will take this broad approach, however there is reference in the document to the O'ahu Wind Integration and Transmission Study which places the development of 200 MW of cable system to interconnect with Maui as secondary to Lāna'i, and Moloka'i. We believe they should be considered equally. With several wind energy generation projects currently under development and operation on multiple islands within Maui County, it is essential that the proposed action be defined to allow for a range of wind development projects to be pursued concurrently – not just two, and include varying power capacities and configurations amongst the islands, undersea cable corridors and routes, and locational criteria for landing sites. While First Wind obviously has a vested interest in the Big Wind concept, we strongly believe the HIREP Wind PEIS should equally address scenarios that consider all wind energy deriving from a single island in Maui County (i.e., Lāna'i, Moloka'i or Maui), as well as scenarios of all wind energy deriving from a combination of generation on multiple islands, along with associated programmatic approaches to cable corridors and routes and landing site locations.

Development of any new wind energy project requires addressing a variety of regulatory, community and market challenges. At this point it remains to be seen which of the various projects currently contemplated will come to fruition, and it would be short-sighted to limit the scope of the PEIS to just one or two islands. Only by including the range of scenarios as described above can a valid and legally defensible analysis of available options be provided, as required under Chapter 343 (and NEPA).

We appreciate the effort being undertaken by DBEDT to advance the goals of the HCEI in the interest of the citizens of the State of Hawai'i. Please contact myself (207-712-8271) or Kelly O'Brien (808-695-3330) if you should have any questions regarding these comments. We look forward to reviewing the Draft PEIS in the near future.

Sincerely,

and Bre

David P. Cowan Vice President, Environmental Affairs

Allen G. Kam First Wind March 1. 2011 P a g e | **3**

cc: Kelly O'Brien Wren Westcoatt Kekoa Kaluhiwa Paul Gaynor