

• HELCO •

••• NEWS RELEASE •••

POST OFFICE BOX 1027 • HILO, HAWAII 96720

Contact:

HELCO: Warren Lee (808) 969-0124 (w) (808) 896-8102 (c)

Hawaiian Electric: Darren Pai (808) 543-7753 (w) (808) 351-4978 (c)

Tradewinds: Don Bryan (808) 854-4699

FOR IMMEDIATE RELEASE

July 26, 2007

HELCO signs agreement to purchase more renewable energy *Pushes Hawaii Island renewable energy use past 35%*

(HILO, Hawaii) - Hawaii Electric Light Company (HELCO) today announced it has signed an agreement to purchase renewable energy produced by a biomass-powered generation facility under development by Tradewinds Forest Products LLC and Rockland Capital Energy Investments.

"This is a great addition to our renewable energy portfolio," said Warren Lee, HELCO president. "Renewable energy on the Big Island will now exceed 35 percent."

The cogeneration facility will be part of a veneer mill Tradewinds plans to build in O'okala on the site of the now-defunct O'okala Sugar Mill. Scrap wood from the veneer operation will be used to power Tradewinds' generating unit.

"This project offers us the opportunity to add more reliable, renewable energy, reducing both greenhouse gas emissions and our dependence on fossil fuels," said T. Michael May, Hawaiian Electric president and chief executive officer.

Tradewinds President Don Bryan said the project will provide sustainable production of both forest products and energy.

"Our biomass-based energy source will utilize the portions of wood not suitable for veneer, providing a highly efficient source of power generation from which there is very little waste of material or energy," Bryan said.

Under the terms of the power purchase agreement, which requires approval by the Hawaii Public Utilities Commission, HELCO will purchase between 2MW and 3.6MW of electricity from Tradewinds on a scheduled basis.

The project will also generate additional electricity to power the veneer operation. That energy could be made available to HELCO if needed to cover a generation shortfall.

Tradewinds designed the project to utilize 15,000 of the nearly 40,000 acres of existing eucalyptus plantations on the island in a sustainable fashion. Harvested timber will be replanted and forests managed to optimize growth and conserve soil resources.

The project will be a net consumer of carbon dioxide, reducing the amount of greenhouse gases released into the atmosphere. As veneer is produced, carbon consumed by the trees will be trapped in the mill's finished products.

- more -

HELCO signs agreement for more renewable energy

July 26, 2007

Page 2 of 2

An estimated 35% of the power HELCO sells currently comes from renewable energy sources such as wind, solar, hydro and geothermal. HELCO and Hawaiian Electric are committed to developing additional renewable energy sources statewide.

#