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16-316C&E CAB

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Attorneys for Complainant

DEPARTMENT OF HEALTH

STATE OF HAWAII

DEPARTMENT OF HEALTH,	)	DOCKET NO. 14-CA-EO-01
STATE OF HAWAII,	)	
	)	
Complainant,	)	TWO (2) 212 MMBTU/HR BOILERS,
	)	ONE (1) 586 MMBTU/HR BOILER,
vs.	)	ONE (1) 20,000 LB/HR ROTARY
	)	SUGAR DRYER AND SEVEN (7)
HAWAIIAN COMMERCIAL & SUGAR	)	DIESEL ENGINES
COMPANY, a division of	)	PUUNENE, MAUI
Alexander & Baldwin, Inc.	)	
	)	
Respondent	)	
	)	

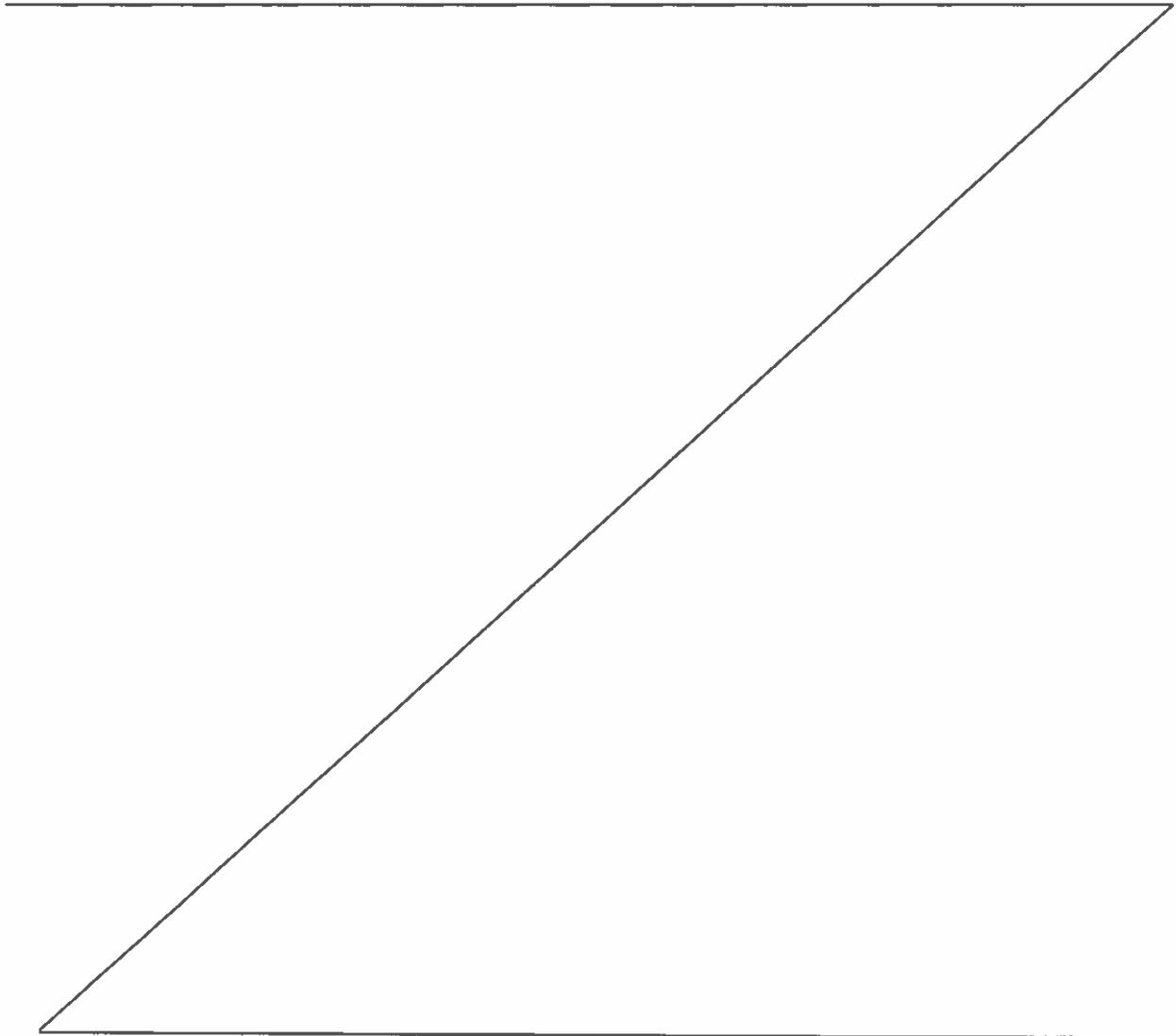
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CONDITIONAL AGREEMENT TO SIGN CONSENT ORDER

