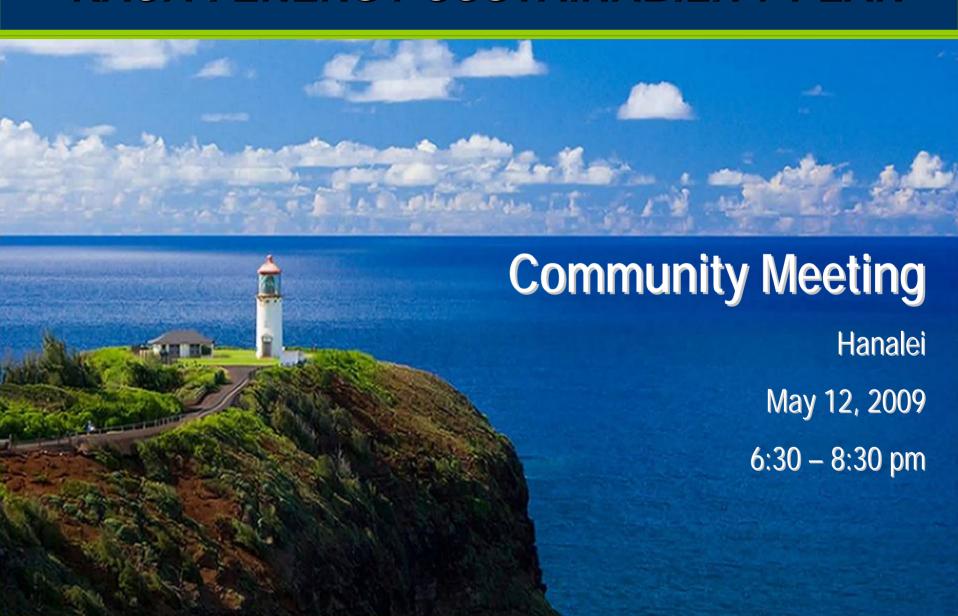
## KAUA'I ENERGY SUSTAINABILITY PLAN



## **TEAM**

## SENTECH HAWAI'I

### **SENTECH**

Vision: To accelerate the nation's use of clean, responsible, and secure energy



## SENTECH HAWAI'I

- Sentech, Inc. (MD, TN)
  - 120+ employees
  - Areas of expertise: Clean Energy Supply,
     Sustainable Buildings, Advanced Transportation,
     Electricity and Distributed Generation
- Doug Hinrichs
  - VP of Market Development and Transformation
- Jill Sims
  - Systems Integration Engineer
  - Master's training in Business Development
  - 8 years experience in Hybrid Vehicles and Renewable Energy Technologies
- Hawai`i Clean Energy Initiative
  - Manage 5 Partnership Projects
  - Investment Strategies and Advisory Group
  - Feed-in Tariff program/rate design
  - Utility decoupling and new business models
  - Compilation of clean energy project regulations



## **TEAM LEADS**

### **Team Leads**



**Doug Hinrichs** 

SENTECH Hawai'i, LLC



**Diane Zachary** 

Kaua`i Planning & Action Alliance



**Maurice Kaya** 

Maurice Kaya, LLC

## Today's Agenda

**Energy Choices for Kaua'i Goals/Vision** 

**Process** 

Supply

**Conversion Technologies** 

**Distribution** 

**End-Use** 

Stakeholder Meeting Lessons

## Today's Rules

Be Respectful

2-Minute Limit

**Take Turns** 

No Speechmaking

No Debating

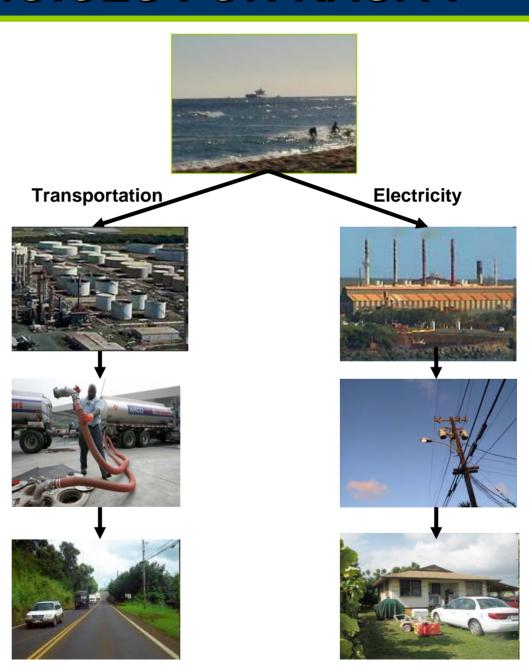
Correct Any Mistakes on Easel Notes

**SUPPLY** 

**CONVERSION TECHNOLOGIES** 

**DISTRIBUTION** 

**END-USE** 



#### costs to ratepayers; and

- (2) Posted and updated on the supplier's Internet website, if any.
- (d) As used in this section, the term "fuel mix" means the electricity sold to retail electricity customers expressed in terms of percentage contribution by generation category. The total fuel mix included in each disclosure shall total one hundred per cent. [L 2003, c 147, §2]



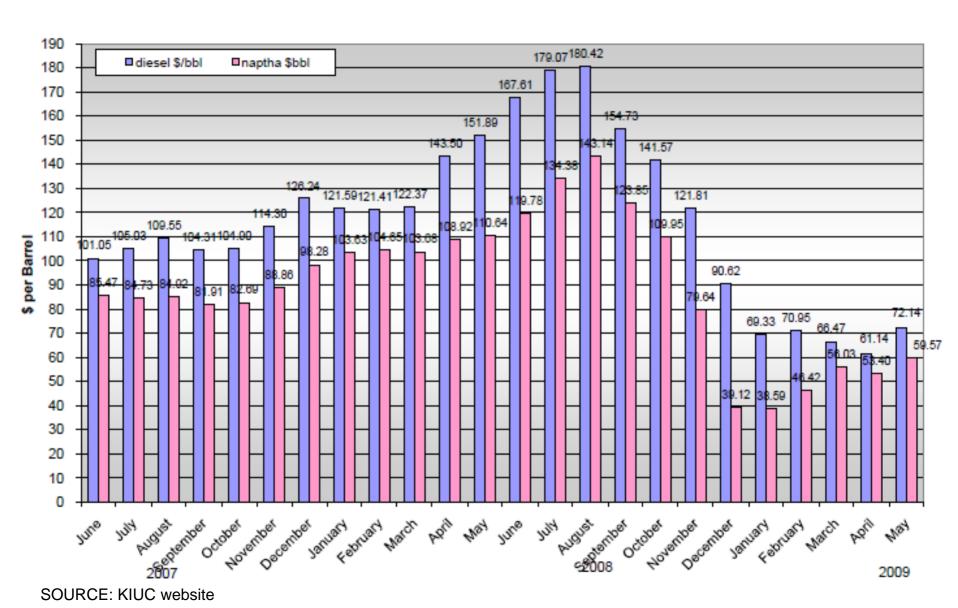
Fuel Mix Generation*	2003	2004	2005	2006	2007
Biomass	1,431,000	1,884,000	2,175,000	1,971,638	1,400,362
Fossil Fuel	427,451,988	430,840,756	430,274,405	436,740,493	461,001,302
Hydro	23,613,993	35,493,318	36,895,645	36,888,298	26,300,465
Photovoltaic	66,000	90,315	202,500	373,000	522,769
Total	452,562,981	468,308,389	469,547,550	475,973,429	489,224,897

