



Hawaiian Electric Company

N E W S • R E L E A S E

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New Hawaiian Electric program can help business customers save money and help add more renewable energy

(Honolulu, Hawaii) -- Hawaiian Electric Company today launched a program designed to help business customers save thousands of dollars on their electric bills while they help the utility maintain reliability and add more renewable energy to the grid. The Fast Demand Response (Fast DR) pilot -- approved late last year by the Hawaii Public Utilities Commission -- rewards commercial and industrial customers for designating nonessential facilities that can be turned off during critical energy situations with 10 minutes notice or less.

Fast DR partners will receive a monthly bill credit whether or not a Fast DR event is triggered and an additional per-kilowatt-hour credit when use is actually reduced.

"With Fast DR, our commercial customers have another tool to help manage their electricity costs while helping reduce Hawaii's dependence on expensive and volatile imported oil," said Scott Seu, Hawaiian Electric vice president for Energy Resources.

Fast DR provides a way to quickly reduce demand until additional generating units are brought online when output drops off from intermittent renewables such as solar and wind. Fast DR can also reduce demand temporarily to postpone the need to bring added conventional generating units online, helping reduce overall energy costs and Hawaii's dependence on imported oil. It can also be used in emergencies if there is not enough electricity generation to meet demand.

Fast DR participants receive \$5 per kilowatt (kW) per month, with a minimum of 50 kW in designated electric demand reductions, whether or not a DR event is triggered. For example, a business that is willing to turn off equipment that normally requires 50 kW of power could receive a bill credit of \$3,000 a year, whether or not the equipment is ever turned off. An additional incentive of \$.50 per kilowatt hour is paid when a DR event occurs, based on energy not consumed compared to energy the customer would normally have used.

The customer always has the option of not participating in a specific DR event. Automatic DR sends a control signal directly to a building's computerized management system along with a simultaneous notification message to designated facility personnel. Semi-automatic DR begins with a phone call, e-mail, or text to designated facility personnel who then shut off designated load manually or automatically.

...more

Hawaiian Electric offers demand response program
February 2, 2012
Page Two

Typical electric load that could be designated includes non-essential processes or equipment; air conditioning; non-essential lighting or signage; fountains, saunas, pool or hot tub heating and pumps; or excess elevators or escalators.

The basic terms of Fast DR are:

- Load reduction available 7 am to 9 pm weekdays (excluding federal/state holidays)
- Load reduction events may last a maximum of 2 hours
- Loads must be reduced within 10 minutes of event initiation
- Maximum of 40 events per year for a maximum of 80 hours interruption

Fast DR supplements the current Commercial and Industrial Direct Load Control program, popularly known as EnergyScout for Business, but Fast DR has different characteristics. Present EnergyScout customers have the option of joining Fast DR or staying with EnergyScout, depending on their operational needs.

Hawaiian Electric will conduct the Fast DR pilot in cooperation with Honeywell, a global leader in demand response and smart grid technology and services.

To learn more, commercial customers can visit dr.heco.com or call 94-POWER. The process begins with a preliminary assessment or technical audit paid for by Hawaiian Electric Company.

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Hawaiian Electric Company and its subsidiaries, Maui Electric Company and Hawaii Electric Light Company, serve more than 400,000 customers on the islands of Oahu, Hawaii, Maui, Lanai and Molokai, home to 95% of Hawaii's people. It is a subsidiary of Hawaiian Electric Industries (NYSE: HE). For more information, visit www.heco.com.