STATE OF HAWAI'I DEPARTMENT OF HAWAIIAN HOME LANDS September 20-21, 2021

TO:

Chairman and Members, Hawaiian Homes Commission

Thru:

Andrew Choy, Acting Program Planning Manager

From:

Julie-Ann Cachola, Planner

Subject:

G-5 Accept the Beneficiary Consultation Report for the Kalaoa Community

Based Renewable Energy Project Proposed by Nexamp Solar, LLC, at Kalaoa,

Hawai'i, TMK (3)7-3-010:007 (portion)

RECOMMENDED ACTION

That the Hawaiian Homes Commission (HHC) accept this Beneficiary Consultation Report as the official record of the information presented to beneficiaries regarding Nexamp Solar, LLC's Proposed Community Based Renewable Energy Solar Project at Kalaoa, Hawai'i, TMK (3)7-3-010:007 (portion) and their comments, questions and concerns raised in response.

DISCUSSION

Introduction

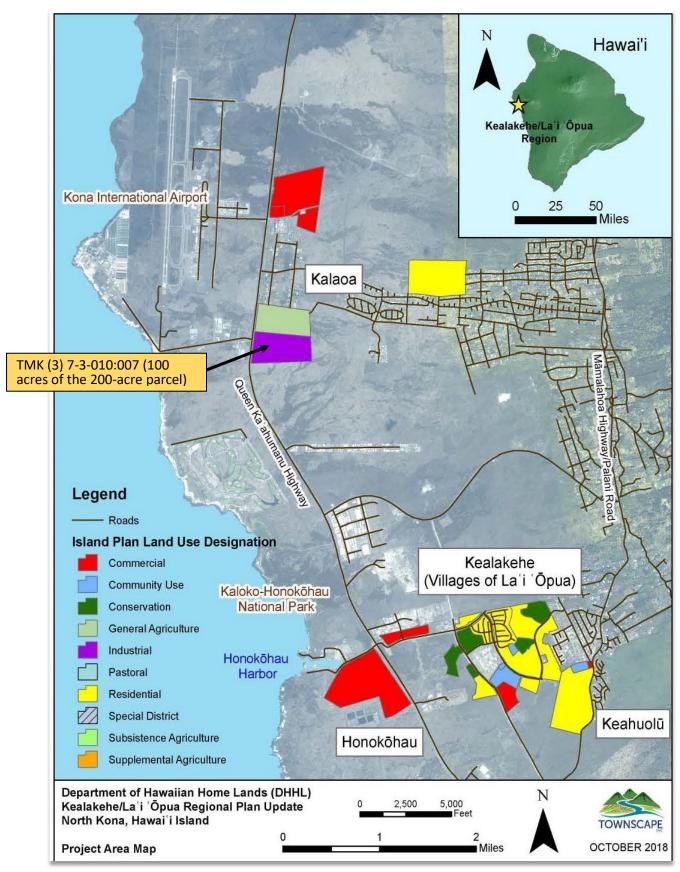
In January, 2009, the HHC approved DHHL's Ho'omaluō Energy Policy (see Attachment A) which sought to enable native Hawaiians working together with the broader community to lead Hawai'i's effort to achieve energy self-sufficiency and sustainability. Objective 2 of the Energy Policy facilitates the use of diverse renewable energy resources by identifying and leasing DHHL lands that have potential for renewable energy development.

On August 31, 2020, DHHL posted a legal ad (see Attachment B) in newspapers across the State, that requested applications to develop renewable energy projects on DHHL lands. Four parcels were of DHHL land were offered, including: on parcel on O'ahu, 1 parcel on Molokai, and 2 parcels on Hawai'i Island (Kawaihae and Kalaoa). This submittal presents background information on the solicitation and selection process which culminated in a virtual Beneficiary Consultation meeting held on July 13, 2020. The meeting facilitated direct communication between the selected renewable energy developer and the Applicants and Lessees who reside in the area. This submittal provides a record of the Beneficiary Consultation meeting.

Available Lands at Kalaoa, Hawai'i Island

Figure 1 below identifies DHHL lands in North Kona and their Island Plan Land Use Designations. The land identified in Kalaoa for renewable energy development is 100 acres of a located on the mauka side of the Queen Ka'ahumanu Highway.

Figure 1: Designated Land Uses in North Kona



The 100-acre site is designated for Industrial use in the 2002 Hawai'i Island Plan; it is the only parcel of land in North Kona that is designated for Industrial use. A renewable energy project would be appropriate on lands designated for Industrial uses. Beneficiary support for renewable energy development at the Kalaoa site has been consistent. In the 2009 and 2020 updates of the Kealakehe-La'i 'Ōpua Regional Plan, beneficiaries reaffirmed the Priority Project to develop a Renewable Energy Initiative – PV Farm in 'O'oma (Kalaoa).

Solicitation and Selection

DHHL included the Kalaoa parcel in its 2018 solicitation for renewable energy proposals which generated two (2) applications. DHHL selected the beneficiary organization, the 'O'oma Homestead Alliance, to proceed to the Leasing process. Unfortunately, the beneficiary organization was not selected to advance under HECO's highly competitive process.

The current solicitation, issued in August 2020, generated three (3) renewable energy proposals for the Kalaoa site. The applications were reviewed and evaluated by a 5-member Evaluation Committee comprised of three (3) DHHL staff and two (2) representatives from DHHL's Renewable Energy Consultant's firm. The Evaluation Committee reviewed and scored all applications based on the Evaluation Criteria and distribution of points identified in Table 1.

In addition to the 100 possible points, applicants were given 5 bonus points if the applicant was in partnership with DHHL Beneficiaries or was in partnership with a Beneficiary organization. The 'O'oma Homestead Alliance is a beneficiary organization that qualified to receive 5 bonus points from each Evaluator, for a total of 25 bonus points. Final scores were tallied by simply adding all the scores assigned in the individual score sheets. Unfortunately, the 25 bonus points was not enough for the 'O'oma Homestead Alliance to receive the highest score. Nexamp Solar, LLC received the highest score. On February 10, 2021, the Chairman approved the selection of Nexamp Solar, LLC for the Kalaoa site (see Attachment C). With this approval, Nexamp can proceed to the Leasing Process.

Notification/Invitation to a Beneficiary Consultation Meeting

On June 29, 2021 DHHL mailed 975 postcards (see Attachment D) to all Applicants and Lessees who reside in the city of Kailua-Kona, with zip codes 96740 and 96745. The postcard invited beneficiaries to attend a virtual beneficiary consultation meeting. It was explained that Nexamp Solar, LLC was selected to develop a community based renewable energy project at the Kalaoa site. Beneficiaries were encouraged to attend the meeting to hear about what was being proposed and to provide input on their issues and concerns.

Following the selection of a renewable energy developer, the Planning Office conducted a virtual Beneficiary Consultation meeting on Tuesday, July 13, 2021 from 6:00 p.m. to 8:00 p.m. so that beneficiaries could get information on the proposed project directly from the renewable energy company and the company could hear and respond to beneficiary questions and comments.