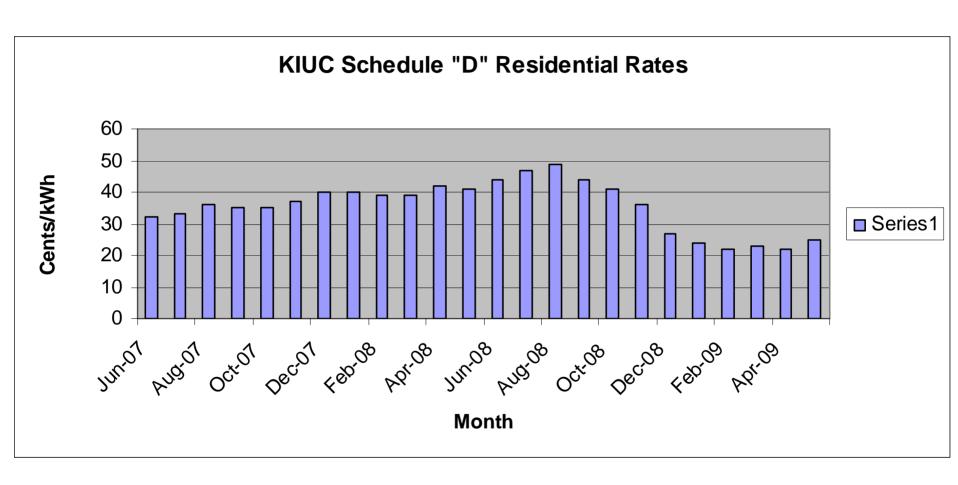
<sup>\*</sup> Gross Generation kWh

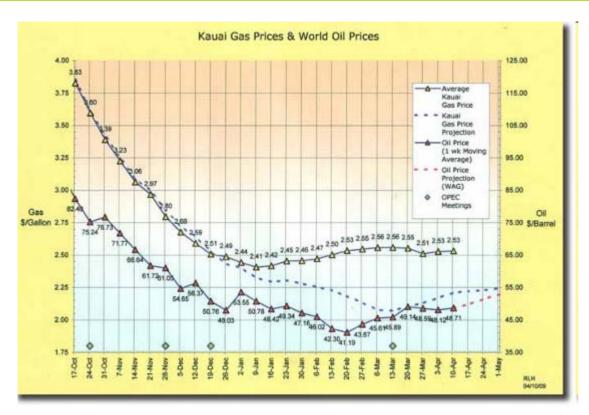
Fuel Mix Percentage	2003	2004	2005	2006	2007
Biomass	0.3%	0.4%	0.5%	0.4%	0.3%
Fossil Fuel	94.5%	92.0%	91.6%	91.8%	04.2%
Hydro	5.2%	7.6%	7.9%	7.8%	5.4%
Photovoltaic	0.0%	0.0%	0.0%	0.1%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

KIUC is an agual opportunity provider and employer.

Fuel Oil Cost





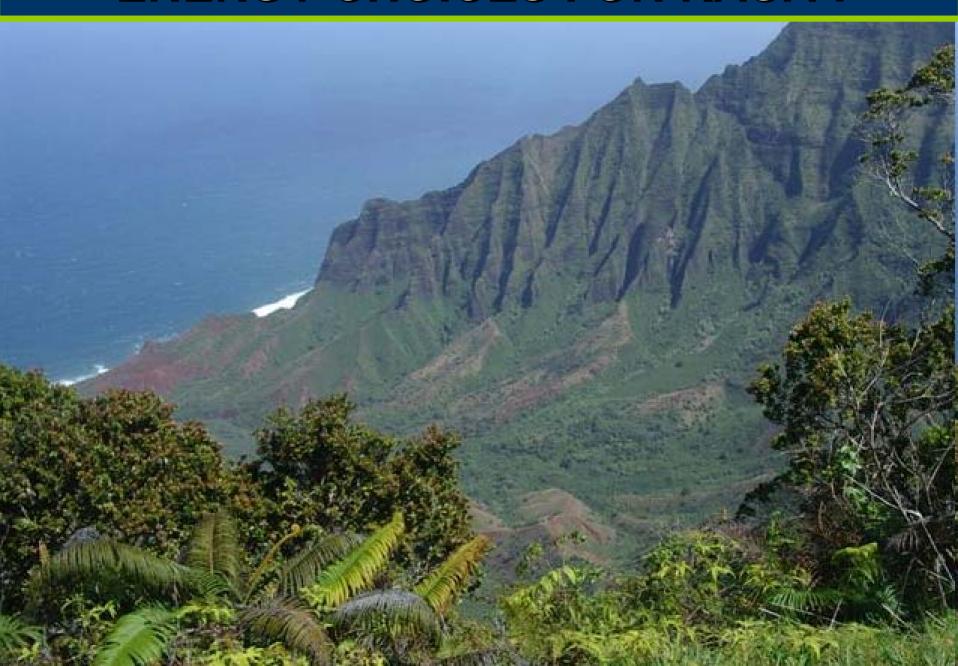


SOURCE: http://www.kauaiworld.com/gasprices/



## EMISSIONS BY GENERATION TYPE (Ib/MWh)

GENERATOR TYPE	NO <sub>X</sub>	CO <sub>2</sub>	sox
NATURAL GAS COMBINED CYCLE GAS TURBINE	.09-3.8	770	~ 0
OIL (2.2% SULFUR) FUELED STEAM ELECTRIC PLANT	3.0-3.7	1,770	25.4
OIL (0.3% SULFUR) FUELED COMBUSTION TURBINE	3.7-6.8	2,200	4.4
COAL-STEAM ELECTRIC	6.1-9.4	2,300	46.6
LEAN-BURN GAS ENGINE (WITHOUT AFTERTREATMENT)	2.0 - 6.0	970	0.01

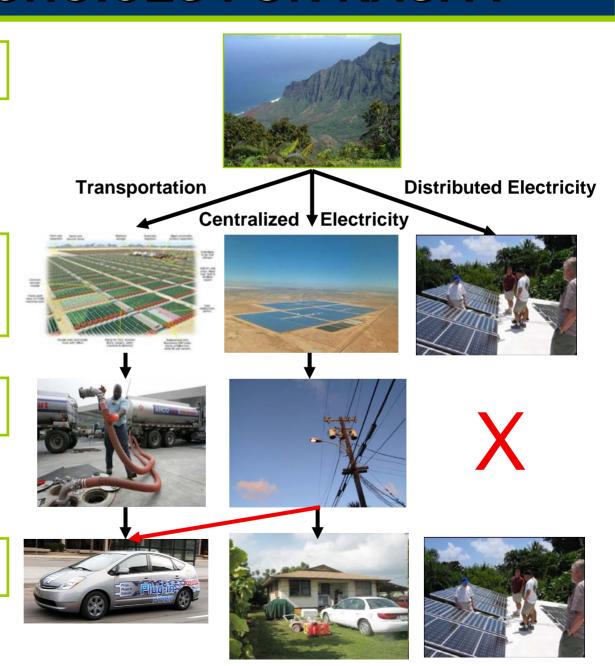


### **SUPPLY**

**CONVERSION TECHNOLOGIES** 

**DISTRIBUTION** 

**END-USE** 



## **KIUC/Developer Projects**

Technology	Project Overview	MW	Annual Production MWH	Operation Date	Land/Rights Owner	Issues	Status	Location
Solar								
	Parabolic Trough technology with four hours thermal storage	6 to 10	19,447	12/31/2011	KAA/DLNR/G rove Farm/A&B	Secure land, Permit Use, Negotiate PPA	Potential project for RFP	Kekaha or Koloa or Port Allen
	Parabolic Trough technology with four hours thermal storage	30.0	99,230	12/31/2020	KAA/DLNR	Future expansion of technology after initial installation.	Future project	Kekaha or Salt Ponds
	Photovoltaic Farm	5.0	8,760	12/31/2010	KAA/DLNR	Secure land, Permit Use, Negotiate PPA	Potential project for RFP	Kekaha
Biomass								
	Project to be completed in conjunction with sugar expansion	20.0	90,280	12/31/2012	PacWest	PacWest Asset acquisition	Finalize terms as asset acquisitions happen	Kuamakani
	Gasification plant utilizing Albezia tree chips	6.4	48,560	12/31/2010	Green Energy Hawaii	Revised PPA pending PUC approval	Online late 2010 per PPA terms	Knudsen Lands
Wind								
31.30	KIUC Small Wind 100kW turbines two per year	4.0	12,264	12/31/2011	Numerous	Avian issues and expand powerline easements	Under consideration	South and East
	Wind Farm	10.5	31,390	12/31/2016	South Shore	Negotiate PPA or land lease, avian and grid stability issues exist.	Future project	South Shore
WTE(Waste to Energy)								
	Potential project to utilize the islands waste.	5.3	49,860	12/31/2015	County	County working with RW Beck. KIUC needs to be part of the process, present thinking is that KIUC must purchase at avoided cost. Capital cost of this project is of concern.	Waiting for County RFP	County

