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GOVERNOR OF HAWAII



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DEPARTMENT OF LAND AND NATURAL RESOURCES  
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REF:OCCL:MC

Jennica Lowell  
Blue Ocean Mariculture  
74-429 Kealakehe Parkway  
Kailua-Kona, HI 96740

CDUA HA-3720  
180-Day Deadline: December 22, 2014

JUN 25 2014

Dear Ms. Lowell,

**NOTICE OF ACCEPTANCE and  
PRELIMINARY ENVIRONMENTAL DETERMINATION**

**Conservation District Use Application (CDUA) File No. HA-3720  
(Board Permit)**

This acknowledges the receipt and acceptance for the processing of Blue Ocean Mariculture's application for an increase in production capacity at the existing open ocean mariculture facility off of Unualoha Point, Kalaoa, North Kona, Hawai'i, offshore of TMK (3) 7-4-043:000. The facility is on submerged lands in the Resource Subzone of the State Land Use Conservation District.

The Board of Land and Natural Resources approved Conservation District Use Permit (CDUP) HA-3118 for the original operation on August 8, 2003. On July 1, 2009, the Chair of the Department of Land and Natural Resources approved this Conservation District Use Permit (CDUP) HA-3497 for modifications to the facility that allowed for a wider range of net pens.

The current permit allows a maximum of five net pens, none larger than 7,000 cubic meters, and together totaling no greater than the current capacity of 24,000 cubic meters, in a leased area of 90 acres. The permit allows for the cultivation of kāhala (almaco jack, *Seriola rivoliana* and amberjack, *S. dumerili*), moi (Pacific threadfin, *Polydactylus sexifilis*), mahi mahi (*Coryphaena hippurus*) and ulua (giant trevally, *Caranx ignobilis*). The only species Kona Blue currently cultures in the ocean pens is *S. rivoliana*.

With this application Blue Ocean proposes to expand the production capacity of the facility by increasing the maximum growing volume from 24,000 m<sup>3</sup> to 64,000 m<sup>3</sup>, increasing the number of allowable pens from five to eight, and increasing the maximum size of individual pens from 7000 m<sup>3</sup> to 8000 m<sup>3</sup>. The proposal will require a small modification to the existing mooring grid.

No expansion of the lease area is being proposed, and no change in the types of net pens is being proposed.

The applicant states that the extensive monitoring they have conducted over the past eight years of water quality and benthic parameters has indicated that the facility has had no significant environmental impact. Per the tests that the applicant has conducted on water quality parameters and benthic parameters, the proposed action is well within the nutrient assimilation capacities of the local water column and benthos.

The studies are summarized in the draft Environmental Assessment that accompanies the application.