KAHULUI — Maui EKO Systems, which has processed the island’s green waste and county sewage sludge into compost for nearly 23 years, could be put out of business as early as the end of next year because of a proposed renewable energy project at the Wailuku-Kahului Wastewater Reclamation Facility.

The closure stands as one future impact among several other potential problems residents voiced during a community meeting focused on the project led by Maui All Natural Alternative, an Anaergia Services company, on Wednesday at Kahului Elementary School.

“I think we left the meeting with more questions than answers,” Sierra Club Maui coordinator Adriane Raff Corwin said Thursday. “They didn’t give many specifics at all, so we’ll be following up. But I think last night’s meeting illustrated the community has a huge amount of concerns and questions that aren’t being answered.”

Officials with the energy company and county Department of Environmental Management provided a brief presentation and answered questions during their first public meeting on the project. An environmental impact statement is nearly completed, and a final draft is expected later this year.

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The project calls for installation of an anaerobic digester to produce methane gas from energy crops grown on former Hawaiian Commercial & Sugar Co. lands. The natural gas would be refined on-site and fuel a combined heat-and-power engine to generate electricity for the sewage treatment plant.

Waste heat from the plant’s engine would dry biosolids, or digested sewage sludge, produced by the plant. The anaerobic digester would be located on the west side of an existing aerobic blower building.

The treatment plant is next to the ocean on Amala Place in Kahului. The Kanaha Pond Wildlife Sanctuary is inland of the sewage treatment plant, and Kanaha Beach Park and Kahului Airport are located to the east.

Anaergia and county officials said the renewable energy project would provide 4.5 million kilowatt hours of electricity per year and dry the county’s 24,000 tons of biosolids annually. The biosolids would be treated and returned to the county to possibly be used as fertilizer for parks, including the Waiehu Municipal Golf Course.

The energy company would develop the project at no upfront construction cost to the county and charge the county 29 cents kWh as part of a 20-year contract.
Residents and environmental watchdog groups took issue with the charge per kilowatt hour, which is more than double what Maui Electric Co. pays wind farms and for fossil-fuel generated power.

Doug McLeod, vice president of the Maui Tomorrow Foundation, said the price is high because the county advertised the project as “gas turbine to dry sludge,” which solicited just one bid from Anaergia. He added that there seemed to be “a lot of very strange aspects” in the deal that he believed was not the most cost-effective for taxpayers or the safest for the environment.

“When you look at this price 29 cents that is well more than double the current market price for solar power,” McLeod said Thursday. “It would seem to be a lot more than other renewable options, but we don’t know that because the county didn’t ask” for alternatives.

McLeod, who also runs an energy consulting firm and is the former county energy commissioner, said many solar companies did not bother to meet with the county to discuss the project because of the clear restrictive language that favored Anaergia. He believed only Pacific Biodiesel showed interest.

Raff Corwin also questioned why the county did not seek separate solutions for disposing of biosolids and producing energy. She wondered why the treatment plant proposal needed to combine both aspects into one and was concerned about air quality and odors produced by the plant.

“I still haven’t gotten a clear answer as to why these two needs had to be combined,” she said. “It sounds like we’re going to have a huge amount of dry sludge and green waste no longer turned into composting material.”

In 2014, Anaergia, a California-based company, signed a separate 20-year contract with Mayor Alan Arakawa’s administration to build a waste conversion facility at the Central Maui Landfill.
Anaergia and county officials acknowledged that the wastewater treatment plant waste-to-energy project would be related to the landfill project because it would provide dried sludge for the landfill waste conversion project. But they maintained the contracts for the projects were separate.

McLeod said he is skeptical of the landfill waste-conversion facility, which has yet to have an EIS preparation notice published. Anaergia had previously tried to build an energy plant using wastewater in 2015 but was shot down by the Public Utilities Commission.

“These contracts people think they’re free with minimal upfront cost, but they will cost the county money in the end,” McLeod said. “There’s obviously a lost opportunity.”

As for EKO, the company’s current contract with the county ends in June, but the two sides will likely extend until the end of 2019, plant manager Rubens Fonseca said Thursday. The company has 20 workers.

The composting operation was established to extend the life of the landfill by diverting green waste and sludge.

“I hate to see this product that has been offered to landscapers and farmers here almost 23 years going to be gone,” he said.