## **KIUC/Developer Projects**

Landfill Gas								
Edition GGS	Project will involve the installation of a collection system, gas treatment and IC engines	1.6	12,500	12/31/2011	County	If KIUC project, need to negotiations with county for gas rights, and permit	County working with PMRF	Kekaha
Hydro			3					
	Project will upgrade the existing upper Waiahi unit to utilize all existing water supply	0.3	1,800	12/31/2012	KIUC	Long-term lease	Completing cultural study for long term lease	Upgrade Waiahi
	Irrigation water previously used for cane to be diverted for this new project	4 to 10	35,000	12/31/2011	Gay & Robinson	Negotiations and project permitting	Preliminary discussions underway	Olokele Ditch
	Project to utilize hydro power potential between Puu Lau Reservoir and Kitano Reservoir.	3.0	13.666	12/31/2015	каа	Negotiations if PPA, Conservation District Use permit and DLNR lease required. Prior environmental assessments indicated few obstacles to develop.	Encouraged lease holder to pursue project, would like to develop as KIUC	Puu Lau Kitano
	Project to utilize hydro power potential between Kitano Reservoir and Waimea River. 2093 ft head @ 30cfs	4.0	18,221	12/31/2015	KAA	Negotiations if PPA, Conservation District Use permit and DLNR lease required. Prior environmental assessments indicated few obstacles to develop.	Encouraged lease holder to pursue project, would like to develop as KIUC project	Waimea Kitano
	Project to utilize hydro power from Kitano to irrigation outlet 1123 ft head @ 10cfs	0.7	3,189	12/31/2015	КАА	Negotiations if PPA, Conservation District Use permit and DLNR lease required. Prior environmental assessments indicated few obstacles to develop.	Encouraged lease holder to pursue project, would like to develop as KIUC project	Waimea Kitano WS2
	Upgrade unit from 1MW to 2.8MW	2.9	3,900	7	KAA	No recent water studies and limited annual production increase potential	Unknown	Waimea Mauka
	2.1 miles above existing hydro unit. 560 ft heat @ 100 cfs	4.0	23,000	12/31/2020	A&B	Conservation District Use permit and construction obstacles, Newcomb snail issues likely.	Future project	Upper Wainiha
	Construct 23 ft high and 508 ft long dam, 1000 feet upstream of the falls. 4800 ft penstock supplying a 1.8MW unit when flows are 30-100cfs and supplying a 4.8M unit when flows are 100-265 cfs	6.6	16,000	?	Pacific Energy Resource	Developer re-applying for FERC License, past public opposition killed project. Newcomb snail issues likely.	Future project	Wailua Falls

## KIUC/Developer Project "Issues" Summary

Technology	Annual Production	Operation Date	Issues
Solar, Parabolic Trough	118,677	2011-2020	Secure land
Solar, PV Farm	8,760	2010	<ul><li>Permit use</li><li>Negotiable PPA</li></ul>
Biomass, Combustion	90,280	2012	PacWest Asset Acquisition
Biomass, Gasification (Albezia)	48,560	2010	PPA pending PUC approval
Wind, Small (2 turbines/year)	12,264	2011	<ul><li>Avian issues</li><li>Expand powerline easements</li></ul>
Wind, Central Farm	31,390	2016	<ul><li>Avian and grid stability issues</li><li>Negotiate PPA or land lease</li></ul>
Waste to Energy (WTE)	49,860	2015	High capital cost     KIUC involvement
Landfill Gas (LFG)	12,500	2011	<ul><li>Gas rights and permit</li><li>KIUC and/or PMRF involvement</li></ul>
Hydro	up to 115,000	2011-2020	<ul> <li>Negotiations, permitting, leasing</li> <li>Environmental assessments</li> <li>Public opposition</li> </ul>

	Imported Oil	Sustainable Energy from Kaua`i
Costs	<ul> <li>Energy dollars leaving the Island</li> <li>Oil price fluctuations</li> <li>Emissions</li> <li>Not sustainable</li> </ul>	<ul> <li>Will cost more in "upfront" capital investments</li> <li>Variable energy (solar, wind)</li> <li>Land/water use</li> <li>Slow, difficult to get approvals</li> </ul>
Benefits	<ul> <li>Dispatchable (on-demand) energy</li> <li>Existing generation and distribution network</li> <li>Cheaper (for now)</li> </ul>	<ul> <li>Energy dollars will stay on Island</li> <li>Cost-effective (probably) over lifetime of the equipment</li> <li>Zero/low emissions</li> <li>Local "green" jobs</li> </ul>

### **SENTECH Hawai'i Team Role**

- Gather Stakeholder and Community perspectives
- Help Kaua`i make informed choices through objective analysis
- Help Kaua`i set its Energy Sustainability Goals and Vision
- Help Kaua`i balance the costs and benefits of imported oil vs. local energy sustainability
- Work with the County, Stakeholders, Community and others to make specific recommendations (actions, timeline, implementers) on how Kaua`i can achieve its energy goals

# Today's Rules

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Correct Any Mistakes on Easel Notes

## DISCUSSION

About the Team

**Energy Choices for Kauai:** 

**Electricity Rates** 

**Current Generation** 

**KIUC Planned Projects** 

Project Issues/Challenges

### Agenda

Energy Choices for Kaua`i

**Process** 

Goals/Vision

Supply

Conversion Technologies

Distribution

**End-Use** 

Stakeholder Meeting Lessons

### **KESP Development Process and Timeline**

KAUA'I ENERGY SUSTAINABILITY PLAN (KESP) TIMELINE



#### Stakeholder/Community Input

- 10 targeted Stakeholder Meetings
- 5 public Community Meetings

#### **Energy Analysis**

- Kaua`i's energy use
- EE/RE potential
- Grid load management

#### Report Development and Review

- The community/stakeholder input + energy analysis = Draft Report
- Presented to the community through a "webinar" and public rollout
- One month period for feedback
- Final Plan presented in January 2010
- Vision/Goals/Barriers/Strategies/Implementation

### Informational, Interactive Website

### Kauai Energy Sustainability Plan

The Process

Vision and Goals Opportunities, Barriers, and Strategies

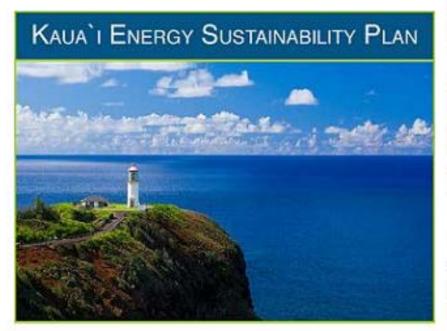
Get Involved

Sustainable Energy Overview

Library

The SENTECH Hawai'i Team

The Kaua'i Energy Sustainability Plan (KESP) is being developed for the County of Kauai. KESP will integrate stakeholder and public interests with objective energy analysis to draft an implementable energy plan that will light the path for Kaua'i to utilize local, sustainable energy.



Kaua'i is the oldest, the westernmost, windiest, rainiest, and perhaps the most ruggedly beautiful of the Hawai'ian islands. The people of Kaua'i have a reputation for being independent, dating back to the time when they resisted King Kamehameha's two attempts to conquer it during his 18th-century campaign to unify the islands. Kaua'i was unified with the other islands through a negotiated agreement between the reigning ruler of Kaua'i, King Kaumuali'i, and King Kamehameha on O'ahu in 1810.

Today, the people of Kaua'i can use this same independence and willingness to negotiate for the greater good to help them overcome a modern-day threat—an overdependence on imported oil to meet their energy needs.



ouotumunio Energy i Turi Exampleo

- Hawaii County Energy Sustainability Plan (A, 1,860 KB)
- Focus Maui Nui (Executive Summary) (A, 667 KB)
- California Energy Action Plan ( , 324 KB)

#### Kauai-Specific Information

- Kauai Economic Development Plan: Kaua'i's Comprehensive Economic Development Strategy (CEDS) Report 2005-2015
- Kauai County General Plan Required Implementing Actions, by County Department (A), 74 KB.
- . The General Plan for the County of Kauai
- · 2008 Kauai Renewable Energy Conference

#### Information from Kauai Island Utility Cooperative (KIUC)

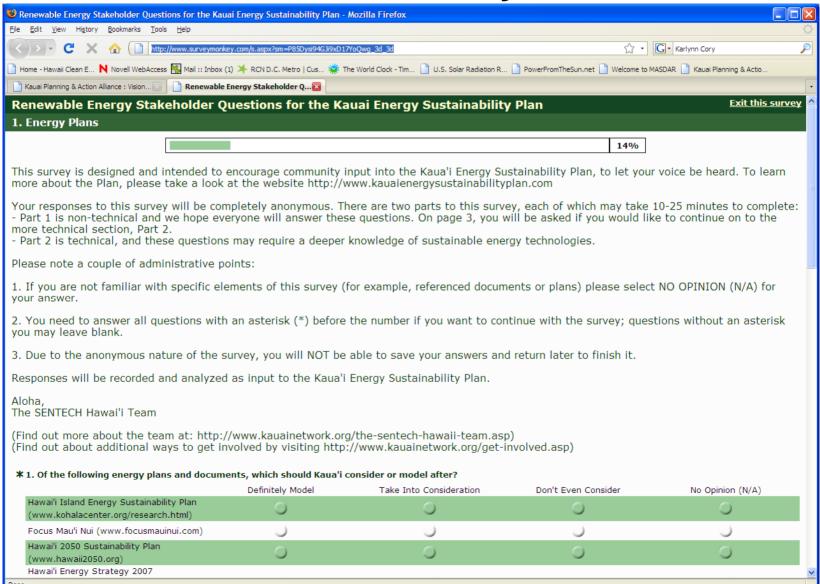
- 2009 House & Senate Energy Committee Briefing: KIUC Update(A, 1,673 KB)
- KIUC IRP: Plan Recommendation( , 2,829 KB)
- 2008 House & Senate Energy Committee Briefing: KUIC Update( , 820 KB)
- KIUC Strategic Plan 2008-2023(A, 1,231 KB).
- IRP: A Process for Meeting the Electrical Needs of Kauai's People( 486 KB)
- KIUC Renewable Energy Technology Assessments(A, 4,998 KB)

