



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

NEWS RELEASE

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State Of Hawai'i Awards \$2.1 Million to Promote Renewable Energy Interconnection on Neighbor Islands

HONOLULU – The Hawai'i Department of Business, Economic Development and Tourism (DBEDT) has awarded \$2.1 million in federal stimulus funds for energy storage demonstration projects on Hawai'i Island and Maui County to increase the grids' ability to integrate more renewable energy.

Hawai'i Electric Light Company (HELCO) will receive \$900,000 and Maui Electric Company (MECO) will receive \$1.2 million in ARRA (American Recovery and Reinvestment Act) stimulus funds for equipment and installation of energy storage systems. Interconnection costs will be paid by the utilities.

“These Department of Energy funds are intended to expand renewable energy use across the Hawaiian Islands,” said Steve Lindenberg, senior advisor, renewable energy, U.S. Department of Energy. “The two storage projects will help answer many questions related to areas of dense solar applications. We look forward to the results being helpful throughout the State.”

“Hawai'i's abundant renewable energy resources are widely distributed across the islands, therefore, incorporating steadily increasing amounts into our grid system is going to require a proactive approach,” said Ted Peck, administrator, State Energy Office. “These storage system demonstrations managed by MECO and HELCO will help accelerate the use of distributed

renewable energy to achieve the Hawai'i Clean Energy Initiative's goal of 70 percent clean energy by 2030."

"The State and the Hawaiian Electric companies share a determination to find solutions to adding more distributed renewable energy generation while preserving grid operability and reliability," Peck said.

Exact project locations, energy storage technologies, and other details are yet to be identified; however, circuits with high photovoltaic penetration will be targeted.

For Maui County, one project will focus on the Moloka'i grid. Maui Electric will perform an interconnection study on a single circuit to identify any system upgrades required to allow more distributed generation to be added to the circuit.

"This stimulus grant will allow Maui Electric to understand the value of using battery systems to support more photovoltaic solar power and other distributed energy for our customers while maintaining the essential reliability our customers count on," said Ed Reinhardt, Maui Electric president. "It is a win-win situation for our customers and everyone in Maui County."

Another project will be located on the Big Island, where renewable sources supply over 30 percent of the island's electricity.

"With Hawai'i Island having the highest penetration of renewables such as geothermal, wind, hydroelectric and photovoltaic, evaluating energy storage is a key element to HELCO integrating more distributed renewable energy generation," said Jay Ignacio, Hawai'i Electric Light Company president. "We need to build our experience with energy storage to determine if this technology can help to allow the grids to take more distributed renewable energy."

Installation of the energy storage system projects is expected in the second half of 2011.

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