Appendix D

Agency Coordination under the Coastal Zone Management Act

This page intentionally left blank.

DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY GARRISON, HAWAII
DIRECTORATE OF PUBLIC WORKS
947 WRIGHT AVENUE, WHEELER ARMY AIRFIELD
SCHOFIELD BARRACKS, HAWAII 96857-5013

REPLY TO
ATTENTION OF:

Directorate of Public Works

OCT 2 2 2014

Mr. Leo Asuncion, Planning Program Manager
Coastal Zone Management Program
Office of Planning
P.O. Box 2359
Honolulu, Hawaii, 96804

Dear Mr. Asuncion:

The US Army Garrison, Hawaii (USAG-HI) proposes to lease 8.13 acres of land and grant a 2.5-acre interconnection easement on Schofield Barracks and Wheeler Army Airfield on Oahu to Hawaiian Electric Company (Hawaiian Electric) to construct, operate, and maintain a 50-megawatt (MW) capacity renewable energy power plant, including associated power poles, high-tension power lines, and related equipment and facilities. The proposed action is referred to as the Schofield Generating Station Project (SGSP). The State of Hawaii Department of Land and Natural Resources would grant a 1.28-acre easement and a 0.7-acre conservation district authorization to Hawaiian Electric to allow for the construction of a 46-kilovolt (kV) electrical power transmission line between the SGSP site and the existing Wahiawa Substation. The Army is currently preparing an Environmental Impact Statement (EIS) that analyzes the potential impacts of the proposed action in accordance with the National Environmental Policy Act of 1969 (NEPA). The Draft EIS is expected to be published in early 2015.

The primary site for the SGSP is on Army-owned property on Schofield Barracks' South Range. The transmission line interconnection easement would be partially on Army-owned property on Schofield Barracks and Wheeler Army Airfield and partially on properties owned or leased by the State of Hawaii. The Wahiawa Substation is on land owned by Hawaiian Electric.

The purposes for leasing the property and constructing the SGSP are to provide improved energy security to the USAG-HI at Schofield Barracks, Wheeler Army Airfield, and Field Station Kunia, and to provide new secure, firm, dispatchable, flexible, and renewable energy generation to the grid on Oahu, Hawaii. The electricity produced by the SGSP would normally supply power to all Hawaiian Electric customers through the island-wide electrical grid. During outages that meet the criteria specified in the Operating Agreement, SGSP output would first be provided to Army facilities at Schofield Barracks, Wheeler Army Airfield, and Field Station Kunia up to their peak demand of 32 MW to meet their missions and would additionally support the grid up to its full capacity. If there were a full island outage, the plant could also be used to blackstart other plants.

The USAG-HI has concluded that the SGSP will be consistent with all enforceable policies of the Hawaii Coastal Zone Management Program. Applicable best management practices and permit requirements will be strictly adhered to during construction and operation of the SGSP. Additionally, no direct, indirect or cumulative effects resulting from the construction and operation of the SGSP are anticipated to impact the state's coastal zone. For further information, please see the enclosed Project Impacts Summary and location map.

A copy this letter will be funished to Hawaiian Electric. If you have any questions, the point of contact is the NEPA Program Manager, Lisa Graham, by telephone at (808) 656.3075 or by email at lisa.m.graham52.civ@mail.mil.

Sincerely,

Steven Raymond
Director of Public Works

Enclosures

Project Impacts Summary
Schofield Generating Station Project
Schofield Barracks, Hawaii

Recreational Resources:
The proposed project would have a temporary minor impact on a recreational area. The new electrical transmission line would be next to Lake Wilson along Kamehameha Highway (Route 80), and the easternmost portion of the proposed transmission line would pass into the Wahiawa Freshwater State Park. However, where it crosses Lake Wilson, the new line would be placed on replacement poles that will carry both the new line and an existing 46-kilovolt electrical line and would terminate at the Wahiawa Substation between Neal Avenue and Walker Avenue. Other than the temporary disturbance for installation of the transmission line, no recreational resources would be impacted by the proposed project.

Historic Resources:
The project site is not within an historic or cultural district. Some transmission poles and portions of the electrical transmission line would be visible from the Schofield Barracks and Wheeler Army Airfield historic districts. The Army is consulting with SHPD regarding these visual effects, and SHPD will be provided with a copy of the draft Environmental Impact Statement for review. If, during construction, any previously unidentified archaeological or historic site was identified, construction activities would be halted in the vicinity and SHPD would be immediately notified. The project site is not listed on or nominated to the Hawaii or National Register of Historic Places. The project site land has been surveyed by an archaeologist, and there was no evidence of traditional Hawaiian or early historic cultural deposition. The project site is not within or near a Hawaiian fishpond or historic settlement area.