#### Other Energy Reports in Hawaii

- Energy Agreement Among the State of Hawaii, Division of Consumer Advocacy of the Dept of Commerce and the Hawaiian Electric Companies (A, 1,180 KB)
- Hawaii Energy Strategy 2007(

   608 KB)
- · Hawaii Clean Energy Initiative
- HCEI Energy Efficiency Portfolio Standard( 443 KB)
- Enad in Tariff Case Studios: A Minite Departin Support of LICEL ( 710 MD)

## **Online Survey**



## 10 Targeted Stakeholder Meetings

Meeting	Date
Renewable Energy (KEDB RE Committee)	April 1
KIUC Grid Stability	April 1
KIUC Board of Directors	April 3
Demand Side Efficiency	April 6
Government	April 6
Business, Economic Development, Agriculture	April 27
Environmental/Sustainability	April 27
Biofuels and Ground Transportation	April 28
Large Landowners	April 28
All Stakeholders	May 14

## 5 Public Community Meetings

Meeting	Location	Date
East	Kapaa Middle School Cafeteria	April 30
West	Kekaha Neighborhood Center	May 4
South	Koloa Neighborhood Center	May 5
North	Hanalei Elementary School	May 12
Central	War Memorial Convention Hall, Lihue	May 13

# Today's Rules

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## DISCUSSION

Plan Development Process and Timeline

Website

Online Survey

Stakeholder Meetings

**Community Meetings** 

## Agenda

Energy Choices for Kaua`i

**Process** 

Goals/Vision

Supply

Conversion Technologies

Distribution

**End-Use** 

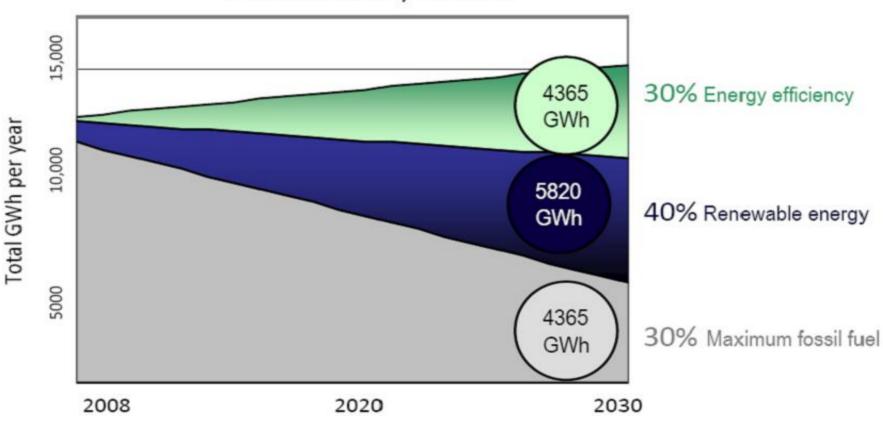
Stakeholder Meeting Lessons

## **GOALS / VISION**

## GOALS

### **HCEI 70% Goal**





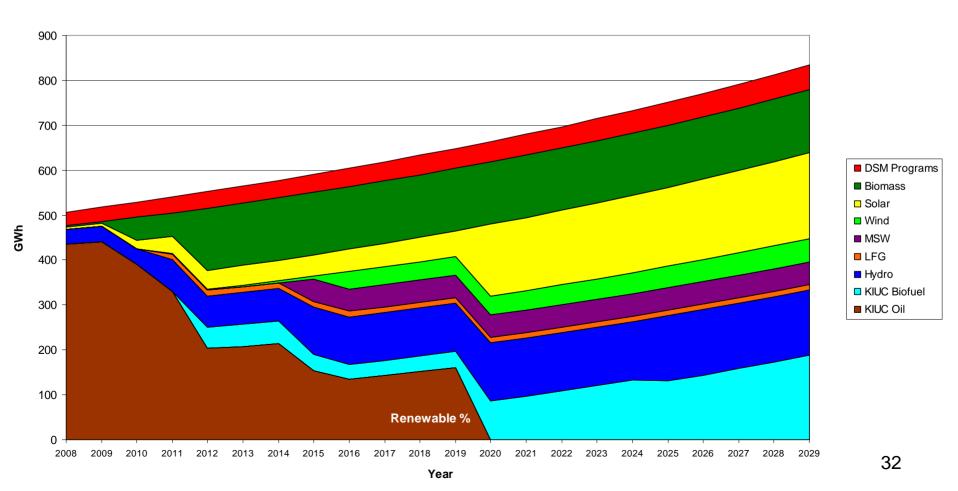
Note: This just reflects 2030 <u>electricity</u> targets; still need interim targets and transportation targets

## **GOALS**

## KIUC 50% Renewable Energy by 2023 Goal

Kauai's current energy requirement is approximately 500 GWh/yr

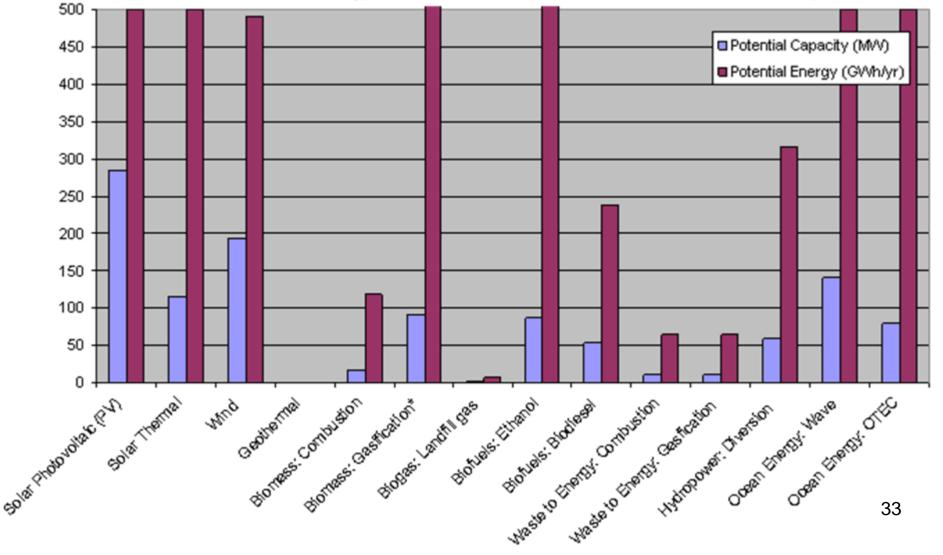
**KIUC's Potential Generation Wedge** 



## **GOALS**

### Technical Potential Renewable Energy (GWh/yr)

Kauai's current "Energy" requirement is approximately 500 GWh/yr



## **VISION**

### A Proposed Vision for Energy Sustainability on Kaua'i

On Kaua'i in 2030, we have achieved 100% local energy sustainability and we have...

- Maintained the beauty of our "garden island" and our rural lifestyle.
- Incorporated sustainability and smart growth principles into our land use plans.
- Built a strong, sustainable green economy with green job opportunities.
- Utilized land efficiently for agriculture and renewable energy production.
- Educated our citizens on energy conservation and efficiency and for green job opportunities.
- Reduced our energy demand through conservation and efficiencies.
- Determined the new and emerging technologies best suited to Kaua`i.
- Achieved self-reliance in renewable energy and fuel production for electricity and transportation, while protecting our endangered wildlife.
- Considered social equity and cultural impacts when siting new energy facilities.
- Established an effective multi-modal transportation system that shifts use from cars to mass transit and non-motorized modes.
- Followed existing and crafted new County, state and federal legislation regulations to help meet our electricity and ground transportation needs.

