



Hawaiian Electric Company

N E W S • R E L E A S E

Contact Information:

Peter Rosegg, 808-543-7780, 808-371-7474
peter.rosegg@heco.com
John Williams at Imperium 206-625-0075

FOR IMMEDIATE RELEASE

October 18, 2007

Hawaiian Electric contracts with Imperium to provide biodiesel for planned Campbell Industrial Park generating station

(Honolulu, Hawaii) – Hawaiian Electric Company today filed an application with the Hawaii Public Utilities Commission for approval of a biodiesel supply contract for its new 110 megawatt (MW) Campbell Industrial Park generating station. The contract is the result of a competitive bidding process. The biodiesel will be supplied on an exclusive basis by Imperium Services, LLC, an affiliated company of Imperium Renewables Hawaii.

The contract will continue through the end of 2011 and provides that Imperium will supply Hawaiian Electric's total fuel requirements for the Campbell generating station, anticipated to be between 5 million and 12 million gallons of biodiesel per year. As with all Hawaiian Electric fuel contracts, financial terms are proprietary.

Biodiesel is a clean-burning alternative fuel that can be made from a variety of vegetable oils and other feedstocks and can be used in most diesel engines with no significant engine modifications. According to the U.S. Environmental Protection Agency and the National Biodiesel Board, the environmental benefits of biodiesel include 78 percent less carbon dioxide emissions and 50 percent less ozone forming hydrocarbons than petroleum diesel.

"We're proud to have been selected by Hawaiian Electric for this important contract," said Martin Tobias, CEO and Chairman of Imperium Renewables, Inc. "It is a testament to the high quality of our products as well as the positive environmental benefits of using renewable fuels. We look forward to helping the state of Hawaii reduce its dependence on petroleum and achieve a more sustainable and self-sufficient energy future."

In an agreement with the State Department of Consumer Advocacy, Hawaiian Electric pledged to fuel the new Campbell Industrial Park unit entirely with biofuels. Honolulu Mayor Mufi Hannemann also strongly encouraged the use of biofuels for the generating unit.

The new plant will be an important addition to other renewable resources being used or pursued by Hawaiian Electric and its subsidiaries, including waste-to-energy, wind

-- more --

power, biomass, hydro power, wave energy and OTEC and increased geothermal.

Imperium will work with Hawaiian Electric and others to promote the development of a local agricultural energy industry to supply Hawaii-grown feedstock. Until then, the contract with Imperium provides that it import only feedstock that meets the new standard that Hawaiian Electric and the Natural Resources Defense Council (NRDC) developed with community input.

Among these requirements, Imperium has agreed to preferentially purchase sustainably-grown Hawaii feedstocks where available and to cooperate and comply with the "Environmental Policy for the Hawaiian Electric Company's Procurement of Biodiesel from Palm Oil and Locally-Grown Feedstocks, prepared by HECO and NRDC" (available online at www.hawaiisenergyfuture.com or www.nrdc.org/energy).

According to a report from the Hawaii Agricultural Research Center, if recommendations are followed and expected yields are attained, Hawaii could produce more than 150 million gallons of biodiesel per year from local feedstock. That is over 55 percent of the total petroleum diesel use of roughly 260 million gallons locally in 2004.

In May 2007, the Public Utilities Commission approved construction of the Campbell Generating Station. The Final Environmental Impact Statement has been accepted by the Honolulu Department of Planning & Permitting and an air quality permit has been issued from the Hawaii Department of Health and the federal Environmental Protection Agency.

Actual construction of the 110-MW simple-cycle combustion turbine generating unit is expected to begin in early 2008 and is planned to be in service by mid-2009.

Imperium's planned 100-million gallon per year biodiesel plant will be on land leased from the state Department of Transportation at Kalaeloa Harbor. Imperium Hawaii has completed its environmental assessment with a finding of no significant impact and is pursuing permits.

On August 15, 2007, Imperium Renewables, Inc. officially opened its Grays Harbor biodiesel production facility in Washington State. With an annual nameplate capacity of 100 million gallons per year, it is presently the largest biodiesel production facility in the United States. Both the Grays Harbor and the future Hawaii production facility will create biodiesel from numerous different feedstocks using proprietary technology and processes.

Hawaiian Electric Company, Inc., and its subsidiaries, Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc., provide electricity to 95 percent of the Hawaii's 1.2 million residents on Oahu, Maui, Hawaii, Lanai and Molokai. For more than 100

-- more --

years, Hawaiian Electric has provided the electricity that has powered the islands' progress through its history; first as a kingdom, then a U.S. territory and since 1959 as the 50th state.

Imperium Renewables, Inc. is a leader in the renewable energy industry. Headquartered in Seattle, Washington, Imperium Renewables currently operates a 100 million gallon per year nameplate capacity production facility in Grays Harbor, Washington and is the largest pure-play producer of biodiesel in the United States. Imperium Renewables designs, develops, builds, owns and operates biodiesel production facilities that will be capable of consistently producing industrial scale quantities of biodiesel from multiple feedstocks that exceed industry quality standards.

#