

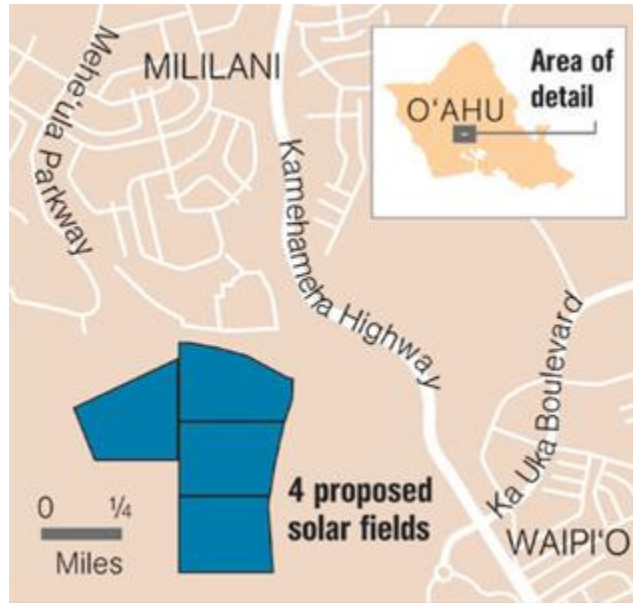
## Hawaii's biggest solar farm proposed for Mililani fields

Castle & Cooke's planned 120-acre project would have 4 separate operators

*Honolulu Advertiser 5/27/10*

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Central O'ahu could become home to the largest solar energy farm in the state under a proposal by Castle & Cooke Hawai'i Inc. to produce enough electricity from the sun to power 6,000 homes.

Castle & Cooke plans to convert roughly 120 acres of an agricultural park it owns just south of Mililani into fields of photovoltaic panels capable of generating 20 megawatts of electricity as early as next year.

If realized, the project would be about 17 times bigger than Hawaii's largest existing solar farm, a 1.2-megawatt facility on Lāna'i that began operating last year and was developed by Castle & Cooke.

There are several other plans for large-scale solar farms around the state, but none of the known projects would rival what Castle & Cooke is proposing.

"It would be among the largest in the country," said Ted Peck, energy administrator at the state Department of Business, Economic Development and Tourism.

The largest solar energy farm in the United States is a 25-megawatt system in Florida, Peck said.

The Mililani project stands to become the fourth-largest source of renewable energy on O'ahu, behind the recently commissioned 110-megawatt Hawaiian Electric Co. biodiesel-fueled generators, the city's 46-megawatt HPower garbage-to-energy plant and a proposed 30-megawatt North Shore wind farm.

Castle & Cooke's proposal, however, is subject to the state Public Utilities Commission deciding whether the project is subject to a state law requiring HECO to solicit competing bids for any new power generation system over 5 megawatts.

Under Castle & Cooke's plan, four separate companies would each design, build, own and operate a 5-megawatt photovoltaic system in a solar energy park. Castle & Cooke would run one system and serve as park landlord, leasing three roughly 30-acre parcels to independent operators for 20 years or longer.

Castle & Cooke in its proposal to HECO said the solar park arrangement represents a new model of renewable energy generation in Hawai'i, creating efficiencies for solar system operators and benefits for electricity consumers.

HECO earlier this month requested that the PUC clarify whether a solar energy park with four separately owned 5-megawatt systems would be exempt from the procurement law.

Because of the PUC review, HECO spokesman Peter Rosegg said it's premature to comment on Castle & Cooke's plan.

"We're looking at many projects of different technologies and sizes to reach our goal of 40 percent of electricity from renewable sources statewide by 2030," he said in a statement. "And solar farms could make a valuable addition to the renewable energy portfolio on O'ahu."

Carleton Ching, a Castle & Cooke spokesman, declined to comment because of the regulatory review.

#### Cost concerns

Peck said the PUC's review will focus on whether the arrangement is cost-effective for HECO's electricity customers. "Ratepayers can rest assured that this is paramount in (the PUC's consideration)," he said. "If it makes sense for the utility, if it makes sense for the PUC and consumers, and if it makes sense for Castle & Cooke, then we're thrilled."

In the PUC filing, HECO said it believes the solar park format would benefit O'ahu electricity consumers because the four developers would be able to share some infrastructure and other costs that would be passed on to ratepayers.

Putting out a request for competitive bids to produce 20 megawatts of renewable energy generation would potentially add to the cost of electricity and the timetable for production.

Castle & Cooke in its proposal said it has letters of intent with three developers, each of which would need to negotiate separate power purchase agreements with HECO. Castle & Cooke didn't identify the developers, but said in its proposal that the first energy production could begin by June 2011.

#### On farmland

One key advantage of the planned Mililani solar energy park is its proximity to a pair of HECO 138-kilovolt transmission lines that would allow a convenient connection to O'ahu's electricity grid and an ability to regulate input of the power.

Relatively high sun intensity in the area that makes the land good for farming also makes the site good for solar energy production.

The solar energy park site is part of a roughly 500-acre agricultural park between Mililani and Castle & Cooke's proposed Koa Ridge residential community.

The ag park known as Mililani South or Mililani Agricultural Park is leased by local farmer Wayne Ogasawara, who subleases most of the property to other farmers. Formerly the land was part of a pineapple plantation operated by Castle & Cooke affiliate Dole Food Co.

Castle & Cooke is offering tenants on the solar energy park site comparable or better-quality land on which to relocate operations. The developer said in its proposal that the energy farm site has low-productivity soil. Under state land-use law and county zoning, a commercial photovoltaic power system is an allowed use on such land.

The developer didn't disclose any estimated costs for the 20-megawatt project in its proposal, but it could run over \$100 million given that Castle & Cooke's 1.2-megawatt system on Lāna'i cost it \$19 million.

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The infographic is set against a background of a lush green field. It features two main text boxes. The left box, titled 'MILILANI SOLAR ENERGY PARK', lists four bullet points: 'Four 5-megawatt photovoltaic panel systems on about 30 acres each', '20-megawatt total generation capacity', 'Enough electricity for 6,000 homes', and 'Would eliminate need for 75,000 barrels of oil annually'. The right box, titled 'LARGEST RENEWABLE ENERGY PROVIDERS ON O'AHU:', lists four bullet points: '110-megawatt Hawaiian Electric Co. biodiesel-fueled generators at Campbell Industrial Park', '46-megawatt HPower garbage-to-energy plant at Campbell Industrial Park', '30-megawatt wind farm on the North Shore (proposed)', and '20-megawatt solar energy park in Mililani (proposed)'.

**MILILANI SOLAR ENERGY PARK**

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- 20-megawatt total generation capacity
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