



December 10, 2019



VIA E-MAIL

State of Hawai'i Land Use Commission  
Department of Business, Economic Development & Tourism  
P.O. Box 2359  
Honolulu, Hawai'i 96804-2359

Re: Docket No. A87-610, Waiawa Solar Power project

Dear Land Use Commissioners:

Hawaiian Electric Company, Inc. ("Hawaiian Electric") is pleased to provide the following comments regarding the Waiawa Solar Power project, as it relates to Docket No. A87-610 currently before you.

This renewable, dispatchable solar plus energy storage project was selected through a competitive request for proposals process, resulting in a power purchase agreement ("PPA") executed by Hawaiian Electric in December 2018, with a term ending in 2042. The PPA was approved by the State of Hawaii Public Utilities Commission ("PUC") in March 2019. As the Commission may be aware, the state's renewable portfolio standards ("RPS") law requires Hawaiian Electric to have an RPS of 40% by 2030, 70% by 2040, and 100% by 2045. The Waiawa Solar Power project is estimated to contribute up to 1.4% towards Hawaiian Electric's RPS in 2022, with an average RPS impact of 1.6% between 2022 and 2041.

In addition, the PPA is expected to result in numerous benefits to Hawaiian Electric's customers, including monthly bill savings, reduced fossil fuel consumption and fuel supply reliability risk, reduced greenhouse gas emissions, and grid stabilizing services. The Waiawa Solar Power project is expected to generate enough renewable energy to serve roughly 14,000 homes. It would be in all parties' interests to further maximize these benefits by utilizing this site for its full useful life. At the end of the PPA term in 2042, Hawaiian Electric will have three years remaining to reach the state's 100% renewable energy mandate, and Hawaiian Electric expects that additional procurements will be needed to meet that goal.

Given that solar generation equipment is understood to have a useful life of 30-40 years, the PPA specifically provides that the parties may negotiate the terms and conditions of an extension term beyond 2042, including reduced contract pricing, in recognition that the project will have recovered its capital and financing costs. The permit approval should allow for the potential of extended term to ensure that the project can continue to provide the benefits described above. Thank you for the opportunity to provide comments on the Waiawa Solar project.

Sincerely,

Rebecca Dayhuff Matsushima  
Director, Renewable Acquisition