



**PUBLIC UTILITIES COMMISSION
STATE OF HAWAII**

FOR IMMEDIATE RELEASE

June 15, 2018

**PUC Initiates Response Plan to Address Shutdown
of Puna Geothermal Power Plant on Hawai'i Island**

HONOLULU – At the request of Governor David Ige, the Hawai'i Public Utilities Commission has met with the Hawaiian Electric Companies and Hawai'i Energy to develop a series of rapid response actions to address the loss of renewable generation from the Puna Geothermal Venture (PGV) power plant due to the ongoing lava flow on Hawai'i Island. The PGV power plant provided 38 megawatts of firm, dispatchable renewable energy, representing about one-quarter of Hawai'i Island's energy supply, and more than half of all renewable energy generation on Hawai'i Island. In the near-term, electricity formerly provided by PGV will be generated mostly by burning fossil fuels, increasing air pollution and raising electricity prices for customers.

"I commend Hawaii Electric Light for its efforts responding to the lava flow on Hawaii Island. The Commission is committed to supporting the Hawaiian Electric Companies and Hawai'i Energy in this multi-faceted response plan," said PUC Chair Randy Iwase. "We have provided guidance and flexibility to accelerate the development of new renewable energy projects and invest in energy efficiency and demand response. These actions will help improve reliability and reduce costs to customers."

The PUC has asked the Hawaiian Electric Companies and Hawai'i Energy to take immediate steps to respond to the economic, reliability, and renewable energy impacts created by the natural disaster. "Hawaii Electric Light and the other Hawaiian Electric Companies appreciate the community's and Governor's support in giving us the chance to process more pending renewable and energy saving projects that will help our customers and the environment in this time of need," said Hawaii Electric Light President Jay Ignacio.

In order to help meet the electricity needs of the Big Island, Hawaii Electric Light and the other Hawaiian Electric Companies will expand and accelerate development of new renewable energy projects, continue to expedite interconnections of pending rooftop solar and storage, and collaborate with Hawai'i Energy to implement new demand response and energy efficiency programs for Big Island residents and businesses. "We understand that energy may not be top of mind for those dealing with the repercussions from the eruption," said Hawai'i Energy Executive Director Brian Kealoha. "Hawai'i Energy stands ready, along with the PUC and Hawaii Electric Light, to help our Big Island community reduce their energy bills through efficiency."

Details of the comprehensive approach include:

1. Expand and Accelerate the Development of Large-Scale Renewable Energy Projects

The Commission has authorized the Hawaiian Electric Companies to expand the selection of renewable energy projects that have bid into the ongoing procurements for Hawai'i Island, Maui, and Oahu, and accelerate the timeline for bringing new renewable projects online, particularly projects paired with energy storage. This will help replace renewable generation lost on Hawai'i Island, reduce energy costs to customers, and contribute to the Hawaiian Electric Companies' combined renewable energy goals. The expected timeframe for the Hawaiian Electric Companies' selection of these projects is third quarter 2018.

2. Continue to Expedite Interconnection of Pending Rooftop Solar and Storage

Hawaii Electric Light will continue its efforts to expedite distributed renewable energy projects currently going through the interconnection process to enable more projects to come online in the immediate future and address some of the near-term capacity issues. Approximately 2.5 MW of distributed energy projects are ready for final processing on Hawai'i Island, including many systems paired with storage, which could reduce peak demand and provide incremental generation capacity and renewable portfolio benefits.

3. Energy Efficiency and Demand Response for Big Island Residents and Businesses

As the quickest and cheapest grid resource, energy efficiency is a natural choice for mitigating the reliability and energy cost impacts of the lava flow. Hawai'i Energy will ramp up energy efficiency program offerings and incentives for projects on Hawai'i Island. Demand response is another resource that can increase reserve margins for Hawaii Electric Light and save money for customers. Hawaii Electric Light and Hawai'i Energy will work together to enable customers to take advantage of energy efficiency and demand response options, with an initial focus on large commercial and industrial customers.

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