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## DISCUSSION

HCEI 70% Goal KIUC 50% Goal

Vision

## Agenda

Energy Choices for Kaua`i

**Process** 

Goals/Vision

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Distribution

**End-Use** 

Stakeholder Meeting Lessons

## **SUPPLY**

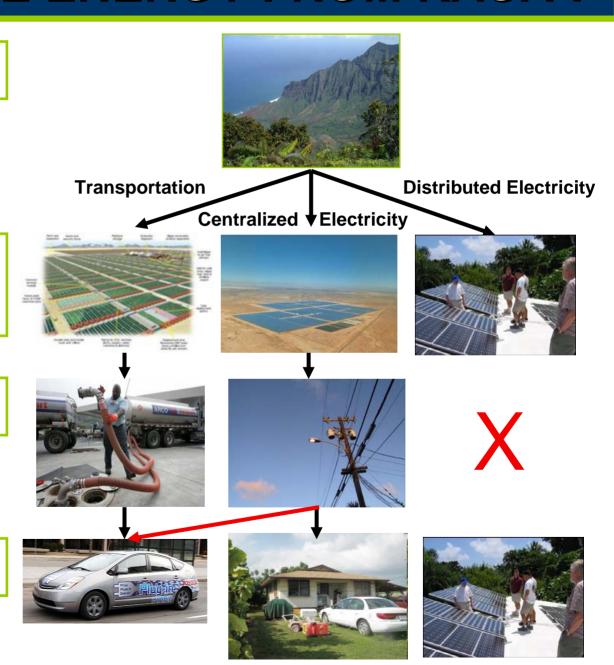
### SUSTAINABLE ENERGY FROM KAUA'I

#### **SUPPLY**

CONVERSION TECHNOLOGIES

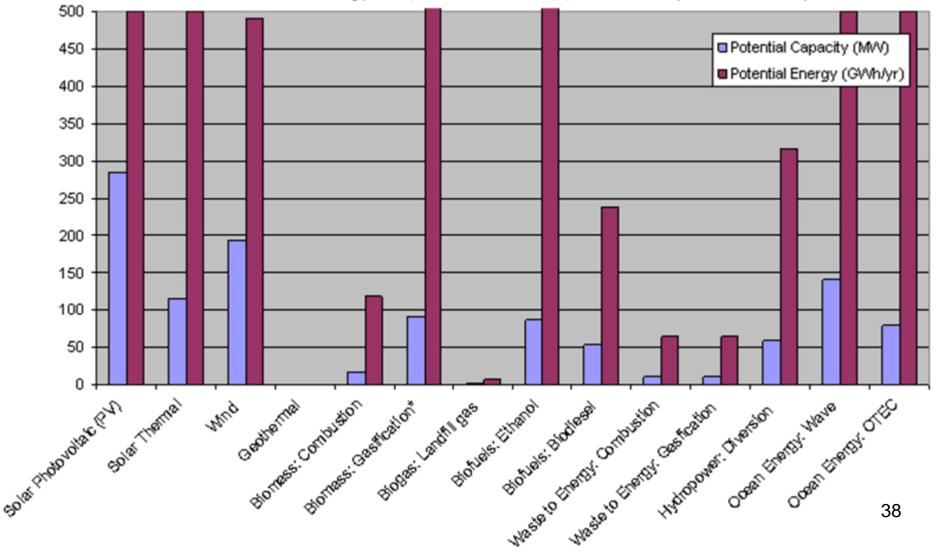
**DISTRIBUTION** 

**END-USE** 



#### Plenty of Potential...

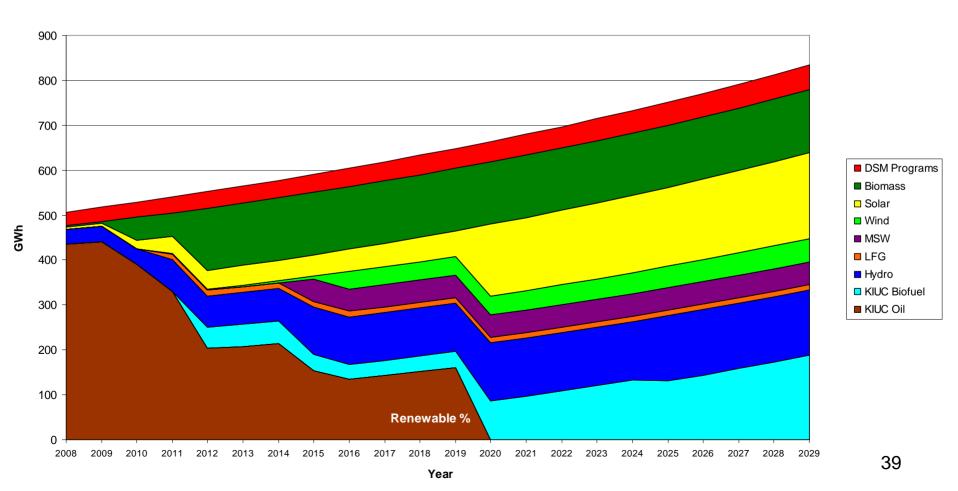
Kauai's current energy requirement is approximately 500 GWh/yr



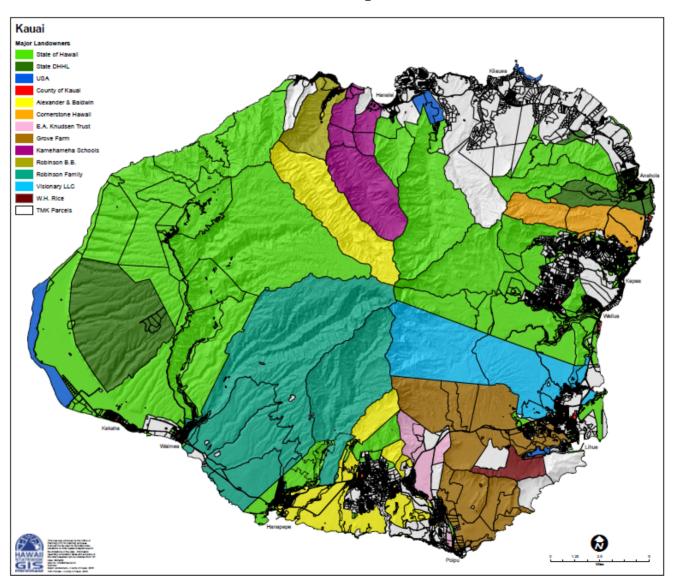
#### KIUC 50% Renewable Energy by 2023 Goal

Kauai's current energy requirement is approximately 500 GWh/yr

**KIUC's Potential Generation Wedge** 



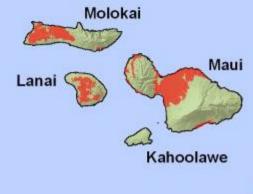
### **Land Ownership and Use**

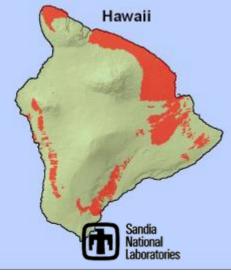


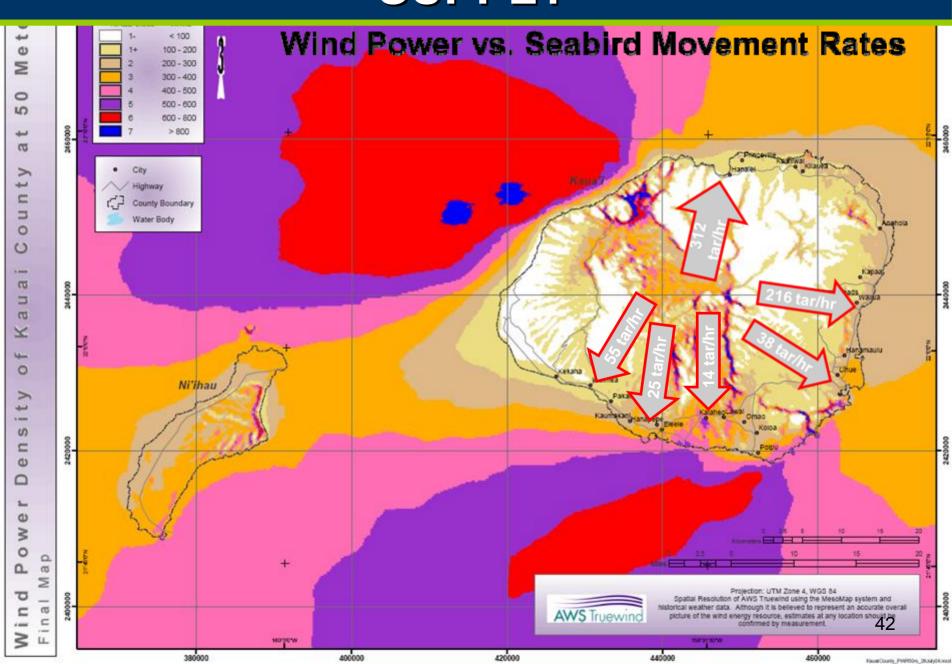


GIS Assessment of Potential Oil Crop Land in Hawaii based on Soil Suitability & Other Factors