Prior to signing the attached proposed Consent Order, the Department of Health (DOH) and HAWAIIAN COMMERCIAL & SUGAR COMPANY, (Respondent) agree to comply with the public notice and comment provisions of Section 342B-55, Hawaii Revised Statutes (H.R.S.).

The DOH and Respondent agree to sign the proposed Consent Order as written if no comments are submitted during the public comment period or, if after the DOH's review of the comments

submitted, the DOH still concludes that the proposed Consent Order is appropriate. If DOH does not so conclude, the DOH and Respondent will use their best efforts to agree on changes to be made. If, after a reasonable time, the DOH determines that such efforts will not result in agreement, the DOH shall set a date and time for a hearing on the issues raised by the Notice and Finding of Violation and Order in this matter and shall notify the Respondent of such hearing, pursuant to Chapter 91, H.R.S.



DATED: Honolulu, Hawaii, JUN - 7 2016

DEPARTMENT OF HEALTH  
STATE OF HAWAII

By: Virginia Pressler  
for KEITH E. KAWAOKA, D. ENV.  
Deputy Director for Environmental Health

DATED: Honolulu, Hawaii, JUN - 7 2016

HAWAIIAN COMMERCIAL & SUGAR COMPANY,  
A division of Alexander & Baldwin, Inc.

By: Paul J  
RICK W. VOLNER, JR.  
Plantation General Manager

APPROVED AS TO FORM:

[Signature]  
WILLIAM F. COOPER  
Deputy Attorney General

APPROVED AS TO FORM AND LEGALITY:

KEVIN G. DESHARNAIS  
Mayer Brown LLP  
Attorney for Hawaiian Commercial &  
Sugar Company

[Signature]  
~~NELSON N.S. CHUN~~  
~~Senior Vice President and Chief Legal Officer~~  
~~Alexander & Baldwin, Inc.~~  
CHARLES W. LOOMIS  
Assistant Secretary

DATED: Honolulu, Hawaii, \_\_\_\_\_

DEPARTMENT OF HEALTH  
STATE OF HAWAII

By: \_\_\_\_\_  
KEITH E. KAWAOKA, D. ENV.  
Deputy Director for Environmental Health

DATED: Honolulu, Hawaii, \_\_\_\_\_

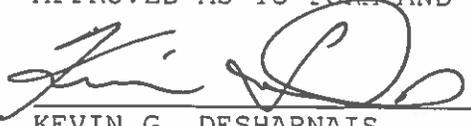
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COMPANY, a division of	)	PUUNENE, MAUI
Alexander & Baldwin, Inc.	)	
	)	
Respondent	)	
	)	

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CONSENT ORDER

The Department of Health (DOH), State of Hawaii, and HAWAIIAN COMMERCIAL & SUGAR COMPANY, (Respondent) enter into this Consent Order pursuant to Chapter 342B, Hawaii Revised Statutes (H.R.S.), and Air Pollution Control rules, Chapter 11-60.1, Hawaii Administrative Rules (H.A.R.).

1. STIPULATED FACTS AND FINDINGS

Respondent is a division of Alexander & Baldwin, LLC, a limited liability corporation organized and existing under the laws of the State of Hawaii. Respondent owns, operates, manages,

and controls the Hawaiian Commercial & Sugar Company Facility located at Puunene, Hawaii.

On June 18, 2014, DOH issued Respondent a Notice and Finding of Violation and Order (NOVO), under Docket No. 14-CA-EO-01, alleging that Respondent by its own actions listed in Attachments I, II, III, and IV of NOVO Docket No. 14-CA-EO-01, violated:

1. Code of Federal Regulations (CFR) Subpart D, Section 60.42;
2. Permit to Operate (PTO) No.'s P-783-1586, P-605-1584, and P-40-1585;
3. Authority to Construct (ATC) No. A-1128-1042;
4. Sections 11-60.1-2, 11-60.1-15(a), 11-60.1-16(a), 11-60.1-16(b), and 11-60.1-32(b) H.A.R.; and
5. Section 342B-11, H.R.S.