Table 1: Evaluation Criteria for Selection of Renewable Energy Developerss

EV	MAXIMUM POINTS	
1.	Qualifications and Experience a. Recent Relevant Project Experience b. Experience in developing similar projects. c. Applicant's Financial Strength	25
2.	Project Information and the Project's Viability a. Proposed Project Specifications b. Applicant's Financial Plan and Business Concept	25
3.	 ROE Fees, Lease Terms, and Community Benefits Offered a. Extent that the community benefits address community needs and/or implement regional plan priority projects. b. Lease Rent Rate per Acre c. Gross Lease Rent d. ROE and Other Fees e. Duration and Lease Terms 	35
4.	Unique Qualities and Past Performance a. Quality of Project References b. Prior Hawaii Project Experience c. Prior DHHL Experience	10
5.	How well Applicant's proposal in its entirety meets DHHL's objectives a. Overall Proposal Quality	5
	TOTAL POINTS:	100

Beneficiary Consultation Meeting Notes

The Planning Office convened a virtual Beneficiary Consultation meeting on July 13, 2021 from 6:00 p.m. to 8:00 p.m. The purpose of the meeting was to:

- Provide information about DHHL's involvement in renewable energy;
- Explain Community Based Renewable Energy;
- Introduce Nexamp Solar, LLC, a renewable energy developer selected by DHHL to develop a community-based renewable energy project at Kalaoa;
- Hear what Nexamp, LLC is proposing at Kalaoa;
- Find out how you can benefit from the project; and
- Ask questions and provide comments.

Meeting notes were prepared to capture the information and input provided during the meeting. The slides are presented in the next section and where necessary, annotations are added. In some instances, the slides had to be enlarged so the detail on the slide could be easily read.

July 13, 2021, 6:00 to 8:00 p.m.

MEETING NOTES



Solar Project in Kalaoa

This meeting is being recorded and will be posted on our website

July 13, 2021 The meeting will start at 6:00 p.m. Andrew Choy, Planning Program Manager, opened the meeting and thanked the beneficiaries for attending.

Noting the small attendance by beneficiaries he said that he would reach out again to the 975 beneficiaries who were invited to the meeting (see Attachment E for letter that was sent after BC mtg).

WHO'S IN THE ROOM?



- · Invitation Postcards sent to
- 975 applicants and lessees with zipcodes 96740 and 96745

Andrew introduced the participants at the meeting: From the community: Kawehi Inaba, President, La'i 'Ōpua 2020; Cindy Freitas, George Lindo

From DHHL: Chair William Aila, Jr.; East Hawai'i Commissioner: Chairman; Michael Kaleikini, East Hawai'i Commissioner; Andrew Choy, Planning Program Manager; Cedric Duarte, Information and Community Relations Officer; and Julie-Ann Cachola, Planner.

From Nexamp: Julie Beauchemin, Director, Business Development in Hawai'i; Rick Whisman, Vice-President, Business Development, West Region.

AGENDA and PURPOSE FOR MEETING

Part I: Provide Information

- 1. Why is DHHL Involved in Renewable Energy?
- 2. How does DHHL get Involved in Renewable Energy?
- Overview of the process and approvals; opportunities for beneficiary input
- 4. HECO's "Community Based Renewable Energy" program: what it is, how it works, how can the community benefit?

Part II: Presentation by Nexamp

<u>Part III: Discussion</u> Closing: Next Steps The purpose of the meeting is to provide information on DHHL's proposed renewable energy project at Kalaoa. DHHL will start by providing background information on how and why DHHL gets involved with renewable energy development. During the second part of the meeting, Nexamp will present their proposed project at Kalaoa. The third part of the meeting will be an open discussion where beneficiaries can ask questions and provide comments.

How to Participate in this Virtual Beneficiary Consultation Meeting

- 1 ALL MICROPHONES SHOULD BE ON MUTE.
- 2 ASK A QUESTION OR MAKE A COMMENT IN THE CHAT BOX
 -- IT WILL BE READ OUT LOUD BY THE FACILITATOR
- RAISE YOUR HAND IF YOU WANT TO SPEAK
 -- WHEN IT'S YOUR TURN, UNMUTE YOUR MICROPHONE

USER CONTROLS



Andrew went over the virtual meeting controls.

July 13, 2021, 6:00 to 8:00 p.m.

MEETING NOTES

Our Kuleana - "Netiquette" For a Productive Meeting

- 1. Be respectful of the person talking treat others how you would like to be treated.
- 2. Agree to disagree —accept that others may have different perspectives and opinions.
- 3. Have an open mindset --leave the meeting with at least one new idea or piece of information.
- You can use the Chat Box anytime to ask questions or make comments.
- 5. Raise your hand if you want to speak. Wait for the facilitator to call on you.

Andrew reviewed meeting kuleana/ground rules for a productive meeting.

Why is DHHL Involved in Renewable Energy?
Why in Kalaoa? Why now?
How does it work?

Julie-Ann Cachola, is the Planner that works with renewable energy projects. She explained that beneficiaries are often confused about DHHL's work with renewable development. They wonder why DHHL is involved in renewable energy? Others might wonder why we're looking at lands in Kalaoa? Why now? If DHHL's involvement is primarily to secure revenue from a General Lease, how does it work? She will cover these questions in her presentation

Why is DHHL Involved in Renewable Energy?

- 2009 DHHL's Energy Policy: to enable native Hawaiians to lead efforts to achieve energy self-sufficiency and sustainability.
- 2015 State law: requires electric utilities to produce 100% of their electricity from renewable energy sources by the year 2045. This created the need and demand for renewable energy.
- DHHL Trust lands that have excellent renewable energy resources (Solar, Wind, Hydroelectric resources)
- We have needs--Renewable Energy development on HHLs can generate revenue to develop new homesteads and deliver community benefits to the homestead community

WHY IS DHHL INVOLVED WITH RENEWABLE ENERGY DEVELOPMENT?

- 1. In 2009, the HHC adopted an Energy Policy which states that native Hawaiians should work with others to lead efforts to achieve energy self-sufficiency. It states that we should identify DHHL lands that have potential for renewable energy development and that we should pursue leasing of those lands.
- 2. In 2015, the Governor and State Legislature changed our renewable energy target goal. We are now pursuing the goal of achieving 100% renewable energy by the yeah 2045. This is a game changer because it creates a huge demand for renewable energy development.
- 3. DHHL lands have excellent renewable energy resources throughout the State.
- 4. We have needs. We can use general lease revenue to build new homestead lots and we can leverage community benefits to homestead communities.

July 13, 2021, 6:00 to 8:00 p.m.

MEETING NOTES

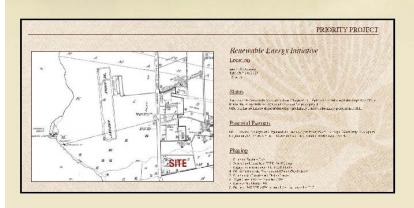


LOCATION OF KALAOA LAND FOR RENEWABLE ENERGY DEVELOPMENT

Julie identified the location of the parcel which is the purple rectangle along the Queen Ka'ahumanu Hwy, across the entrance to NELHA. The purple/pink color indicates that the parcel is designated for Industrial Use.

