

Aloha Senators,

Please accept this testimony in opposition to HB 1326 HD2 SD1. We urge a "No" vote on this bill.

As pertains to Kauai, I think KIUC's interest in these proposed bills is to run the clock out while they develop more renewable energy until the use of the Waiahi hydro is obsolete and unnecessary. It has been 15 years since they received their first annual Revocable Permit. They have never given notice for an EA or EIS, and have never applied for a Conservation District Use Permit, as the law requires.

While shirking their legal obligation, our Coop has been complicit in delivery of state water to Grove Farm (GF) for sale to the County and GF Ag lessees. Significant money is saved if KIUC successfully avoids required environmental studies and application for a Conservation District Use Permit. The diversions at issue (under KIUC's RP 7340) and the 2 Waiahi hydro-power plants are on State Conservation Land which mandates the studies they have so fastidiously avoided.

In the meantime, many on Kauai are being asked to drink questionable "red water."

As we discussed, while not doing what the law requires, KIUC delivers water to Grove Farm after passing through KIUC's Waiahi hydro plants. Grove Farm takes the water without a permit or payment to the State, stores it in the Kapaia Reservoir and pumps it to its Waiahi Surface Water Treatment Plant, operational in 2004. Neither KIUC nor Grove Farm has ever done environmental studies for this area. State law requires environmental studies for any commercial use of State water. How is this allowed? Why is the Senate even considering another extended period, whether 3 (HB 1326 HD2 SD1) or 7 (HB 1171 SD2) years? Should A&B and their interest to save \$62 Million or KIUC and their interest to keep from spending a million to protect the public and the environment, a reason to give any business operation a pass from compliance with the law?

If HRS 171-58, the law governing State water leases, and the Water Code are not good laws, they can and should be amended. Carving out a period of time where businesses are told the law won't apply to them is a really bad precedent and the domino effect of related complicit illegality is unstoppable.

Without the required environmental studies which include a public hearing process, many on Kauai (15,000 residences and businesses) are now drinking water from GF's SWTP that lost its NPDES wastewater permit in May, 2016. That loss was due to excessive aluminum content and other contaminants from the bauxite laden soil in the Kapaia area that makes "red water." Grove Farm does not have a valid permit (RP) or lease to divert waters of the State. They also don't have a legal right to operate their Surface Water Treatment Plant (SWTP) using KIUC's diverted State water because GF doesn't have the valid permits. See attached State documents timeline.

People on Kauai have asked about the "red water" coming out of their pipes. People were told that the water was ok to drink because it had been purified. Purification does not remove aluminum. Aluminum is particularly toxic for chemo patients, dialysis patients, the old and the very young and it is believed to contribute to the development of Alzheimer's.

How despicable to ignore the law, fight doing environmental studies to save a buck, unreasonably risking the health of the community and its environment. KIUC and Grove Farm have no right to make money and disregard the Public's health, while making over \$30 million since 2004 from Kauai water customers... no law should be passed that relieves anyone from complying with the law.

Grove Farm knew there was bauxite in the soil and aluminum in the water. See GF CWRM 2017 request for funding attached. Despite their knowledge, Grove Farm choose to produce drinking water (which is supposed to be of the highest quality) from the lowest quality water source, stored ditch water run through a hydro-power plant.

We need your help. Stop this bad bill now and let DLNR do their job.

Mahalo nui,

Bridget Hammerquist, President
Friends of Mahaulepu, a 501(c)(3) Corporation
Kia`i Wai o Wai`ale`ale, Co-Founder
Concerned Community Organizations on Kauai