The DOH assessed an initial penalty of ONE MILLION THREE HUNDRED THIRTY-FIVE THOUSAND DOLLARS AND NO CENTS (\$1,335,000.00) for the alleged violations found under the NOVO Docket No. 14-CA-EO-01.

On March 4, 2015, the DOH and Respondent met to discuss the violations found under the NOVO, Docket No. 14-CA-EO-01. During the meeting, the Respondent presented additional information regarding the violations cited in the NOVO.

DOH and Respondent have agreed to settle their disputes without the risks of adverse findings and conclusions, or a final order or judgment after litigation.

## 2. EFFECT OF SETTLEMENT

This Consent Order and any actions taken to comply with its terms are not admissions of violation, fault, or liability by Respondent. This Consent Order settles and resolves all civil liability of Respondent to the DOH for allegedly violating Section 11-60.1-2, H.A.R., Section 342B-11, H.R.S., and all alleged violations set forth in NOVO found under Docket No. 14-CA-EO-01 that have occurred, up to and including December 31, 2014.

The effect of this Settlement, and the definitions, obligations, terms, conditions, and/or any and all other aspect(s) of the agreement contained in each and every Section of this Consent Order, shall end and shall no longer be binding on either party, once the Consent Order is terminated pursuant to Section 15 of this Consent Order.

## 3. PENALTY

Respondent agrees to a total penalty of SIX HUNDRED THOUSAND DOLLARS AND NO CENTS (\$600,000.00) to be paid in accordance with the following schedule and manner.

Within sixty (60) days of the effective date of this Consent Order, Respondent shall pay a cash penalty of THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$300,000.00) by cashier's check, made payable to the State of Hawaii, and sent to the Manager of the Clean Air Branch at the address set forth in Section 6 of this Consent Order.

Upon execution of this Consent Order, Respondent shall commence implementation of a two-phase Supplemental Environmental Project (SEP) with a total cost of no less than THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$300,000.00). No less than ONE HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$150,000.00) shall be expended for Phase I and no less than ONE HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$150,000.00) shall be expended for Phase II. The terms of the two-phase SEP defined and outlined in Exhibits A and B, are attached to this Consent Order. Exhibits A and B are hereby incorporated into and made an integral and binding part of this Section and of this Consent Order.

Except as otherwise provided herein, if at any time prior to the completion of the SEP, Respondent becomes required to perform any part(s) of the SEP pursuant to federal, state or local statute or regulation, permit or order, Respondent shall not receive credit for the applicable part(s) of the SEP and the associated costs on said part(s) of the SEP. This provision shall not apply to any changes that are made to Respondent's agricultural burning permits for the purpose of allowing and/or effectuating the requirements of the SEP.

Within sixty (60) days of completion of the SEP, Respondent shall submit to DOH a cost report certified as accurate under penalty of perjury by a responsible corporate official to verify and ensure a total expenditure of no less than THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$300,000.00) for the SEP. The

cost report shall include but is not limited to invoices and receipts for all expenditures allowed under the terms of the SEP.

In the event that a portion or all of the THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$300,000.00) is not expended:

1. by the completion of the SEP; or
2. the SEP is not completed due to a legitimate reason approved by the DOH;