DHHL Kalaoa Industrial Lands

2009 and 2020 Regional Plan Priority Projects Renewable Energy Initiative



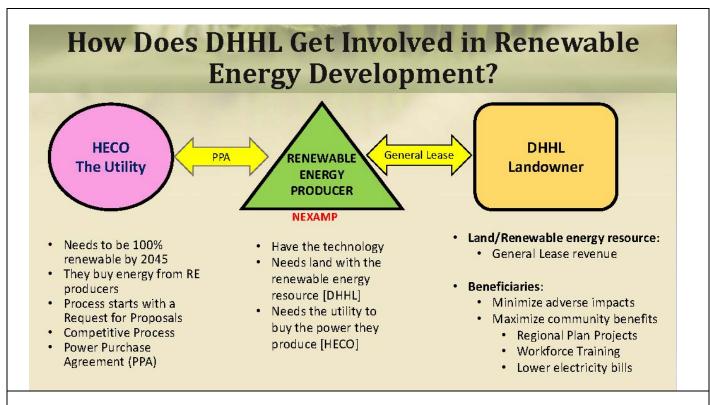
- To increase energy selfsufficiency within the region.
- To provide benefits to the community.
 - Benefits from the project that goes to the community
 - b. Training and professional development to provide job opportunities for beneficiaries.

The parcel identified for renewable energy development at Kalaoa was identified as Priority Projects in the 2009 and 2020 La'i 'Ōpua-Kealakehe Regional Plans indicating community support for renewable energy development at the proposed location.

- 7 - ITEM NO. G-5

July 13, 2021, 6:00 to 8:00 p.m.

MEETING NOTES



Julie explained the three parties that are involved in a renewable energy project, what they bring to the table and what they are looking to secure:

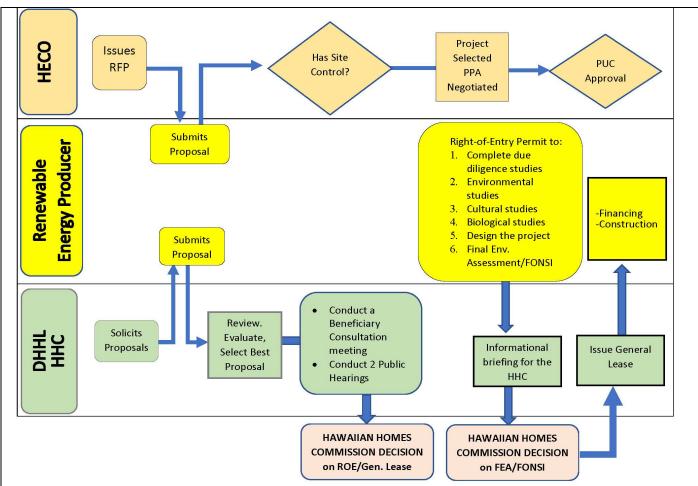
1st party: HECO is the utility company that needs to buy energy from renewable energy producers because they need to generate 100% of their electricity from renewable energy sources by 2045. The relationship between the Utility and the renewable energy developer is defined by the PPA.

2nd **party: Renewable energy producers** have the technology to produce electricity from renewable energy sources, but they need land where they can develop their project. The legal instrument binding the renewable energy company and the landowner is a long-term General Lease. They also need a Power Purchase Agreement (PPA) with the utility -- is their long-term agreement with the utility that the utility will buy the renewable energy they produce.

3rd **party: DHHL** has land in sufficient quantities and locations that have excellent renewable energy resources. DHHL wants to lease land to a renewable energy producer to generate revenue for continued development of homestead lots. DHHL is accountable to their beneficiaries which means that it wants to lease lands to a renewable energy producer that can minimize adverse impacts and maximize project benefits to the beneficiaries.

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MEETING NOTES



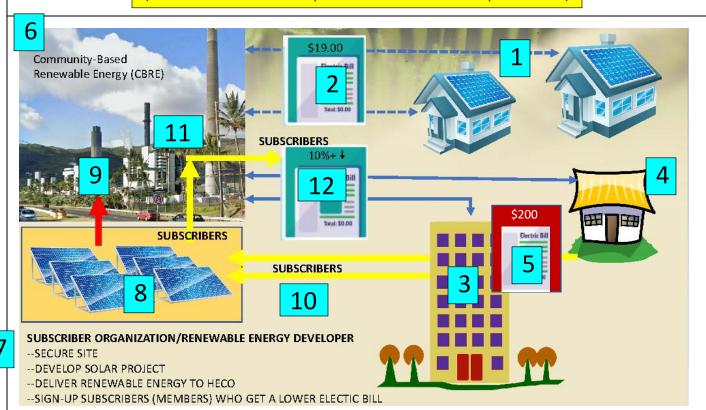
This graphic takes the same 3 parties and shows the big procedural steps they have to complete in order to secure their legal agreements/documents. Julie explained how HECO and DHHL have separate processes that the renewable energy producers have to go through that have different requirements and deadlines and involve different decision-makers. She explained that the processes take time to complete and that we are at the beginning of the process. At the end, HECO is looking to purchase cheap renewable energy that they can bring to their electric grid; the energy producer is looking for reasonably priced land where they can do their project and they want a PPA with the utility. DHHL is seeking general lease revenue for the continued development of homestead lots; they want to negotiate a good community benefits agreement; and they want a project that will minimize adverse impacts and maximize benefits to beneficiaries.

HECO'S Community Based Renewable Energy Iniatiative HECO has piloted and is getting ready to mobilize a different model of renewable energy development that people refer to as: "Community Based Renewable Energy" or "Community Solar." It's a whole different concept.

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MEETING NOTES

How Community-Based Renewable Energy Works (The numbered items correspond to the numbered descriptions below)



