

PAEAHU SOLAR PROJECT

FREQUENTLY ASKED QUESTIONS

WHAT IS THE PAEAHU SOLAR PROJECT?

Innergex is proposing a 15 MW solar photovoltaic and 60 MWh battery energy storage system project on Ulupalakua Ranch, mauka of Piilani Highway in South Maui, under a land lease agreement. The project will be located on approximately 200 acres of Ranch land.

WHAT LED TO THIS PROJECT BEING DEVELOPED?

Innergex responded to a Request for Proposal (RFP) issued by Maui Electric Company, Ltd (“Maui Electric”) in 2018 for renewable energy that will help stabilize and lower costs while reducing the state’s reliance on imported fossil fuel and cutting greenhouse gas emissions.

WHO IS INNERGEX?

Founded in 1990, Innergex is a Canadian independent renewable power producer which develops, acquires, owns and operates hydroelectric facilities, wind farms and solar farms. Innergex has operating solar projects in the United States, Canada, and Chile.

WHY ARE BATTERIES PART OF THIS PROJECT?

The battery storage system was a key aspect of the RFP. The batteries would be completely charged from the solar panels during the day. The energy can then be used during peak demand in the evening or at other times when the sun is not shining.

WHY WAS ULUPALAKUA RANCH SELECTED AS THE LOCATION FOR THIS PROJECT?

Ulupalakua Ranch was selected because it has an excellent solar resource, buildable land, existing Maui Electric infrastructure (i.e. substation and transmission line), and Ulupalakua Ranch’s interest in creating sustainable, diversified uses of the less productive areas of their land. In addition, Maui Electric identified the need for regional electricity generation in South Maui due to load growth and constrained transmission capability.

WHAT WILL THE PROJECT ACCOMPLISH?

The Paeahu Solar Project will power approximately 7,500 homes with renewable energy. This will contribute to the State of Hawaii's goal to be 100% renewable by 2045 and reduce the state's dependency on imported fossil fuel. The project capitalizes on an abundant solar resource which is the least expensive form of renewable energy available in Hawaii today.

WILL THIS MEAN INCREASED COSTS FOR CONSUMERS?

Maui has some of the highest electricity prices in the United States at 35 cents per kWh. The price of solar plus battery energy storage in the Maui Electric RFP is the lowest to date for renewable electricity in the state. The Project will provide a fixed, long-term price of 11.7 cents per kWh, in place of the volatile prices of fossil fuels. This is more than 20% lower than Maui Electric's current cost of generating electricity which will put downward pressure on electricity rates.

HOW ELSE WILL THE COMMUNITY BENEFIT FROM THE PAEAHU SOLAR PROJECT?

In keeping with Innergex's core values, preference will be given to local suppliers and contractors throughout the development of the project. The project will also contribute to local organizations, community projects and events throughout the life of the project.

WHO IS FUNDING THE PAEAHU SOLAR PROJECT?

Innergex will be responsible for 100% of the development, construction, and start-up costs. After completion, Innergex will also be responsible for all operational and maintenance costs.

ARE THERE ANY CULTURAL OR ENVIRONMENTAL FEATURES TO CONSIDER FOR THE SITE?

Respecting the archaeological, cultural, and environmental features of any site that Innergex develops is a priority. As such, archaeological, cultural and environmental studies and analyses are ongoing for gaining a thorough understanding of the site. The intent is to arrive at the best possible final layout that balances archaeological, cultural, environmental, technical, economic and social considerations.

WHAT IS THE TIMELINE FOR THE PROJECT?

Innergex responded to Maui Electric's Request for Proposal in April 2018 and, after meeting other milestones, was awarded a Power Purchase Agreement in December 2018. Innergex anticipates completing construction and beginning operation of the project by June 2022.

HOW LONG WILL PAEAHU BE IN OPERATION?

The Project's power purchase agreement (PPA) with Maui Electric has a term of 25 years. Thereafter, the project can be purchased by Maui Electric, have its PPA renewed, or be decommissioned. Innergex is responsible for decommissioning and restoring the site to its original state.

For more information: www.paeahusolar.com

Email: hawaiisolar@innergex.com

INNERGEX

Renewable Energy.
Sustainable Development.