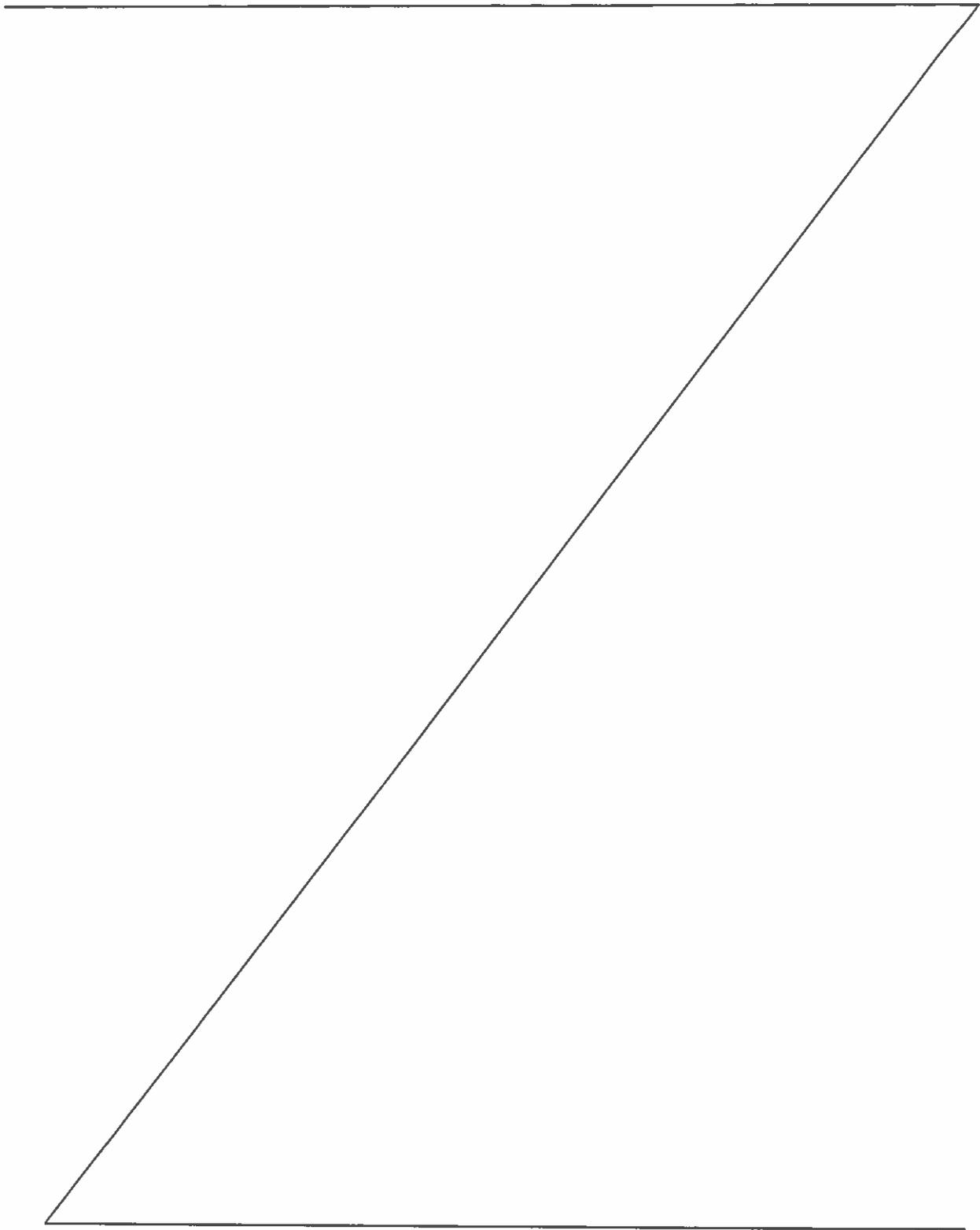
the remaining balance shall be paid by cashier's check, made payable to the State of Hawaii, and sent to the Manager of the Clean Air Branch at the address set forth in Section 6 within sixty (60) days after completion of the SEP as approved by the DOH.

In addition, within sixty (60) days of completion of the SEP, Respondent shall relinquish all remaining equipment and related hardware and supplies described in Exhibit A of the SEP to the DOH.

#### 4. STIPULATED PENALTIES

From January 1, 2015, until the Consent Order is terminated in accordance with Section 15 of this Consent Order, Respondent agrees to pay penalties for violations of an applicable visible emissions limit and related reporting requirements found under Hawaii Revised Statutes (HRS) §342B-11, Hawaii Administrative Rules (HAR) §11-60.1 and the Code of Federal Regulations (CFR) Part 60 Subpart D, including the procedures outlined in Respondent's, "Boiler 3 Alternative Opacity Monitoring Plan"

(Rev. August 1, 2011), or any DOH-approved revision thereof,  
according to the following table:



Violation	Penalty
Notification and Reporting violations as described in: <ul style="list-style-type: none"> <li>• HAR §11-60.1-15; and</li> <li>• HAR §11-60.1-16</li> </ul>	*\$500.00 per day, per violation.
Visible emissions exceedances as described in: <ul style="list-style-type: none"> <li>• HAR §11-60.1-32(b); and</li> <li>• CFR Part 60, Subpart D, §60.42</li> </ul>	*\$500.00 per day, per violation.

It is expressly acknowledged and agreed by DOH and Respondent that the differential pressure and flow rate requirements found in Respondent's "Boiler 3 Alternative Opacity Monitoring Plan" (Rev. August 1, 2011), or any subsequent modification of the Boiler 3 Alternative Opacity Monitoring Plan approved by DOH, apply during periods of startup, shutdown or malfunction.