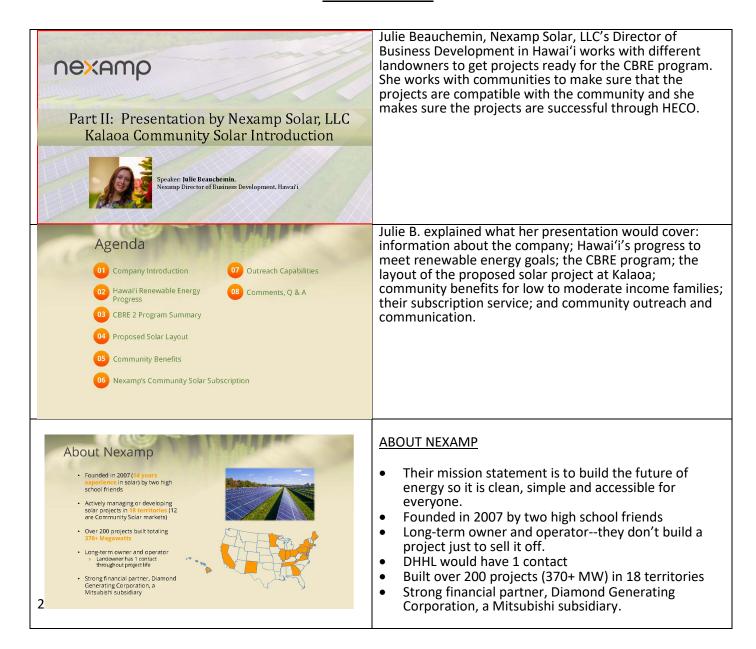
HOW THE COMMUNITY BASED RENEWABLE ENERGY (CBRE) MODEL WORKS

- 1. The CBRE Story starts with homes that have installed solar panels on their roof tops who are still connected to HECO's electric grid if they need more energy. They are happy because
- 2. They are paying a much lower bill.
- 3. But there are others, who live in apartment buildings that don't have roof tops
- 4. And others with rooftops, who can't afford to install PV panels.
- 5. They are not happy because they have to pay high electric bills and haven't been able to benefit from progress made in renewable energy development.
- 6. In response to this situation, HECO created the CBRE program.
- 7. CBRE requires a subscriber organization, which is a renewable energy developer
- 8. To Secure a site and develop a solar project
- 9. that delivers energy to HECO
- 10. The subscriber org signs up subscribers—those who live in apt buildings or who haven't been able to install PV panels on their rooftops
- 11. the subscriber org gives its list of subscribers to HECO
- 12. HECO can reduce their monthly bills—so that more customers are able to enjoy the benefits of renewable energy development.

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MEETING NOTES



Current Status of Hawai'i Renewable Energy

- 1 in 3 homes in Hawai'i have rooftop solar
- · State goal of 100% renewable energy utilization by 2045
- Hawaiian Electric achieved 34.5% renewables across its territory by end of 2020
 - Waste-to-energy, biomass, geothermal, hydro, wind, biofuels and solar, utility-scale and customer-sited rooftop systems.

Community-Based Renewable Energy (CBRE) Phase 2

- HECO program overseen by the Public Utilities Commission
- HECO Self-Build team and developers bid in projects, HECO selects projects
- Phase 2 objectives:
 - > To address significant renewable demand among customers without rooftop solar
 - > To help compensate for previous renewable energy programs falling short of goals
 - > To give low-to-moderate income customers access to renewable energy
 - > To speed up market development and customer access to CBRE benefits
 - > To address near-term capacity needs because of fossil fuel station retirements

The CBRE Phase 2 program was started by HECO and is overseen by the Public Utilities Commission (PUC).

- Developers can bid in projects that they have site control on.
- HECO can bid a self-build project on HECO's land.
- HECO will look at the prices that developers bid in order to select projects to be on a "short list" of developers. Developers on the "short list" will give their best and final offer to HECO and HECO would make their selections.

CBRE Phase 2 Objectives are:

- To address significant renewable demand among customers without rooftop solar
- To help compensate for previous renewable energy programs falling short of goals
- To give low-to-moderate income customers access to renewable energy
- To speed up market development and customer access to CBRE benefits
- To address near-term capacity needs because of fossil fuel station retirements

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MEETING NOTES

COMMUNITY-BASED RENEWABLE ENERGY (CBRE) PHASE II THE KALAOA PROJECT

WILL BE A LOW-TO-MODERATE INCOME (LMI) PROJECT

- A Low-to-Moderate Income (LMI) project would enroll subscribers that are at or below 80% of the Area Median Income. Based on income limits established by HUD every year.
- Subscribers to the Kalaoa project would be Big Island homestead lessees and applicants with household income that is 80% of the Area Median Income (AMI) or below.
- To see if you qualify, you need to know the number of people in your household and your total household income. For Hawai'i County, the income limits for 80% AMI in 2021 are identified below:

2021 Hawai'i County Income Limits for 80% of Area Median Income (AMI)

Family Size	1	2	3	4	5	6	7	8
Income Limits	\$47,950	54,800	\$61,650	\$68,500	\$74,000	\$79,500	\$84,950	\$90,450

- At least 60% of the energy generated must go to LMI homes that meet the above income limits.
- The Kalaoa 8.4 -Megawatt system can host approximately 1,100 homes.
- If subscriptions are still available after all beneficiaries have the opportunity to sign up for a subscription, Nexamp will go to nonprofit organizations or other associations to secure necessary subscribers.

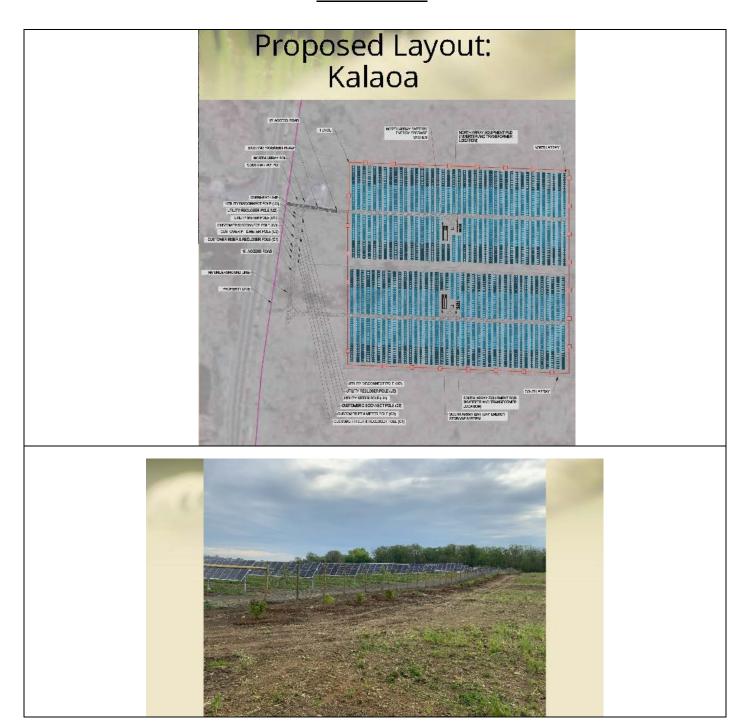


The proposed 8.4 Megawatt solar plus battery storage project will occupy approximately 28 acres of the 100-acre portion of the TMK. The project area would be completely fenced

- Behind existing substation
- 8.4 Megawatts + battery storage
- 27.6 acres fenced
- Tracker system & bi-facial panels

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MEETING NOTES



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Compatible ground-mounted solar dual uses:

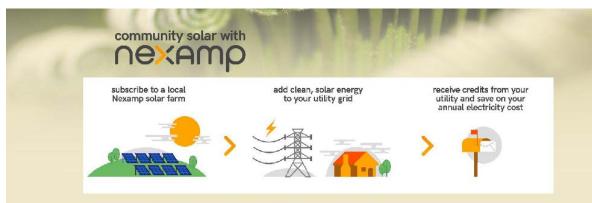
- · Sheep farm
- · Pollinator habitat
- · Certified wildlife habitat
- · Hand-picked crops not needing direct light
 - · Other uses?