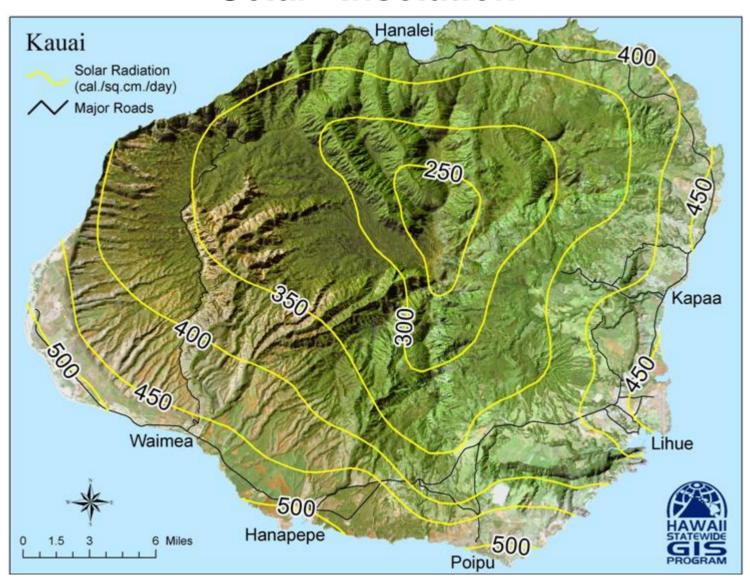
ISLAND	ACRES
Oahu	56,859
Molokai	40,295
Maui	90,547
Kauai	81,056
Hawaii	389,062
Lanai	20,634
Suitable Land	
(based on soil type)	678,453
Total Land Area	4,042,796







#### Solar "Insolation"

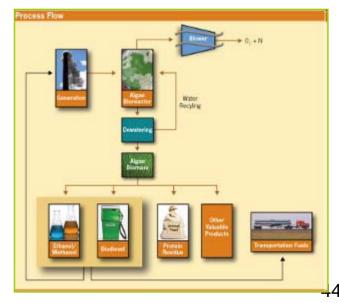


### **Biomass and Algae**









### **Hydropower and Pumped Hydro Storage**





### **Municipal Solid Waste**



### **Energy Policies, Laws and Regulations**

- Federal and State Incentive Legislation
  - HB 1270 would change "avoided generation cost" clause
  - Local tax appetite mandates could change with proposed legislation
- Hawaii Renewable Portfolio Standard and Renewable Fuel Standard
- Energy for Tomorrow Legislation of 2006
- Hawaii Clean Energy Initiative
- KIUC/DBEDT/CA Agreement
  - Feed-in Tariffs could give developers price stability
- Regulations such as Renewable Energy Project Permitting

### Applicable Laws\*

- HRS 343 Environmental Impact
- HRS 205 Land Use Commission
- HRS 196 Energy Resources
- HRS 201N Renewable Energy Siting
- HRS 342B Air Pollution Control
- HRS 342D Water Pollution



### Scope of Permits in Hawaii

- Possibly over 100 permits
- 25 Federal, State, and County Agencies
- Agencies with the most impact
  - State DOH, DLNR, Office of Planning;
     U.S. EPA; County planning offices
- Energy projects are also dependent on the Public Utilities Commission (PUC)
  - Power Purchase Agreements (PPA)
- Transmission

### Categories of Permit

- Three main categories of permits
  - -Environmental Permits
  - –Land Use
  - -Construction and Operation



# Permits that may be required for a renewable energy project

	Env. Review	Env. Impact	Const/ Op	Land Use/ Zoning	Total
Federal	3	15	3	2	23
State	2	19	16	17	54
County	1	3	10	18	32
Total	6	37	29	37	109



### Speed up the process

- State of Washington "Local Government Permitting Best Practices", published in 2008
- Six key points to expedite permits
  - Build mutual understanding
  - Contact stakeholders early
  - Ensure complete applications
  - Analyze process, performance, costs
  - Use information technology
    - Implement system of staff flexibility

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### DISCUSSION

Renewable Energy Potential

Land Use and Ownership

Renewable Energy Technologies

Laws and Regulations

Permitting

### Agenda

Energy Choices for Kaua`i

**Process** 

Goals/Vision

Supply

Conversion Technologies

Distribution

**End-Use** 

Stakeholder Meeting Lessons

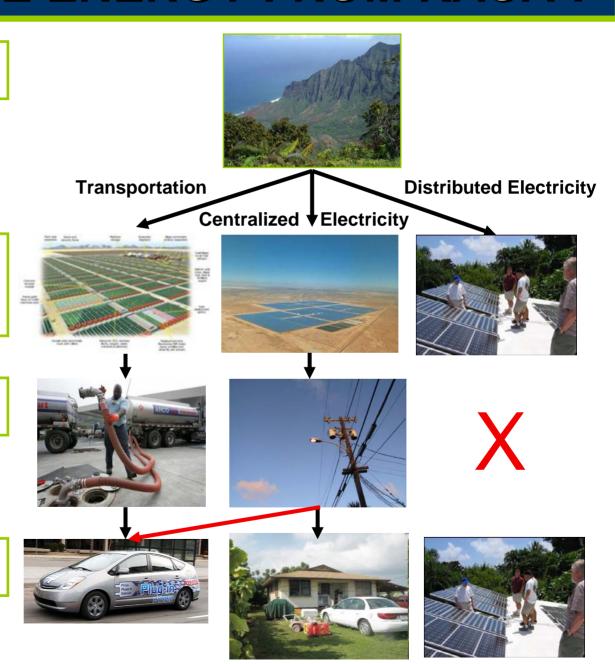
### SUSTAINABLE ENERGY FROM KAUA'I

**SUPPLY** 

## **CONVERSION TECHNOLOGIES**

**DISTRIBUTION** 

**END-USE** 



#### **Electric Vehicles**



Project Better Place www.projectbetterplace.com



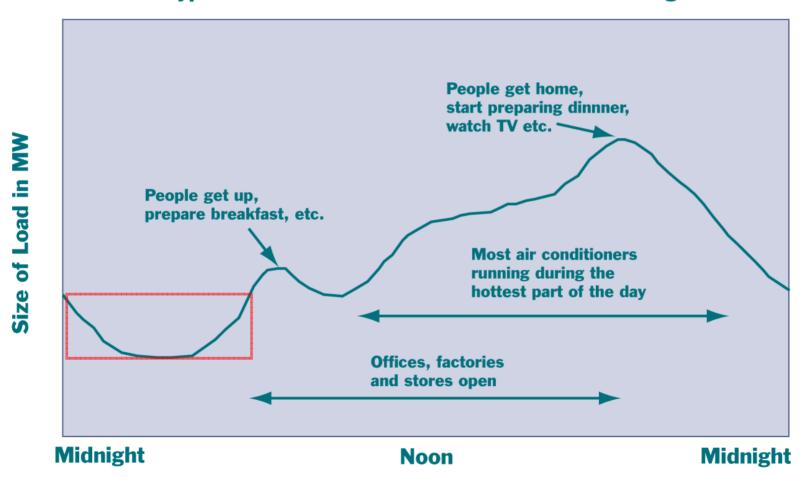
Tesla Motors www.teslamotors.com



Phoenix Motorcars www.phoenixmotorcars.com

### Night-time Electricity could Charge Vehicles

**Typical Load Curve with Summer Air Conditioning** 





### **AE PHEV Pilot Project**

- 2 Toyota Prius Hybrids Charge Management Pilot
- 100,000 PHEVs Modeled on Austin Energy Grid



V2Green Charge Management System



A123 Systems Hymotion L5 Conversion



### Results Summary

(assuming 1.0 kW per hour charging rate)

- No new generation required to charge 100,000 PHEV on AE grid between 12:00 AM and 8:00 AM
- Value of AE grid ancillary services
  - > One Way (Grid-to-Vehicle only): \$122 per vehicle
  - > Two Way (Grid-to-Vehicle & Vehicle-to-Grid): \$225 per vehicle
- > ~ 50% of AE premises are multi-family (no PHEV outlet)
- Transformer loading is a potential issue without PHEV charge management