From the effective date of this Consent Order until the Consent Order is terminated in accordance with Section 15 of this Consent Order, Respondent agrees to pay penalties for violations for failure to meet any term or condition of the two-phase SEP as described in Section 3 and Exhibit A or B of this Consent Order according to the following table:

Violation	Penalty
Failure to meet any term or condition of the two-part SEP as described in Section 3.	\$100.00 per day, per violation.
Failure to meet any term or condition of the two-part SEP as described in Exhibit A.	\$100.00 per day, per violation.
Failure to meet any term or condition of the two-part SEP as described in Exhibit B.	\$100.00 per day, per violation.

Except as otherwise provided herein, the stipulated penalties incurred by the Respondent shall be due within sixty (60) days of the violation, by cashier's check, made payable to the State of Hawaii, and sent to the Manager of the Clean Air Branch at the address set forth in Section 6 of this Consent Order.

Any stipulated penalties incurred by the Respondent between January 1, 2015, and the effective date of this Consent Order shall be due within sixty (60) days of the effective date of this Consent Order.

The Respondent may dispute its liability for such stipulated penalty pursuant to the dispute resolution provisions of Section 5 of this Consent Order, if within sixty (60) days of the violation, the Respondent gives a written notice, in the form as required by

Section 5, sent via U.S. Mail to the Clean Air Branch and to the Hearings Officer, as required by Section 5, advising them of the dispute. Pending resolution of any such dispute, stipulated penalties continue to accrue if the obligation at issue has not been met, provided, however, that the Respondent may argue to the Hearings Officer that stipulated penalties should not run after the giving of written notice by Respondent to the DOH and to the Hearings Officer, advising them of a dispute, and that the DOH can argue to the contrary. Upon completion of the dispute resolution, any stipulated penalties that are ultimately determined to be due, shall be paid within twenty (20) days of the date of the Hearings Officer's written decision.

5. RETENTION OF JURISDICTION AND DISPUTE RESOLUTION

The Hearings Officer shall retain jurisdiction of this matter for purpose of adjudicating and resolving any and all of Respondent's disputes arising out of Section 4 and Exhibit A of this Consent Order. The dispute resolution procedure shall be invoked upon the giving of written notice by Respondent to the DOH and to the Hearings Officer, advising them of a dispute. The written notice shall describe the nature of the dispute, and shall state the Respondent's position with regard to such dispute.

Disputes submitted to dispute resolution shall, in the first instance, be the subject of informal negotiations between the Respondent and the DOH. Such period of informal negotiations

shall not extend beyond ninety (90) calendar days of the receipt of the written notice by the DOH. In the event that the Respondent and the DOH are unable to reach agreement during the informal negotiations, the DOH shall provide Respondent with a written summary of its position regarding the dispute.

The position of the DOH shall be considered binding unless, within forty-five (45) calendar days of Respondent's receipt of the DOH written summary, Respondent files with the Hearings Officer a petition which describes the nature of the dispute. The Respondent shall serve a filed copy of the petition on the DOH within five (5) calendar days of its filing date. The DOH shall file with the Hearings Officer a response to the petition within forty-five (45) calendar days of the DOH'S receipt of the filed copy of the petition. In resolving the dispute between the Respondent and the DOH, the position of the DOH shall be upheld if supported by substantial evidence in the administrative record.

#### 6. NOTIFICATION

Whenever, under the terms of this Consent Order, notice or payment is required to be given by one party to another, such notice or payment shall be directed to the individual specified below, at the address given, unless a party gives notice in writing to the other party that another individual has been designated to receive such communications:

Mr. Nolan S. Hirai, P.E.  
Manager, Clean Air Branch  
Hawaii State Department of Health  
P.O. Box 3378  
Honolulu, Hawaii 96801  
Telephone: (808) 586-4200  
Telefax: (808) 586-4359

Mr. Rick W. Volner, Jr.  
Plantation General Manager  
Hawaiian Commercial & Sugar Company  
P.O. Box 266  
Puunene, Maui, Hawaii 96784  
Telephone: (808) 877-0081  
Fax: (808) 871-7663

As required by Section 5 of this Consent Order, the following individual shall also be notified:

Hearings Officer  
Department of Health  
1250 Punchbowl Street  
Third Floor  
Honolulu, Hawaii 96813  
Telephone: (808) 586-4424

#### 7. ACTIONS AGAINST OTHER PARTIES

This Consent Order does not limit or affect the rights of the Respondent or the DOH against any third parties.

