



Hawaiian Electric Company

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Hawaiian Electric proposes lower rates for charging electric vehicles on Oahu, Maui and Hawaii Island

(Honolulu, Hawaii) Hawaiian Electric Company today asked the Hawaii Public Utilities Commission to approve a proposal for an Electric Vehicle (EV) Charging Rate Pilot Project with reduced rates to encourage early adoption of electric vehicles and help make Hawaii EV-ready.

The proposed three-year pilot program will be open to 1,000 customers on Oahu, 300 in Maui County and 300 on Hawaii Island for charging highway-capable electric vehicles.

“Our goal is to make Hawaii EV-ready as new, highway-capable EVs are expected to hit the market in the coming year,” said Robbie Alm, Hawaiian Electric executive vice president. “We also want to send a message to automobile manufacturers to include Hawaii among the first markets where EVs are available. This is another step in our commitment to the Hawaii Clean Energy Initiative.”

“We realize only a few eligible EVs are in Hawaii today, but we expect many more in years ahead and we are determined to be ready. More details on how customers can take advantage of the rates will become available as the effective date draws closer,” Alm said.

To encourage charging of vehicles during off peak hours, the pilot project will offer lower electric rates during that time – for residential customers on Oahu about six cents per kilowatt hour (kWh) below the residential rate -- while allowing on-peak charging at higher rates – about three cents per kWh above the residential rate. Neighbor island residential off-peak charging rates will be about seven to 10 cents per kWh lower than the residential rate.

The proposed rates could provide a substantial savings. For example, on Oahu a mid-sized internal combustion engine sedan with average fuel economy of 27 miles per gallon has a fuel cost of 12 cents per mile at \$3.35 per gallon of gasoline. This month, with electricity on Oahu at 25 cents per kWh, a mid-sized electric vehicle with a range of 100 miles on a 24-kWh battery has a charging cost of 5 cents per mile, taking advantage of what would be a 19-cent/kWh off-peak charging rate.

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Residential customers will be able to choose whether: 1) to charge their EVs along with the rest of their home usage on a single meter at new time-of-use rates; or 2) to provide wiring and a meter box for a second meter provided by Hawaiian Electric exclusively for EV charging with separate EV time-of-use rates for the second account. Commercial customers will be required to add additional meters and set up a separate account for charging on the EV rates.

The pilot project rates will go into effect October 1, 2010 for three years pending approval by the Public Utilities Commission. Hawaiian Electric will conduct the pilot project using existing resources.

In order for the utility to learn more about future customers' charging patterns and assess the potential impact on the grid, a limited number of customers will have load profile data recording devices and load control relays similar to those used in Hawaiian Electric's EnergyScout program. These will be installed at no cost and are not expected to affect the customers' charging costs.

Hawaiian Electric has been working with the State Department of Business, Economic Development and Tourism, National Renewable Energy Laboratory, City & County of Honolulu and other agencies and industry stakeholders, including the Hawaii Automobile Dealers Association, to make the adoption of electric vehicles and use of the EV charging rates as easy as possible.

Hawaiian Electric is one of nearly two dozen investor-owned utilities, all members of the Edison Electric Institute (EEI), which last year committed to support the adoption of electric transportation. Hawaiian Electric is also active in the Hawaii Clean Energy Initiative transportation working group and the Hawaii Energy Policy Forum transportation group.

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Since 1891, when King David Kalakaua granted its first charter, Hawaiian Electric Company has powered Hawaii's development from a kingdom to a modern U.S. state. Hawaiian Electric and its subsidiaries -- Maui Electric Company and Hawaii Electric Light Company -- serve the islands of Oahu, Maui, Hawaii Island, Lanai and Molokai, home to 95% of the state's 1.2 million residents.

Reliable, cost-effective electricity is a limited resource essential to our quality of life. In a changing world, the Hawaiian Electric companies continue to move beyond production, distribution and sale of electricity. Today, they strongly support the addition of renewable energy and help customers save money by using energy more efficiently – all focused on creating a clean energy economy for our islands.