



Hawaiian Electric Company

Information: Peter Rosegg
808-543-7780 or peter.rosegg@heco.com
Beth Mathias
(808) 877-3144 or bmathias@biodiesel.com

FOR IMMEDIATE RELEASE

August 2, 2011

Hawaiian Electric & Pacific Biodiesel sign biofuel supply agreement

(Honolulu, Hawaii) -- Hawaiian Electric Company and Pacific Biodiesel, Inc. have reached an agreement for Pacific Biodiesel to supply at least 250,000 gallons of locally produced biodiesel to the new 8-megawatt (MW) Honolulu International Airport Emergency Power Facility to be operated by Hawaiian Electric.

The three-year contract with renewal options calls for Pacific Biodiesel to supply biodiesel from locally recycled cooking oil collected and processed at either the Pacific Biodiesel plant on Oahu or the Big Island Biodiesel refinery in Kea'au, Hawaii which is currently under construction. The contract is a result of a request for proposals issued by Hawaiian Electric in March 2010; it must next be reviewed for approval by the Hawaii Public Utilities Commission with input from the Consumer Advocate. The biodiesel supply will begin when the airport facility is ready for operations, now targeted for October 2012.

"Bob and Kelly King formed Pacific Biodiesel 15 years ago and are true trailblazers in the local biofuel industry," said Robbie Alm, Hawaiian Electric executive vice president. "They have taken their know-how and values across the globe from Japan to the U.S. East Coast but also remain committed to their Hawaii roots. We are pleased to be working with them to help move Hawaii off imported oil to a clean energy future."

"We are pleased to be fulfilling our first contract under HECO's RFP requiring locally produced fuel," stated Robert King, CEO of Pacific Biodiesel. "This is positive movement towards empowering a strong collaboration with Hawaii's farmers as we work together for a diversified agriculture future, a cleaner environment and green jobs."

In addition to recycling used cooking oil into vehicle fuel on Oahu, Maui and the Big Island, Pacific Biodiesel is managing the Military Biofuels Crop Demonstration Project in Waialua on Oahu, funded by a \$2.4 million grant, to develop a production model for fast growing, oil producing plants like safflower, sunflower and camelina to produce biodiesel for the military and local community.

The planned Honolulu International Airport Emergency Facility is a partnership to serve the State Department of Transportation and Hawaiian Electric customers with four biodiesel-fueled generators able to provide 8 MW to the grid. The units will be able to contribute power to the grid during normal operations but be isolated to supply power exclusively to the airport during an emergency.

This agreement must conform to environmental guidelines for the sustainable production and use of biofuels that were developed by Hawaiian Electric in partnership with the Natural Resources Defense Council.

###