#### **Centralized Electricity**









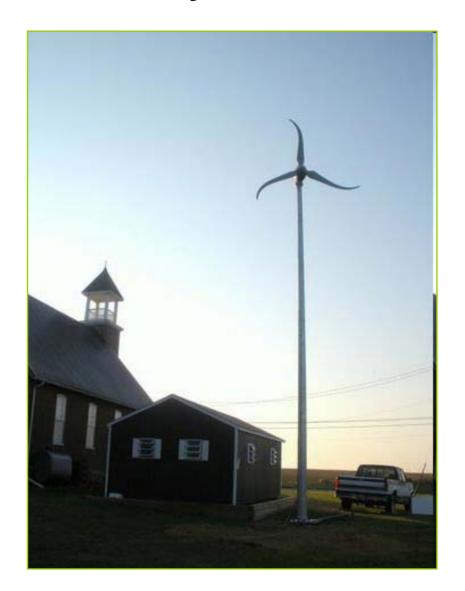


### **Distributed Electricity**









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### DISCUSSION

**Electric Vehicles** 

Centralized Electricity

**Distributed Electricity** 

### Agenda

Energy Choices for Kaua`i

**Process** 

Goals/Vision

Supply

Conversion Technologies

Distribution

**End-Use** 

Stakeholder Meeting Lessons

### **DISTRIBUTION**

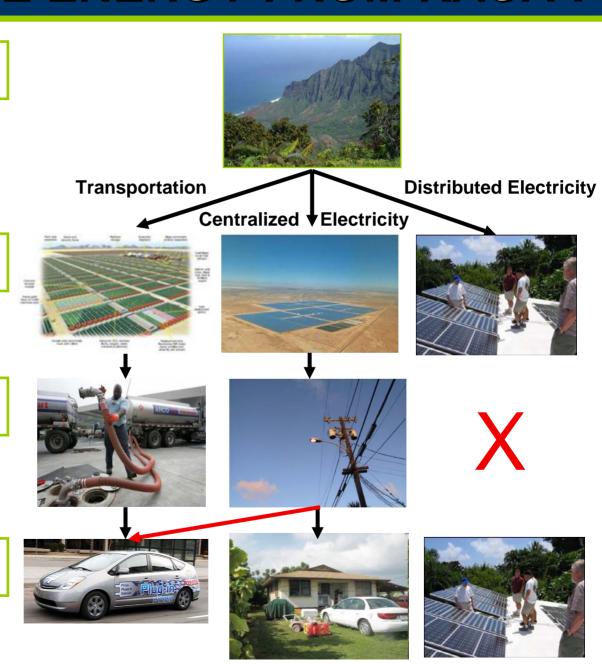
### SUSTAINABLE ENERGY FROM KAUA'I

**SUPPLY** 

**CONVERSION** 

**DISTRIBUTION** 

**END-USE** 



### DISTRIBUTION

#### **KIUC Data**

- KIUC has 116 MW of firm, net generating capacity
  - All-time peak demand on the KIUC system is 77 MW
- In 2006, 8.2% of KIUC supply-side electrical generation was from renewable sources
  - Adding demand-side energy savings to this number brings the total to 13.9%
  - Significant additional renewable generation is required to meet 20% by 2020 RPS goals
- 2006, 90% of Kauai's electricity was produced from oil
  - Remainder came from biomass, hydroelectric, and PV
- 93 customer-sited renewable energy systems installed in 2008 with a generation capacity of 1859kWdc
- Has started an Advanced Metering Infrastructure initiative
  - Could become backbone of Smart Grid for demand response and load management

### DISTRIBUTION

### **Smart Grid / Load Management**

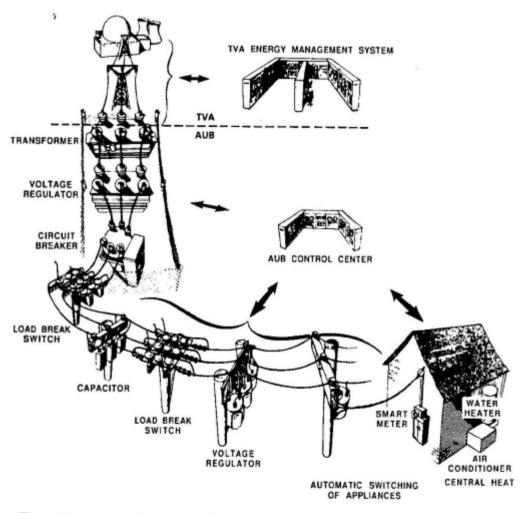


Figure 1-1 Automated equipment for the Athens Automation and Control Experiment.

## Today's Rules

Be Respectful

2-Minute Limit

Take Turns

No Speechmaking

No Debating

Correct Any Mistakes on Easel Notes

### DISCUSSION

KIUC Data

Smart Grid/Load Management

#### Agenda

Energy Choices for Kaua`i

**Process** 

Goals/Vision

Supply

Conversion Technologies

Distribution

**End-Use** 

Stakeholder Meeting Lessons

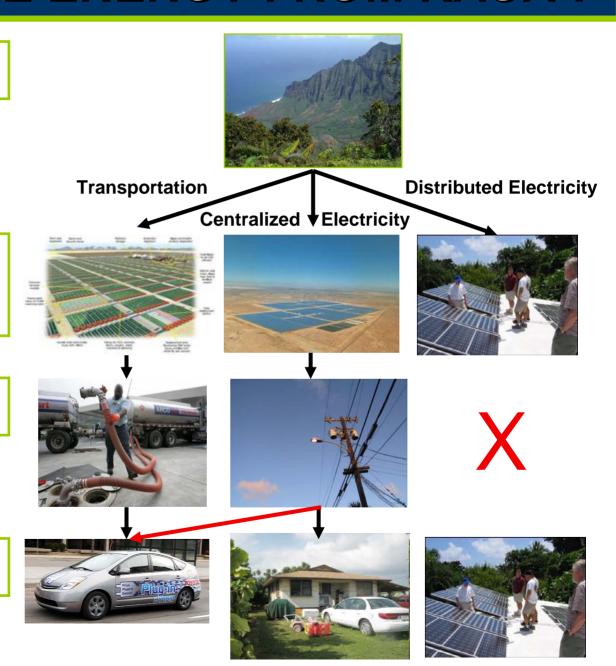
### SUSTAINABLE ENERGY FROM KAUA'I

**SUPPLY** 

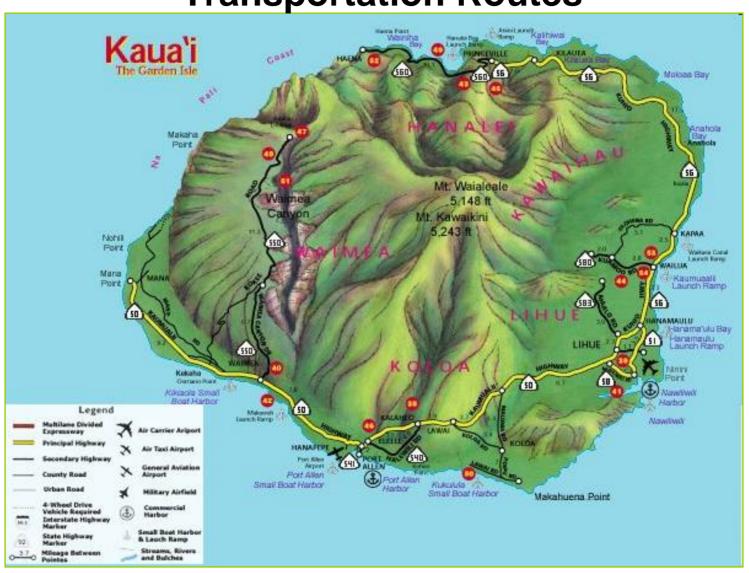
CONVERSION TECHNOLOGIES

**DISTRIBUTION** 

**END-USE** 



#### **Transportation Routes**



#### Bike Plan Hawaii

#### **Transportation**

Easy way to complete short trips and reduces traffic congestion.