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MEETING NOTES

Community Benefits

- √ Discounted electricity to beneficiaries for 20+ years
 - · Savings depends on final CBRE 2 rules; likely 10-15% monthly discount
 - · Priority to DHHL beneficiaries
- ✓ Upgraded electrical infrastructure in community
- √ Local workforce opportunities
 - Workforce training program for trade jobs in Construction and Maintenance
- ✓ Donations to nonprofit organizations that serve the homesteads
- ✓ Local food production or other agriculture suggested by beneficiaries
- ✓ Low-impact use that conserves land for future agriculture/other uses



The Nexamp Community Solar contract has:

- ✓ Guaranteed discount
- √ No upfront costs
- √ No cancellation fees
- √ No long-term commitment; can cancel with 90 days' notice
- √ No credit check or FICO score requirement

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Local Outreach

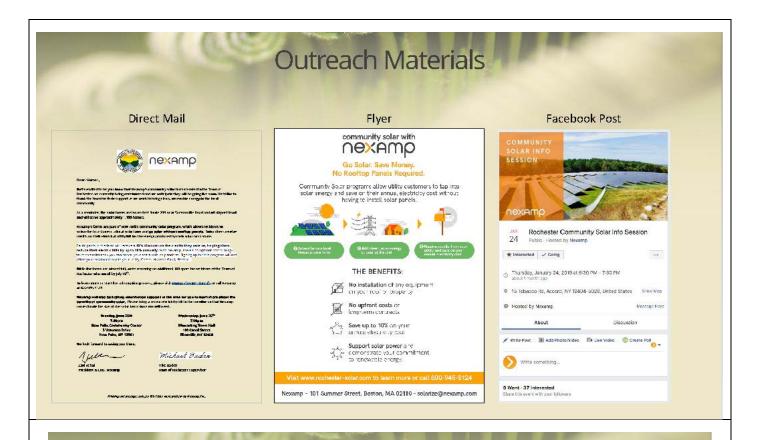
Nexamp is committed to the following outreach activities to ensure project success:

- Information sessions with Nexamp representatives in a public space
 - For project updates and community solar information
- Direct mail to beneficiaries, paid for by Nexamp
- Printed ads in local publications, paid for by Nexamp
- Promoted posts on Facebook, paid for by Nexamp
- Flyers with program information, provided by Nexamp



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Onboarding Kit

- New subscribers receive the kit shortly before credits appear on their utility bills
- Contains a community solar handbook, reusable bag and window decal
- The handbook will be a resource for questions about credits and billing



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MEETING NOTES

Most Recent CBRE Phase 2 Schedule

Milestone	Schedule Dates
(1) Draft RFP filed	July 9, 2020
(2) Technical Conference	July 29, 2020
(3) Parties and Participants file Comments by	August 12, 2020
(4) Proposed Final RFP filed	September 8, 2020
(5) Updated RFP Draft filed per Order 37592	March 30, 2021
(6) Parties and Participants file Comments by	April 14, 2021
(7) Proposed Updated RFP filed	May 14, 2021 ¹⁰
(8) Final RFP issued	June 14, 2021 ¹¹
(9) IPP and Affiliate Proposal due date	August 13, 2021 at 2:00 pm HST
(10) Priority List selected	October 12, 2021
(11) BAFOs due	October 19, 2021
(12) Final Award Group selected	February 1, 2022
(13) Contract Negotiations Start	February 8, 2022

RFP = Request For Proposals
IPP = Independent Power Producer
BAFO = Best And Final Offer

Part III: Discussion Questions/Answers and Comments

Please "Raise Hand" to Speak or Type your Question/comment in the Chat Box

BENEFICIARY DISCUSSION

- · Questions on the Presentation?
 - Questions on the Process?
 - · Questions about the Site?
 - · Questions about HECO's CBRE Program
- Input on how the Project could benefit your homestead community?
 - What kind of projects would benefit the homestead community.
 - What Regional Plan Priority Projects would you like to see supported by
 - IF there was only one RP PP that could be supported by this RE devmt, what do you think it should it be?

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NEXT STEPS

- DHHL/HHC must conduct Two Public Hearings
- HHC Decision-Making on a Right-of-Entry to conduct due diligence studies and conversion to a General Lease if all requirements met.
- HECO has to release the RFPs for CBRE projects
- Nexamp must respond to HECO's RFP and must Secure Selection
- Nexamp must complete their on-site Due Diligence work, including completion of Chapter 343, HRS.

More Information, More Questions?

- 1. MORE INFORMATION: on our website at: https://dhhl.hawaii.gov/po/Hawaii-island/
 - --Powerpoint, meeting notes, recording of the meeting
- 2. MORE QUESTIONS OR COMMENTS
 - Send Email to the Planning Office at: <u>DHHL.Planning@hawaii.gov</u>
 - · OR mail your questions/comments to:

DHHL Planning Office P.O. Box 1879 Honolulu, HI 96805

Submit comments by August 12, 2021

MAHALO!

BENEFICIARY QUESTIONS AND CONCERNS

The following is a list of questions and comments raised by beneficiaries who submitted comments in writing. Attachment F contains 2 of the written comments received.

- 1. Was the selection for contracts made public?
- 2. Was the final review and selection of submitted proposals a public process?
- 3. Who gets to utilize this service? Do DHHL Beneficiaries have priority? Will a non-beneficiary that meets the LMI (Low-to-Moderate Income threshold of 80% below median income or less) income requirement be able to be a subscriber before a beneficiary?
- 4. A 10% to 15% credit (discount) on monthly HECO bills seems like a small benefit.
- 5. How far can you be from the project in order to receive this service?
- 6. Has Nexamp been confirmed as the provider?
- 7. There are some nice community benefits to include agricultural opportunities, workforce development training for building and maintenance of the solar farm to provide local 10 sidents job opportunities, donations to non-profit organizations. Will DHHL beneficiaries have priority for this workforce development training?
- 8. How will Nexamp provide donations to non-profit organizations serving DHHL beneficiaries?
- **9.** We'd like the community to tell us what types of projects would be good for their homestead community.
- 10. NEXAMP should create a written plan that articulates in detail the process and program to provide workforce development opportunities to DHHL beneficiaries. La'i 'Ōpua 2020 would be interested in providing space to Nexamp to deliver workforce development opportunities to DHHL beneficiaries.
- **11.** Greater detail is needed to specify what NEXAMP has in mind for donating to non-profits that support DHHL beneficiaries.
- 12. It is imperative that ALL DHHL beneficiaries, regardless of income, have an opportunity to sign up for this program, regardless of their income level. Nexamp has stated that they will work with low to medium income households however, DHHL beneficiaries who have income above this scale shouldn't be punished by not being provided an opportunity save on their electricity bill as well.
- 13. L2020 should make reasonable suggestions about how NEXAMP could potentially help L2020 initiatives. This would help NEXAMP better understand L2020's and the community's needs.
- 14. I agree that the 10 to 15% monthly discount to DHHL Beneficiaries is too small and that amount is really insignificant to provide any financial assistance. It should be at least 50% to be meaningful or start at 25% the first year and reach 50% by the 3rd or 5th year.
- 15. Julie B. continues to reference the Low to Moderate income Beneficiaries which punishes those who strive to work harder to produce a higher income. They need to be rid of