#### 8. AUTHORITY OF SIGNATORIES

Each undersigned representative of a party to this Consent Order certifies that he or she has full authority to enter into the terms of this Consent Order and legally to bind the party which he or she represents.

9. BINDING EFFECT

The provisions of this Consent Order shall apply to and be binding upon all parties to this action, their officers, agents, trustees, servants, employees, successors, assignees and attorneys, until terminated pursuant to Section 15 below. Respondent shall give notice of this Consent Order to any successors in interest prior to transfer of ownership and shall submit a copy of each such notice to the DOH, until the Consent Order is terminated pursuant to Section 15 below.

10. ENTIRE AGREEMENT

This Consent Order sets forth the entire agreement between the parties with respect to this matter.

11. EFFECTIVE DATE

This Consent Order shall become effective as soon as it has been signed by both parties.

12. MODIFICATIONS

This Consent Order shall not be modified except in writing, signed by all parties.

13. NO TAX BENEFITS

Respondent shall not deduct any of the cash penalty or SEP expenditures pursuant to this Consent Order from its federal or state taxable income, nor shall Respondents claim any tax credits for said penalty or SEP expenditures.

14. NO ADVERTISING OR PUBLIC RELATIONS BENEFIT

Respondent shall clearly state, in any public oral or written statements, including but not limited to advertisements, press releases, speeches, annual reports, websites, social media sites, facility tours, or meetings, (other than those with employees, contractors, and/or vendors) made by Respondent or its representatives, regarding or otherwise referencing any of the SEP contained in this Consent Order, that said SEP was undertaken as part of this Consent Order to resolve its alleged violations with the DOH.

15. TERMINATION

Within thirty (30) days after DOH determines that Section 3 of this Consent Order is satisfied, DOH shall issue a letter to Respondent certifying satisfactory compliance, which shall terminate this Consent Order.

16. COSTS

Each party shall bear its own costs and attorneys' fees.

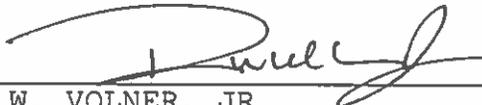
DATED: Honolulu, Hawaii, \_\_\_\_\_

DEPARTMENT OF HEALTH  
STATE OF HAWAII

By: \_\_\_\_\_  
KEITH E. KAWAOKA, D. ENV.  
Deputy Director for Environmental Health

DATED: Honolulu, Hawaii, \_\_\_\_\_

HAWAIIAN COMMERCIAL & SUGAR COMPANY,  
A division of Alexander & Baldwin, Inc.

By:  \_\_\_\_\_  
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Plantation General Manager

APPROVED AS TO FORM:

  
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~~NELSON N.S. CHUN~~  
~~Senior Vice President and Chief Legal Officer~~  
~~Alexander & Baldwin, Inc.~~  
CHARLES W. LOOMIS  
Assistant Secretary

16. COSTS

Each party shall bear its own costs and attorneys' fees.

DATED: Honolulu, Hawaii, \_\_\_\_\_

DEPARTMENT OF HEALTH  
STATE OF HAWAII

By: \_\_\_\_\_  
KEITH E. KAWAOKA, D. ENV.  
Deputy Director for Environmental Health

DATED: Honolulu, Hawaii, \_\_\_\_\_

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NELSON N.S. CHUN  
Senior Vice President and Chief Legal Officer  
Alexander & Baldwin, Inc.

**EXHIBIT A**

**Consent Order Docket No. 14-CA-EO-01**

**Hawaiian Commercial & Sugar Company (HC&S) - Phase I**

**Supplemental Environmental Project  
Portable Environmental Beta-Attenuation Mass Monitoring  
Stations**

**I. Purpose**

Under the proposed SEP, HC&S will purchase, install, operate and maintain three (3) portable environmental beta-attenuation mass monitoring stations (E-BAM's) during the 2016 sugarcane burn season. The data collected from the E-BAM's shall be made available in real-time on HC&S's website. An archive of past data values shall also be made available on HC&S's website. In addition, the data collected by the E-BAM's shall be used to calculate Air Quality Index (AQI) values in accordance with U.S. Environmental Protection Agency (EPA) guidelines.

