

• MAUI ELECTRIC • ••• NEWS RELEASE •••

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For immediate release

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Maui Electric seeks to add 50 megawatts of firm renewable power

(Kahului, Maui) Maui Electric Company is asking for approval from the Hawaii Public Utilities Commission to begin a search for approximately 50 megawatts (MW) of new, firm, dispatchable renewable energy generation capacity for the island of Maui, with the first increment to be in service starting in 2015.

Following PUC approval, Maui Electric will develop a detailed request for proposals for firm, dispatchable (available 24-hours-a-day) renewable energy projects. The RFP is anticipated to be issued within the next two months.

“With our partners such as HC&S, First Wind and soon Sempra Generation, Maui is in a strong renewable energy position,” said Ed Reinhardt, Maui Electric president. “Still we need to look into the future to continue to increase Maui’s contribution to meeting Hawaii’s clean energy goals. We also need to plan for continued growth and other contingencies.”

Maui presently has an array of independent power producers. HC&S, the Alexander & Baldwin plantation, continues to provide 16 MW of firm power mostly from bagasse, recycled oil and some coal. First Wind Hawaii operates a 30-MW wind farm at Kaheawa. A power purchase contract for a second phase to produce 21 MW at the same location is under PUC review.

Sempra Generation is at an earlier stage of developing a 21-MW wind farm at Ulupalakua in East Maui. Tests are underway to use of more biofuel at Ma’alaea Power Plant. A small hydro plant above Lahaina can provide up to half a megawatt of power. A wave energy demonstration is planned by Australia-based Oceanlinx on Maui’s north shore.

Maui Island has 232 MW of firm generation and 30.5 MW of intermittent generation. Its 2010 system peak was just under 200 MW. As a separate grid with no interconnections to other utilities for back up, Maui must maintain a reserve margin large enough to deal with potential loss of generating capacity.

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The additional firm renewable energy generation would also help ensure enough generation is available to meet customer needs should HC&S decide not to renew its power contract with Maui Electric.

In 2006, the Hawaii Public Utilities Commission initiated a competitive bidding requirement for all new generation capacity greater than 2.7 megawatts for the island of Maui. Maui Electric is asking the PUC to approve the start of a competitive bidding process and confirm an independent observer to monitor the process on behalf of the PUC.

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