Scenic and Open Space Resources:
The project site does not abut a scenic landmark. Various elements of the power generating station would exceed one story in height. The engine hall would be 33 feet tall, engine-generator exhaust systems would each have a 75-foot-tall exhaust gas silencer stack, the switchyard will include a 75 foot tall microwave tower, two 40-foot-high aboveground fuel storage tanks would be installed to store biodiesel and diesel, and forty-seven steel poles would be installed for the overhead transmission line. The poles would be 60 to 80 feet tall. However, the generating station would be installed entirely on an undeveloped parcel of land and the station would be surrounded by undeveloped land on Army and state property. The transmission line poles would be installed on undeveloped property adjacent to an existing electrical transmission line.

Coastal Ecosystems:
The proposed action would not impact coastal ecosystems. Uncontaminated stormwater from the generating station would be discharged to the permitted plant stormwater drainage system. Earthwork would be required for construction of the generating station. A portion of the site would be paved to provide access to project facilities. Sanitary wastewater from the site would discharge to the Army wastewater system. Process wastewater would be passed into an oil/water separator the accumulated sludge would be managed and disposed of appropriately. Waikele Stream is about 100 to 150 feet north of the proposed site for the generating station, and three transmission line poles would be installed near Lake Wilson on the South Fork of Kaukonahua Stream, but the project would have no impacts on these waters.

The project would not have any detrimental impact on wildlife as it will incorporate measures that should avoid any risk of harm. The Hawaiian hoary bat is the only protected species with likelihood to occur in the project area, and though consultation with US Fish and Wildlife Service, the SGSP will incorporate measures that should avoid any risk of harm to the Hawaiian hoary bat. The proposed action would not involve dredge or fill activities, it is not within the Shoreline Setback Area, and is not in and does not abut a Natural Area Reserve, a Marine Life Conservation District, or an estuary.

Economic Uses:
The project would not impact coastal dependent development. The proposed project is to construct, operate, and maintain a 50-megawatt (MW) capacity renewable energy power plant that would be powered by a biofuel blend. The purposes of the generating station will be to provide improved energy security to the U.S. Army Garrison-Hawaii at Schofield Barracks, Wheeler Army Airfield, and Field Station Kunia, and to provide new secure, firm, dispatchable, flexible, and renewable energy generation to the grid on Oahu, Hawaii.

The primary project site is Army-owned land that was previously in agricultural production, but that has been fallow in recent years. The proposed project does not involve a harbor or port, is not within a designated tourist destination area, and does not relate to commercial fishing, seafood production, or seabed mining.

Coastal Hazards:
The project would not increase the risk of life or property to coastal hazards. The project site is not on and does not abut a sandy beach, is not within a potential tsunami inundation area, a potential flood inundation area, or a potential subsidence hazard area, and is not near any shoreline areas.

Managing Development:
The project will require numerous permits and approvals, and the Army and Hawaiian Electric are either in the process of obtaining them or will do so at the appropriate time during the project's development process. The project will conform with State and County land use designations for the site. The public has been notified of the proposed activity (see below, Public Participation), and a draft Environmental Impact Statement for the proposed project is being prepared.

Public Participation:
A public notice announcing the time and location of two public scoping meetings that were held to solicit public input and comments on the scope of the environmental impact statement (EIS) was published in the *Honolulu Star Advertiser* on January 17, 2014. In addition, the EIS public notice (EISPN) was published in the January 8, 2014 issue of *The Environmental Notice*, published by the State of Hawaii Department of Health, Office of Environmental Quality Control. Persons who were known to have a potential interest in the proposed action were notified and invited to participate in the environmental impact analysis process. The public mailing list contained the names of 145 parties. A notice of availability (NOA) of the EIS for the proposed project will be published in the *Federal Register*, the *Honolulu Star Advertiser*, and *The Environmental Notice*. The Army will hold public meetings to following publication of the NOA to provide opportunities for presenting oral and written comments on the Draft EIS.

Beach Protection: The proposed project would not impact any beach areas. The entire project would occur in inland areas and will not involve the construction of private or public beach erosion-protection structures.
Marine Resources: The proposed project would not impact any marine or coastal resources.

LEGEND

- DoD/Federal Land
- State Route
- SGSP Site
- Interconnection Easement

Source: Schofield Barracks GIS 2014, ESRI 2011.

Project Location