The primary purpose of the E-BAM will be to monitor ambient air concentrations of fine particulate matter less than 2.5 microns in diameter (PM<sub>2.5</sub>) and to inform the public of the PM<sub>2.5</sub> concentrations in the E-BAM areas during sugarcane burning season.

The secondary purpose of the E-BAM's will be to evaluate ambient air concentrations of PM<sub>2.5</sub> during sugarcane burning season relative to Public Impact Code (PIC) requirements found in HC&S's applicable Agricultural Burning Permit and also the National Ambient Air Quality Standard (NAAQS) for PM<sub>2.5</sub> as listed in the following table:

<b>Averaging Period</b>	<b>Benchmark (Basis)</b>
1-hour average	115 µg/m <sup>3</sup> (PIC)
24-hour block average	35 µg/m <sup>3</sup> (NAAQS)
Annual average	12 µg/m <sup>3</sup> (NAAQS)

**II. Portable Environmental Beta-Attenuation Mass Monitoring Station Hardware Requirements**

Table 3 lists the hardware and other supplies, equipment and services the DOH determines are required for the installation, operation and maintenance of three (3) E-BAM's.

Any item not found in Table 3 that HC&S determines is required in order to properly install and operate the E-BAM's, shall be approved in writing by the DOH prior to the item being purchased. A written request to the DOH for approval to purchase an item not found in Table 3 shall include at a minimum: a description of the item and the reason the item is needed to properly install or operate the E-BAM, the quantity needed, a model/serial number and the cost of the item.

Within fourteen (14) days after the DOH determines that all required information is included in HC&S's written request to purchase an item not found in Table 3, the DOH shall approve or disapprove the written request in writing. Otherwise, the written request shall be considered approved. If the DOH disapproves a written request to purchase an item not found in Table 3, HC&S may invoke the dispute resolution procedure found in Paragraph 4 of the Consent Order.

**III. Portable Environmental Beta-Attenuation Mass Monitoring Station Installation Requirements**

As soon as practicable, but no more than 30 days after the effective date of this Consent Order, HC&S shall install three (3) E-BAM's at three (3) separate locations, as approved by the DOH. A Quality Assurance Project Plan (QAPP), subject to DOH approval which follows EPA guidelines shall be utilized by HC&S for the installation of any E-BAM's. The locations for installation of the EBAMs shall be selected from the pre-approved EBAM locations proposed by DOH listed in Table 2:

Table 2: Pre-Approved Proposed E-BAM Locations	
Name	Location
Kahului Elementary School	410 Hina Ave, Kahului, HI 96732
Kamalii Elementary School	180 Alanui Kealii Kihei, Hawaii 96753
Kihei Elementary School	250 E. Lipoa Street Kihei, Hawaii 96753
Lokelani Intermediate School	1401 Liloa Drive Kihei, Hawaii 96753
Maui High School	660 South Lono Avenue Kahului, HI 96732

HC&S shall initially attempt to install one (1) E-BAM at each of three (3) locations selected from the list of the five (5) proposed locations in Table 2. After reasonable attempts have been made to install an E-BAM at the selected locations, HC&S may request alternative locations in writing to the DOH. A written request to the DOH for installation of an E-BAM at a location not listed in Table 2, shall include at a minimum: the proposed location, the reason HC&S is unable to install an E-BAM at a location listed in Table 2 and a summary of how HC&S determined the proposed location is suitable.

Within fourteen (14) days after the DOH determines that all required information is included in HC&S's written request to install an E-BAM at a location not found in Table 2, the DOH shall approve or disapprove the written request in writing. Otherwise, the written request shall be considered approved. If the DOH disapproves a written request to install an E-BAM at a location not found in Table 2, HC&S may invoke the dispute resolution procedure found in Paragraph 4 of the Consent Order.

**IV. Portable Environmental Beta-Attenuation Mass Monitoring Station Operational, Maintenance, and Reporting Requirements**

Upon installation, HC&S shall continue to operate and maintain the three (3) E-BAM's determined in Section III above for the remainder of the 2016 sugarcane burn season.

The E-BAM's shall be operated and maintained during the sugarcane burning season according to the manufacturer's specifications and the DOH-approved QAPP. Only one (1) E-BAM may be taken out of service at a time for maintenance and/or repair.

The data collected by the E-BAM's shall be permanently made available on HC&S's website.