#### Health

Excellent form of exercise

#### **Economics**

Promotes economic development, sporting events and eco-tourism

#### **Community**

Defines a community's character and interconnectivity

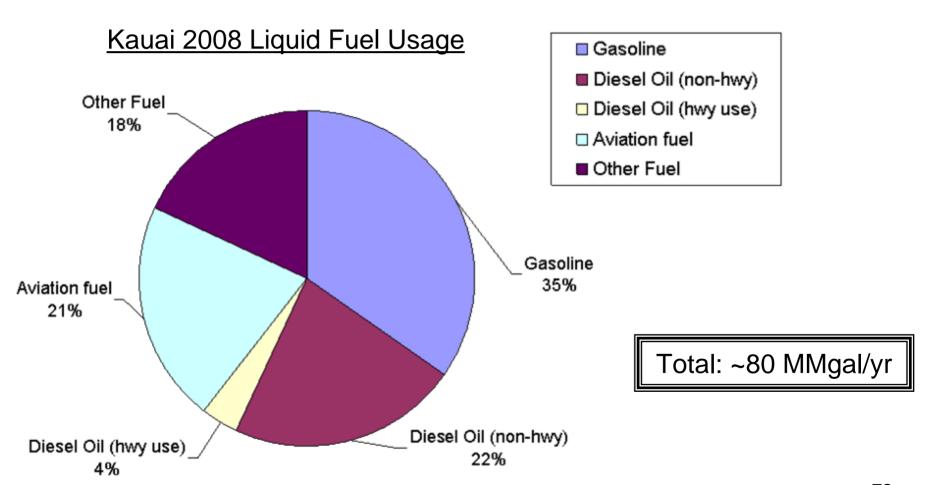
#### **Environmental**

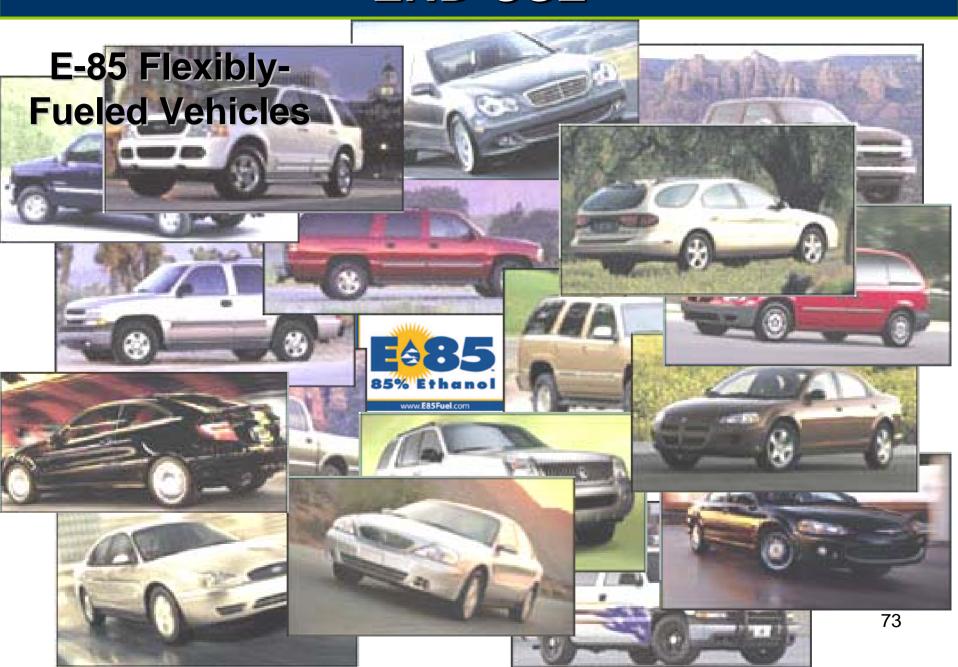
Produces no air pollutants and doesn't consume fossil fuels





#### **Transportation Liquid Fuel Use**





#### **Biodiesel**

- Produced commercially (Maui & Oahu) from used cooking oil
- Can also be produced from oilseed crops
- For use in diesel engines
- Available at retail stations on Oahu and Maui



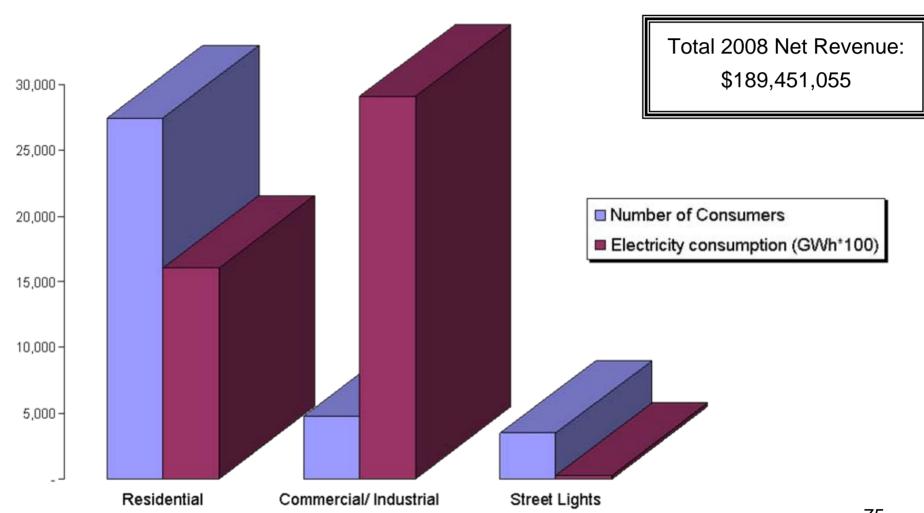






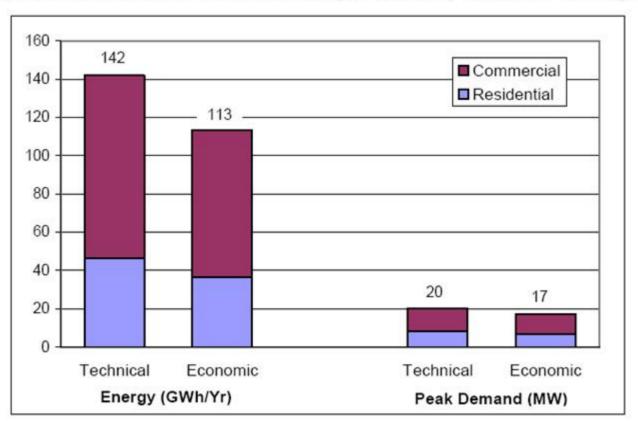


#### **Electricity Consumption by End-Use**



#### **Technical and Economical Potential Savings**

Figure E-1
Estimated Technical and Economic Energy Efficiency Potential Through 2014

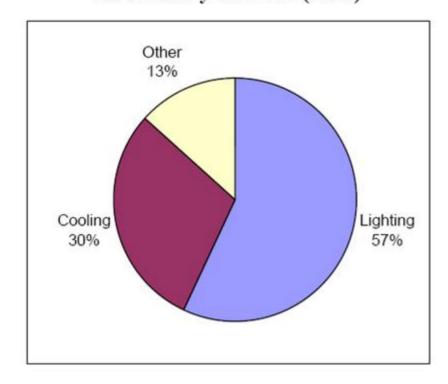


#### Large Potential in Residential Solar Water Heating

Figure E-2
Residential Economic Energy Savings
Potential by End Use (2014)

Water Heating 64%
Appliances 15%
Cooling 2%

Figure E-3 Commercial Economic Energy Savings Potential by End Use (2014)



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### DISCUSSION

**Transportation Modes:** 

Vehicles and Bikes

Transportation Fuels:

**Ethanol and Biodiesel** 

**Energy Efficiency** 

Solar Water Heating

#### Agenda

Energy Choices for Kaua`i

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Stakeholder Meeting Lessons

# STAKEHOLDER MEETING LESSONS

### STAKEHOLDER MEETING LESSONS

Stakeholder Meeting	Lessons Learned
Renewable Energy	<ul> <li>Project developers can only be paid the "avoided cost of generation" for renewable energy projects—often too little</li> <li>There is very little "local tax appetite" to let developers take advantage of Hawaii state tax incentives</li> <li>Power Purchase Agreement with KIUC could be streamlined with "open book" negotiations</li> </ul>
KIUC Grid Stability	<ul> <li>Electric grids have physical limitations on how much variable renewable energy they can accept</li> <li>Storage and controls can help</li> <li>Dispatchable (on-demand) resources and technologies may be needed to allow more renewables</li> </ul>
KIUC Board of Directors	<ul> <li>KIUC could more easily reach its renewable goals without the "avoided cost of generation" legislation</li> <li>KIUC is currently conducting "open book" negotiations with a developer and would like to do more</li> <li>KIUC would like to explore financing options such as revolving loans</li> </ul>
Demand Side Efficiency	<ul> <li>Hotels have seen economic benefits by investing in energy efficiency</li> <li>Kaua`i Water Department is open to considering advanced technologies, phase-shifted puming, etc. to conserve energy</li> </ul>

### STAKEHOLDER MEETING LESSONS

Stakeholder Meeting	Lessons Learned
Government	The State is adopting IECC efficiency standards
Business, Economic Development, Agriculture	<ul> <li>Agriculture land owners and developers are faced with tough economic decisions</li> <li>Need to make decisions that will let them stay in business</li> </ul>
Environmental / Sustainability	<ul> <li>There is some community resistance to municipal solid waste incineration</li> <li>The environmental/sustainability community seems to be willing to work with energy sustainability developers to craft workable solutions</li> </ul>
	At the southern tip of Kaua`i, there may be enough continental shelf to construct off-shore wind, which would be under FERC jurisdiction
Biofuels and Ground Transportation	<ul> <li>The State and County have many ongoing studies and programs to reduce transportation demand and increase biofuel production</li> <li>Maria Tome from DBEDT is leading the State's Bioenergy Master Plan</li> </ul>
Large Landowners	• Landowners are in somewhat of a holding pattern until they can decide best paths forward—bioenergy crops, food crops, grain crops, commercial development, etc.
All Stakeholders	TBD (May 14—after all 5 Community Meetings)

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Stakeholder Meeting Lessons

### THE END...FOR NOW

#### Mahalo!

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