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COMMISSION ON WATER
RESOURCE MANAGEMENT

Attorneys for HAWAII FARM BUREAU FEDERATION

BEFORE THE COMMISSION ON WATER RESOURCE MANAGEMENT

STATE OF HAWAII

In the Matter of the Petitions to Amend Interim) **HAWAII FARM BUREAU**
Instream Flow Standards for East Maui) **FEDERATION BRIEFS RE: HAWAIIAN**
Streams.) **COMMERCIAL AND SUGAR**
) **COMPANY'S MOTION TO**
) **CONSOLIDATE PETITIONS TO**
) **AMEND INTERIM INSTREAM FLOW**
) **STANDARDS FOR EAST MAUI**
) **STREAMS AND COMPLAINT**
) **THERE TO FILED MAY 29, 2008;**
_____) **CERTIFICATE OF SERVICE**

**HAWAII FARM BUREAU FEDERATION BRIEFS RE: HAWAIIAN COMMERCIAL
AND SUGAR COMPANY'S MOTION TO CONSOLIDATE PETITIONS TO AMEND
INTERIM INSTREAM FLOW STANDARDS FOR EAST MAUI STREAMS AND
COMPLAINT THERETO FILED MAY 29, 2008**

Hawaii Farm Bureau Federation ("HFBF") submits this brief regarding Hawaiian Commercial and Sugar Company's ("HC&S") Motion to Consolidate Petitions to Amend Interim Instream Flow Standards ("IIFS") for East Maui Streams and Complaint Thereto Filed May 29, 2008. HFBF supports the motion to consolidate because it is the best way to ensure the continued viability of agriculture on Maui, as the East Maui Irrigation ("EMI") system is the lifeline for over 300 farmers and ranchers in Upcountry Maui. Additionally, it is the more responsible and logical

method of evaluating instream and offstream values and needs, ensuring proper information on all aspects of the decision is taken into consideration. On the other hand, a piecemeal or partial approach to setting IIFS creates insecurity for farmers and is not supportive of agriculture in Hawaii.

I. INTEREST OF HAWAII FARM BUREAU FEDERATION

Since being formed by windward Oahu farmers in 1948, HFBF has grown to a statewide organization of 2,200 member families in 10 local bureaus on every island. It is a grassroots not-for-profit organization of farming families and organizations united for the purpose of insuring the future of agriculture in Hawaii, encouraging the adoption of sensible land use and water allocation policies, preserving the State's agricultural land, and promoting the well-being of Hawaii farming and the State's economy. HFBF's members include large and small farmers and ranchers, businesses and individuals. Its members grow taro, tomatoes, watermelon, sugar cane, sweet potatoes, seed corn, herbs, ornamental flowers, raise cattle and other livestock, and grow a wide variety of crops. HFBF's guiding policies originate with its members at the county level, and include support of farmers' and ranchers' efforts to promote greater local consumption of locally-produced commodities, and export of local crops statewide, nationwide, and worldwide.

The people of Hawaii recognize the importance of agriculture to the State's economy, environment, and lifestyle. The Hawaii Constitution spells out the State's express policy favoring agriculture. Article XI commands the State to:

conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.

Haw. Const. art. XI, § 3.

HFBF has two distinct interests in this motion.

First, some of its members are directly dependent upon EMI water and upon HC&S. Water for the Kula Ag Park is developed by and transported through the EMI system. Also, ranchers who are unable to obtain reasonably priced cattle feed from the mainland are dependent upon cane tops from HC&S for cattle feed. These members are directly and immediately impacted by the continued economic viability of HC&S and the continued operation of the EMI system.

Second, how the Water Commission treats the EMI system will send a significant message to the agricultural community about whether water decisions and water policy in this state actually support agriculture. Many farmers are at a crossroad today. Recent agricultural woes, as reported in the press, are frightening: Gay & Robinson recently terminated sugar production; Maui Land and Pine may be retrenching; Molokai Ranch is shutting down; tons of macadamia nuts are going unsold. Those are just the larger farmers. Many small farmers, like those in Upcountry Maui, are questioning whether they can remain in business. But at the same time, HFBF's members see opportunity: the demand for biofuel presents opportunities to farm new crops; skyrocketing transportation costs may finally make locally grown crops competitive with U.S. mainland or foreign imports, creating opportunities for expansion. However, if farmers and ranchers are to act on the opportunities presented and not give in to the fears, they need to know that water for agriculture will not be a limiting factor.