All exceedances of the PM<sub>2.5</sub> benchmarks listed in Table 1 by any E-BAM's being operated in relation to this SEP shall be reported to the DOH within five (5) working days, regardless of the cause of the exceedance.

**Table 3: Summary of Hardware, Services, and Other Items Required for Three E-BAM's**

<b>E-BAM Hardware</b>		
<b>Qty.</b>	<b>Item #</b>	<b>Description</b>
3	E-BAM	E-BAM portable environmental beta-attenuation mass monitor
3	BX-807	PM-2.5 sharp cut cyclone inlet adapter
3	EX-593	Relative humidity sensor assembly E-BAM/E-Sampler
18	460130	Filter tape 21-meter Sibata (6 rolls per unit per year, projected)
1	BX-302	Zero calibrator w/adapters BAM 1020/E-BAM
1	BX-305	Inlet adapter, flow calibration
1	BX-307	Calibration kit - BAM volumetric flow
3	BX-344	BAM inlet cleaning kit
3	580299	Inline filter (recommended spare parts)
3	720067	O-ring (recommended spare parts)
3	720069	O-ring, intake head (recommended spare parts)
3	720097	O-ring set, replacement BX-807 (recommended spare parts)
3	720110	O-ring connector (recommended spare parts)
3	8965	O-ring, replacement BX-802, PM-10 (recommended spare parts)
3	9638	Power cable for external battery
3	9778	DC pump, replacement E-BAM (recommended spare parts)
-	Various	Miscellaneous spare parts and supplies, as needed for operations and maintenance
<b>E-BAM Power Supply Hardware (solar and battery)</b>		
<b>Qty.</b>	<b>Item #</b>	<b>Description</b>
3	Various	Complete solar system including solar panels, all mounting hardware, solar charge controller, battery, and ancillary electrical components
<b>Data Logger and Communications Hardware and Software</b>		
<b>Qty.</b>	<b>Item #</b>	<b>Description</b>
1	1001	NEXSENS ICHART 6 software with license
1	WQDATA-A-Y	NEXSENS WQDATA live advanced web datacenter package (annual)
3	VZ-5MB-Y	Verizon cellular data service (annual)
3	3100-MAST	Mast-mounted 3100-iSIC data logging system with cellular modem telemetry and charging kit
3	05103V	Young wind speed and direction monitor with shielded sensor cable

**Table 3: Summary of Hardware, Services, and Other Items Required for Three E-BAM's (continued)**

**Other Hardware (mounting and installation)**

Qty.	Item #	Description
3	2032-OS	Ridgid truck box portable storage chest (for mounting of solar panels, data logger, instruments, battery, and power supply)

**Air Quality Monitoring Consulting Services**

Qty.	Item #	Description
1	NA	System receipt and assembly, shipping and initial set-up, siting and installation support
1	NA	Preparation of Quality Assurance Project Plan (QAPP)
1	NA	Monthly calibration and maintenance service
1	NA	Corrective maintenance/repair, including special tools/equipment, spare parts, and supplies (as needed to maintain system in operation)
1	NA	Website setup and maintenance, data management, QA/QC

**Construction Services**

Qty.	Item #	Description
1	Various	Site preparation and construction services and material as needed for installation and security at individual E-BAM sites (anticipated to be supplied using in-house resources, to the extent possible)

## EXHIBIT B

Consent Order Docket No. 14-CA-EO-01

Hawaiian Commercial & Sugar Company (HC&S) - Phase II

### Supplemental Environmental Project VOG Measurement and Prediction (VMAP) Project

#### I. Purpose

Under the proposed SEP, HC&S will provide monetary support to aid in the further development and implementation of the Vog Measurement and Prediction (VMAP) Project.

Volcanic gas emissions pose significant environmental and health risks to nearby communities. In early 1983, the Kilauea volcano began a prolonged eruption at a relatively remote vent, which emitted large volumes of sulfur dioxide gas and raised early and continuing worries about air quality and human health. The opening of a second vent at the volcano's summit in early 2008 exacerbated these concerns by emitting gas directly into nearby and downwind communities.

Thus far, the risk posed by volcanic emission hazards has been mitigated by health officials and emergency managers through public education. The VMAP project is a long-term effort to offer another option for mitigation - accurate vog forecasting.

#### II. Implementation

Prior to the conclusion of the 2016 sugarcane burn season, HC&S shall provide the VMAP Project a total expenditure of ONE HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$150,000.00).