- identifying Native Hawaiians with Low to Moderate references and just address everyone across the board as one income. No reference to Low/Mod just "Everyone" regardless of income level which keeps it simple.
- 16. There was also reference being made not only by DHHL Staff but also by Julie B. of Nexamp Workforce Development benefiting the Beneficiaries. If this is so, then Native Hawaiian beneficiaries should be given top priority for any and all jobs offered by the project.
- 17. I think a large majority of DHHL Homeowners already have rooftop solar panels and therefore will not be benefiting from this advantageous renewable energy plan. The goal of reaching 1,100 homes will be difficult as a result since this program is a little too late in running but it could reach that amount if the whole island takes an aggressive approach rather than limiting this project to Kona. There needs to be an incentive program for those already with rooftop panels to sign up and be of service to this program. A DHHL Homeowner stated on video that her monthly bill is only \$26 because she already has PV panels. So what's in it for her at this late stage? It's obvious her family already paid out \$6 to \$8,000 for a lease or more if purchased so now what do they get out of this renewable solar project? This was not addressed.
- 18. Lastly, unfortunately when the Queen Kaahumanu Highway was built, there were numerous archeological and burial sites uncovered and these 100 acres is no different. I envision a project delay once an Environmental Assessment begins but that is expected and rightfully so. But that is between HELCO and the Contractor and hopefully our ancestors will be respected. This should be disclosed to Nexamp and planned early for this delay so it can be addressed early on even before the Right of Entry as a courtesy to allow early inspection for this specific purpose. Nexamp may want to withdraw if the findings are too ancient or historical. Who knows unless they are allowed to look?

LIST OF ATTACHMENTS

Attachment A: DHHL's Ho'omaluō Energy Policy

Attachment B: Legal Ad—Solicitation for Proposals

Attachment C: Selection Letter

Attachment D: Invitation Post Card for Beneficiary Consultation meeting

Attachment E: Letter to Beneficiaries after Meeting Encouraging their review and comments

Attachment F: Written comments from Kawehi Inaba

Written comments from Newton Lyman

DEPARTMENT OF HAWAIIAN HOME LANDS



HO'OMALUŌ

ENERGY POLICY

To enable native Hawaiians and the broader community working together to lead Hawai'i's effort to achieve energy self-sufficiency and sustainability.

OBJECTIVE

Mālama 'āina:

Respect and protect our native home lands.

OBJECTIVE 2

Ko'o: Facilitate the use of diverse renewable energy resources.

ACTIVITIES:

Develop a comprehensive strategic plan for the protection, restoration and preservation of DHHL's forest lands. (An appropriate plan that incorporates the preservation of values, traditions, and culture of Native Hawaiians that restores balance, harmony, and sustainability of the forest lands for future generations.)

Develop a comprehensive strategic plan for the protection, restoration and preservation of DHHL's other lands—lands other than forest lands, lands for homesteading and lands for general lease.

Identify properties in DHHL land inventory that have potential for carbon sequestration and determine if carbon sequestration is a viable use of DHHL lands.

Evaluate each Regional Plan to determine if energy self-sufficiency and sustainability goals and objectives should be incorporated into the regions. (The regions contained within the Regional Plans can serve as today's "ahupua'a" - the past Hawaiian land-management system of self-sufficiency for future generations.)

Develop, implement, and maintain plans to reduce DHHL's carbon footprint (reduce greenhouse gas

ACTIVITIES:

Identify properties in DHHL's land inventory that have potential for renewable energy projects.

Pursue the leasing of those lands that are identified as suitable for renewable energy projects. (First priority should be given to entities that would provide "firm" renewable energy power such as garbage-to-energy (mass-burn), geothermal, pump-storage hydropower, solar-thermal and second priority to "as-available" renewable energy power such as wind, solar-photovoltaic, and wave.)

Encourage existing and future general lessees and licensees of DHHL's properties to design and build their facilities so that they are energy and resource efficient.

Seek partnerships for the development of renewable energy resources. In this connection, build relationships that could assist DHHL on non-energy related issues.

Evaluate DHHL's available authorities/powers that could expedite renewable energy projects for the state of Hawai'i.

Seek innovative processes to provide reliable electricity, by assisting electric utilities (in a world where energy is an essential but very limited resource) to reduce Hawaii's dependency on fossil fuels.

OBJECTIVE

3

Kūkulu pono: Design and build homes and communities that are energy efficient, self-sufficient and sustainable.

OBJECTIVE

4

Kōkua nō i nā kahu: Provide energy efficiency, self-sufficiency, and sustainability opportunities to existing homesteaders and their communities.

OBJECTIVE

5

Ho'ona'auao: Prepare and equip beneficiaries to promote a green, energy efficient lifestyle in and around communities.

ACTIVITIES:

Promote, design, and build new affordable homes (that minimize lifestyle and visual impacts) using the "Hawai'i BuiltGreen" and "ENERGY STAR" programs. (These programs ensure the designing and building of new energy and resource efficient homes in Hawai'i.)

Strive to plan, design, and build new communities utilizing the "ahupua'a" concept and the "Green Communities" program. (The Green Communities program's criteria are designed to provide a cost effective approach and standard for creating healthy, affordable, and environmentally responsible homes and communities.

Assist beneficiaries to utilize energy efficiency rebates, financial assistance, tax credits and other incentives offered by utility companies and federal, state and county governments.

Promote the benefits of hybrid electric vehicles to help reduce beneficiaries' transportation (gasoline) costs. (70% of Hawai'i's imported fossil fuel is used for transportation that must be use efficiently or conserved.)

Assist beneficiaries to obtain mortgages under the "Energy Efficient Mortgage" program. (The program can help beneficiaries save money and, reduce their loan qualifying income requirements.)

Seek partnerships with federal agencies like with the U.S. Department of Energy that provide access to current state-of-the-art technical advancements in energy.

Seek partnerships that provide grants and other financial assistance for the developments of state-of the-art net zero energy homes.

Join with electric utilities and the Public Benefits Administration as partners to advocate, communicate and educate the public on state-ofthe-art energy initiatives.

Energy efficient homes generate lower electricity and home maintenance costs that would help beneficiaries qualify for a higher home mortgage or increase their purchasing/savings power.

ACTIVITIES:

Identify effective energy efficiency and conservation retrofit applications and develop a plan to assist homesteaders with the retrofitting of their homes. (Retrofit applications may include: solar hot water heating system, insulation/radiant barriers, low-flow toilet and shower head, photovoltaic system, CFL bulbs, ENERGY STAR appliances, energy efficient windows, clothes line, ventilation techniques, and roof/attic vents.

Assist homestead communities to achieve potential energy self-sufficiency by identifying properties near existing homesteads that could be utilized for community renewable energy projects that could also generate revenue for their respective regional plan projects.

Seek partnerships to assist homesteaders with retrofit applications and energy self-sufficiency projects.

Help homesteaders lower their monthly electricity and maintenance costs that would increase their purchasing/savings power and generate revenue for their respective Regional Plan projects.

ACTIVITIES:

Seek partnerships that provide opportunities to learn how to live a self-sufficient and sustainable, greener lifestyle.

Develop and implement resource efficiency programs for beneficiaries to reduce, reuse, and recycle resources. These resources include construction and demolition materials, household items, yard waste, and other items which might be sent to landfills or incineration.