II. REASONS FOR GRANTING THE MOTION

HFBF urges the Water Commission to grant the motion to consolidate as proposed by by HC&S for two reasons, one scientific, one practical.

First, the scientific. A system-wide approach to consideration of water use is a tried and true methodology utilized by the United States Department of Agriculture Natural Resources

and Conservation Service (“NRCS”). HFBF relies upon NRCS for technical matters relating to land and water stewardship. A major role of NRCS is to participate in planning, coordination and management at the greater watershed level with land owners and local, State and Federal agencies. NRCS’s watershed approach, evolved over many years of experience, is one in which individual streams are not considered in isolation.

“Watershed,” as the term is used by NRCS, involves the whole system of water resources and uses. This approach has been found to be the most promising foundation for effective land and watershed stewardship. NRCS is also partnered with the United States Environmental Protection Agency in the Clean Water Action Plan which also encourages a watershed approach to collaborative natural resource stewardship. NRCS employs a watershed approach to conservation, using a “SWAPA+H” (Soil, Water, Air, Plants, Animals + Humans) as a framework for planning the management of natural resources using an ecosystem or watershed approach. It focuses on the natural systems and processes that sustain the natural resources, while striving for harmony with social, cultural and economic conditions.

NRCS has expanded the watershed approach for its water resources projects to include hydrologic systems, both natural and man-made, as the evaluation unit for assessing impacts of actions. In the case of East Maui, the hydrologic system which is impacted by the establishment of instream flow standards for East Maui streams would include the 27 stream systems which comprise the water source, the water collection and conveyance structures in the water source area, the transmission ditches, the storage reservoirs, the delivery system to the agricultural fields, the water use by the agricultural crops, and the economic and non-economic benefits provided by irrigated agriculture in Central and Upcountry Maui. All of these components of the EMI system

should be considered when determining the instream flow quantities needed for aquatic ecosystems and native Hawaiian agriculture. Due to the complexity of the EMI collection system in the water source area and the connections between stream systems provided by the conveyance structures, it may be difficult to produce the intended streamflow restoration results to a particular stream without other disturbances throughout the hydrologic system. An evaluation of the instream flow needs of all of the 27 streams which also integrates the operation of the EMI collection system and models agricultural water supply effects to crops in Central and Upcountry Maui is the more responsible method of establishing IIFS. HFBF believes streamflow restoration actions can be identified through such a holistic hydrologic system evaluation which can provide the desired ecosystem and native Hawaiian agricultural water requirements while continuing to supply water to agriculture in Central and Upcountry Maui. The watershed approach is a tried and true model tested across the nation under many different conditions and should be applied here.

The second reason for granting the motion is a practical one. Many farmers throughout the state rely upon complex plantation ditch systems like the EMI system, which collect water from a number of streams feeding into one system. Setting interim instream flow standards on a piecemeal rather than system-wide basis creates huge uncertainties and insecurity for the farmer. Although changes in use in any single stream, or piece of a system may not be onerous when viewed alone, it cannot be measured whether that decision, when added to decisions that will be made in the future about the other sources of water, will break the camel's back. That uncertainty naturally would lead to a reluctance to compromise and protracted battles at every step. Evaluating IIFS piecemeal would not foster compromise, because a compromise today may mean the farmer is out

of business tomorrow. Only by viewing the watershed as a whole will there be any possibility of fostering an environment where compromise may be possible.

Farming is a risky business: farmers and ranchers gamble on the weather, on the market, on people's tastes and what other places in the world are producing, and on transportation and the availability of credit. And, of course, farmers and ranchers risk having a reliable supply of water cut off. At some point, the risks become too great and farmers and ranchers will decide that they cannot continue. Some risks – such as the weather – cannot be avoided because they are not in our control, while others can be minimized because they are. Water insecurity is something that the decision makers can help the farmer to minimize.

DATED: Honolulu, Hawaii, September 18, 2008.

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BEFORE THE COMMISSION ON WATER RESOURCE MANAGEMENT

STATE OF HAWAII

In the Matter of the Petitions to Amend Interim) **CERTIFICATE OF SERVICE**
Instream Flow Standards for East Maui)
Streams.)
_____)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this date a true and correct copy of foregoing document was duly served upon the following individuals by mailing said copy, postage prepaid, to their last known addresses as follows:

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