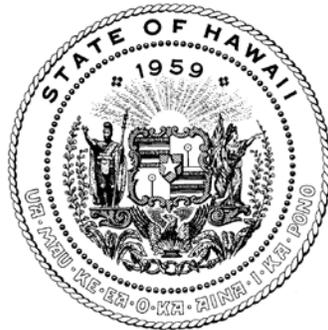Report to the Twenty-Eighth Legislature
2015 Regular Session

**GEOTHERMAL ROYALTIES DISPOSITIONS
AND
STATUS OF GEOTHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2014**

Prepared by the

Department of Land and Natural Resources
State of Hawaii

In response to
Sections 182-18 and 196D-11, Hawaii Revised Statutes

October 2014

GEOTHERMAL ROYALTIES DISPOSITIONS
AND
STATUS OF GEOTHERMAL AND CABLE SYSTEM DEVELOPMENT
FISCAL YEAR 2014

This report is prepared pursuant to Sections 182-18 and 196D-11, Hawaii Revised Statutes (HRS), and covers the period from July 1, 2013 through June 30, 2014.

Section 182-18, HRS – Geothermal Royalties

During Fiscal Year (FY) 2013-2014, a total of $2,921,193 in geothermal royalties was received from Puna Geothermal Venture (PGV). In accordance with statutory provisions, $876,357.90 (30%) was distributed to the County of Hawaii. Additionally, $584,238.60 (20%) was distributed to the Office of Hawaiian Affairs. Geothermal royalties for FY 2013-2014 were based on power production and sale of 289,874,921 kWh_e to Hawaii Electric Light Company (HELCO) at an average production of 33.1 MW_e.

Permit(s)

Issue Date	Well ID	Permit Type	Work Status
2014-05-29	KS-3	Well modification permit	Completed
2014-04-14	KS-13	Well modification permit	Completed

Section 196D-11, HRS - Geothermal and Cable System Development

The Department of Land and Natural Resources is responsible for the effective management of geothermal resources and its development, to protect the health and safety of the public and to ensure the continued viability of the resource for the future. Currently, the Island of Hawaii is the only island benefiting from geothermal development. Power generation from geothermal energy began in May 1993 and, on average, annually provides more than 20% of the Island's power demands.

No program work was performed during the FY to effectuate the intent of this statute regarding an interisland deep water electrical transmission cable system.