Assist homestead communities to become more aware of their energy use and carbon footprint.





PUBLIC NOTICE DISPOSITION OF HAWAIIAN HOME LANDS BY GENERAL LEASES FOR RENEWABLE ENERGY PROJECTS ON OAHU, MOLOKAI, AND HAWAII ISLAND

The Department of Hawaiian Home Lands ("DHHL") is soliciting proposals from renewable energy producers who are interested in negotiating an agreement or agreements to use available lands on Oahu, Molokai, and Hawaii Island to develop and operate qualifying renewable energy projects pursuant to HRS Section 171-95.3, as amended.

DHHL will consider qualifying renewable energy projects, including, but not limited to those modeled as Community-Based Renewable Energy projects, on a portion or portions of the available lands identified and

ISLAND	TAX MAP KEY NO.	ACRES	LOCATION	NOTES
Oahu	8-9-007:002 (portion)	448	Nanakuli	Portion of parcel subject to negotiation
Molokai	5-2-001:004 (portion)	462	Hoolehua	Up to 20 acres
Hawaii	6-1-006:003 (portion)	20	Kawaihae	Up to the entire 20 acres
Hawaii	7-3-010:007 (portion)	100	Kalaoa	Up to 100 acres in the southern half of
				the 200-acre parcel

Applicants who are interested in participating in this opportunity must submit a complete application to DHHL by 2:00 pm HST on Friday, October 16, 2020 to be considered. Applications must be addressed to and received by Department of Hawaiian Home Lands, Land Management Division, Attention: 2020 Renewable Energy Projects, at 91-5420 Kapolei Parkway, Kapolei, Hawaii 96707 by the deadline above.

A complete application must contain the information below and any other information or materials identified in the Information Packet (available at the link below):

- Description of the project
- Timeline for the completion of the project
- Description of how the project will be financed
- Description of the business concept of the project
- Description of the landscape and acreage requirements, including lands that would be accessible to the public and lands that would not be accessible to the public; and Any other qualifications that DHHL requests through posted amendments to the Information Packet.

Chapter 343, HRS, Environmental Assessment: Applicants selected to proceed through the leasing process shall be required to complete compliance with Chapter 343, HRS, as amended, prior to the start of any general lease for a site. Such compliance shall assess the impacts that the proposed development will have on the surrounding community and environment.

Qualifying applicants are also expected to complete DHHL's beneficiary consultation and other public hearing processes, any terms and conditions the parties may negotiate, and the general processes, procedures, or requirements otherwise described in the Information Packet (as amended or supplemented).

The Information Packet is available at https://dhhl.hawaii.gov/procurement, under the "Solicitations" heading. The Information Packet includes an application, general property information, DHHL's objectives and criteria for the desired project, a preliminary outline of the leasing process, schedule, and other DHHL requirements.

For additional information contact Allen G. Yanos, Property Development Agent, in the Land Management Division, at (808) 620-9460 or via email at allen.g.yanos@hawaii.gov no later than Tuesday, September 15, 2020 at 2:00 pm HST.

Information is located on DHHL's procurement webpage for ease of reference only. The potential dispositions of Hawaiian home lands set forth herein are not governed by Chapter 103D, HRS.

DHHL reserves the right to rescind this notice and to cancel or modify this solicitation in its sole discretion.

Dated: Honolulu, Hawaii, August 31, 2020.

State of Hawaii DEPARTMENT OF HAWAIIAN HOME LANDS By William J. Aila, Jr., Chairman Hawaiian Homes Commission

(SA, TGI, HTH, WHT - 1293702 8/31/20)

ATTACHMENT C

DAVID Y. IGE GOVERNOR STATE OF HAWAII

JOSH GREEN LT GOVERNOR STATE OF HAWAI



WILLIAM J. AILA, JR CHAIRMAN HAWAIIAN HOMES COMMISSION

TYLER I. GOMES
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879 HONOLULU, HAWAII 96805

February 10, 2021

bc: LMD Reading
LMD Staff: AY

Via Email to jbeauchemin@nexamp.com and First Class Mail

Ms. Julie Beauchemin Director of Business Development Nexamp Solar, LLC 204 Kapahulu Avenue, #803 Honolulu, HI 96815

Dear Ms. Beauchemin:

Subject: Notice of Final Selection to Proceed with Leasing Process 2020 Renewable Energy Projects Solicitation

Nexamp Solar, LLC ("Nexamp") is now eligible to proceed with the leasing process in connection with your application proposing community solar projects on Hawaiian home lands at Kalaoa, Island of Hawaii, identified as a portion of the southern half of Tax Key No. 7-3-010:007, not to exceed 40 acres ("site").

The Department of Hawaiian Home Lands ("DHHL") intends to issue Nexamp, the Right-of-Entry ("ROE) negotiated by the parties to access the site for due diligence activities and other preparatory tasks to assess the feasibility of your proposed community solar projects. As defined in the ROE, and before DHHL executes the ROE, the following are required:

- 1. Payment of a non-refundable deposit of \$10,000.00 within seven (7) working days of the date of this letter by DHHL. The deposit shall be credited towards your initial annual ROE fees.
- 2. Your participation in completing DHHL's beneficiary consultation process.
- 3. Completion of the requirements for the issuance of a general lease pursuant to Section 171-95.3, HRS, including your participation in the required public hearings.

Ms. Julie Beauchemin Nexamp Solar, LLC February 10, 2021 Page 2

- 4. Approval of the ROE and option for a general lease by the Hawaiian Homes Commission.
- 5. In the event that DHHL has issued ROEs to others for the same site but for other uses, Nexamp agrees to obtain consent from DHHL in advance of any equipment, staking or other work to be installed or done on the site to prevent conflicts with other permittees.

A draft of the ROE and option for a general lease document covering the site will be transmitted to you for review along with information requested for presentation at the beneficiary consultation meeting.

We look forward to your cooperation and success through the leasing process. Should you have any questions meanwhile, please contact Allen Yanos, Property Development Agent, in the Land Management Division, at (808) 620-9460 or by email at allen.g.yanos@hawaii.gov.

Aloha,

William J. Aila, Jr., Chairman Hawaiian Homes Commission

ATTACHMENT D: INVITATION POSTCARD



Beneficiary Consultation Virtual Meeting



PRESORTED STANDARD US POSTAGE PAID HONOLULU, HI PERMIT NO. 574

Community-Based Renewable Energy Proposed Project at Kalaoa

Tuesday, July 13, 2021 6:00 p.m. to 8:00 p.m.

Meeting Purpose:

Nexamp, a renewable energy developer selected by DHHL, will present their proposed community-based renewable energy project at Kalaoa. Find out how you can benefit from the project, ask questions, and provide comments.

Join the Virtual Meeting: dhhl.hawaii.gov/po/hawaii-island Questions? dhhl.planning@hawaii.gov DAVID Y. IGE GOVERNOR STATE OF HAWAII

JOSH GREEN LT. GOVERNOR STATE OF HAWAII



WILLIAM J. AILA, JR CHAIRMAN HAWAIIAN HOMES COMMISSION

TYLER I. GOMES

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

P O BOX 1879 HONOLULU, HAWAII 96805

July 14, 2021

Subject: Video Recording of the Beneficiary Consultation Meeting on a Proposed Community

Based Renewable Energy Solar Project in Kalaoa, Hawai'i

Aloha Kailua-Kona Beneficiaries!

Good News! If you were unable to attend last night's beneficiary consultation meeting, you can view a recording of the meeting and if you **submit your questions or comments before August 12, 2021**, they will be included in the Beneficiary Consultation Report to the Hawaiian Homes Commission.

The July 13, 2021 virtual beneficiary consultation meeting was held to introduce Nexamp, LLC which is the renewable energy developer that DHHL selected to continue in the planning process. The meeting provided information on Community Based Renewable Energy (CBRE), HECO's new renewable energy initiative; Nexamp presented their plans for the Kalaoa site; and the discussion focused on how beneficiaries and your homestead community can benefit directly from the project.

You can view the recording of the meeting at: https://dhhl.hawaii.gov/po/hawaii-island/proposed-community-based-renewable-energy-project-at-kalaoa/. This is the webpage that will be updated to provide a record of meetings, decisions, studies, and other documents related to the renewable energy project at Kalaoa. Last night's meeting was the first beneficiary consultation meeting. Instructions to submit your comments are presented at the end of the video. I look forward to hearing from you!

Mahalo,

William J. Ailā, Jr., Chairman Hawaiian Homes Commission

cc: Michael Kaleikini, East Hawai'i Commissioner, HHC David B. Ka'apu, West Hawai'i Commissioner, HHC

Ref. #PO-21-207

ITEM NO. G-5
Attachment E

ATTACHMENT F

DHHL BENEFICIARY CONSULTATION #1 via ZOOM July 13, 2021 6pm HST

Kawehi Inaba
DHHL Beneficiary on Oahu Waiting List
808-937-8907
kawehiinaba@gmail.com

QUESTIONS:

- Was the selection for contractors made public? Yes, we posted it on the state procurement website SPO. (Julie DHHL)
- Was the final review and selection of submitted proposals a public process? No, the review
 committee of six people made the choice following State guidelines. Other state agencies use
 the same procurement methods but DHHL does more in order to provide more transparency to
 include giving beneficiaries priority (Cedric Duarte).
 - Who gets to utilize this service, Do DHHL Beneficiaries have first priority? Will a non-beneficiary LTM income homeowner take precedence over a DHHL beneficiary who has higher income? This was answered July B, she said yes. However, her answer wasn't convincing, it appeared she wasn't sure. This was more of a question for DHHL. I made a statement saying that no matter the income, DHHL beneficiaries should take precedence over non-beneficiaries regardless of their income. It appeared that DHHL representative were favorable to this statement but I am left not sure of the real answer. (Kawehi Inaba Statement)
- 10-15% credit (discount) from an existing HECO bill seems small. DHHL beneficiaries have nothing to lose. They don't have to pay anything, by simply signing up, they can start saving money immediately. They have nothing to lose. (Julie – DHHL)
- How far can you be from the project in order to receive this service? As long as you live on the island, you can receive this credit (Julie B)
- Has Nexamp been confirmed as the provider? Yes (Julie DHHL)
- There are some nice community benefits to include agricultural opportunities, workforce
 development training for building and maintenance of the solar farm to provide local
 residents job opportunities, donations to non-profit organizations. Will DHHL beneficiaries
 have priority for this workforce development training? Yes, beneficiaries "should" have
 priority (Julie B)
- How will Nexamp provide donations to non-profit organizations serving DHHL beneficiaries?
 We'd like the community to tell us what types of projects would be good for them. (Julie B)

SUMMARY and RECOMMENDATIONS:

- I'd like to a plan in writing on the process will take place for providing workforce development to DHHL beneficiaries to train them for building and maintenance of the solar farm. L2020 would be interested in providing space for this training if it's necessary.
- I'd like to understand what Nexamp has in mind for donating to non-profits who are supporting DHHL beneficiaries.
- It is imperative that ALL DHHL beneficiaries have an opportunity to sign up for this program regardless of their income level. Nexamp has stated that they will work with low to medium

income households however, DHHL beneficiaries who have income above this scale shouldn't be punished by not being provided an opportunity save on their electricity bill as well.

ATTACHMENT F

Pruet, Kealaonalani A

From: Newton Lyman < Nlyman@sandwichisles.net>

Sent: Tuesday, July 27, 2021 4:32 PM

To: DHHL.Planning

Subject: [EXTERNAL] Video Recording of the Beneficiary Consultation Meeting on a Proposed

Community Based Renewable Energy Solar Project in Kalaoa, Hawaii

Aloha,

This acknowledges your letter of July 14, 2021, sent to all 974 DHHL Beneficiaries regarding the above captioned Subject. I also watched the Captioned Video of July 13th and have the following comments:

- 1. I agree with Kawehi Inaba that the 10 to 15% monthly discount to DHHL Beneficiaries is too small and that amount is really insignificant to provide any financial assistance. It should be at least 50% to be meaningful or start at 25% the first year and reach 50% by the 3rd or 5th year.
- 2. Julie B. continues to reference the Low to Moderate income Beneficiaries which punishes those who strive to work harder to produce a higher income. They need to be rid of identifying Native Hawaiians with Low to Moderate referencing and just address everyone across the board as one income. No reference to Low/Mod just "Everyone" regardless of income level which keeps it simple.
- 3. There was also reference being made not only by DHHL Staff but also by Julie B. of Nexamp Workforce Development Project benefiting the Beneficiaries. If this is so, then shouldn't their workforce be giving priority to Native Hawaiians first when applying for jobs with them on this project?
- 4. I would venture to guess that a large majority of DHHL Homeowners already have rooftop solar panels and therefore will not be benefiting from this advantageous renewable energy plan. The goal of reaching 1,100 homes will be difficult as a result since this program is a little too late in running but it could reach that amount if the whole island takes an aggressive approach rather than limiting this project to Kona. There needs to be an incentive program for those already with rooftop panels to sign up and be of service to this program. A DHHL Homeowner stated on video that her monthly bill is only \$26 because she already has PV panels. So what's in it for her at this late stage? It's obvious her family already paid out \$6 to \$8,000 for a lease or more if purchased so now what do they get out of this renewable solar project? This was not addressed.
- 5. Lastly, unfortunately when the Queen Kaahumanu Highway was built, there were numerous archeological and burial sites uncovered and these 100 acres is no different. I envision a project delay once an Environmental Assessment begins but that is expected and rightfully so. But that is between HELCO and the Contractor and hopefully our ancestors will be respected. This should be disclosed to Nexamp and planned early for this delay so it can be addressed early on even before the Right of Entry as a courtesy to allow early inspection for this specific purpose. Nexamp may want to withdraw if the findings are too ancient or historical. Who knows unless they are allow to look?

Respectfully,

NEWTON S. LYMAN

Lessee, DHHL 74-199 Ililoa Street Kailua Kona, HI 96740

Sent from $\underline{\text{Mail}}$ for Windows 10