



Renewable Energy.
Sustainable Development.

November 6, 2020

Aloha Community Members,

RE: Paeahu Solar Files its County Special Use Permit Application with Maui County

As you may be aware, we recently received approval from the Public Utilities Commission for our Paeahu Solar Project's Power Purchase Agreement. We are excited to be moving into the permitting phase of the project and are submitting a Special Use Permit application to the Maui County Planning Department. The application will eventually go to the Maui Planning Commission for review and approval. While a formal notice is being sent to residents who are within 500 feet of the project's TMK boundaries via U.S mail, we wanted to also share this project milestone with all community members.

We are deeply grateful to you and others in the community for the feedback we received to date. The improvements to the project previously shared with the community are a direct result of the numerous conversations and meetings we have had and are indicative of the value of these exchanges.

Benefits of the Paeahu Solar Project include:

- The Project, in conjunction with other proposed renewable energy projects, will enable the utility to shut down the 70-year old, diesel burning, Kahului Power Plant in 2024. This would substantially reduce greenhouse gas emissions and other forms of pollution that are detrimental to the environment and human health.
- The Project is expected to reduce net lifecycle greenhouse gas emissions by approximately 527,810 metric tons.
- The renewable energy supplied by the Project is anticipated to save Maui Electric and its customers millions of dollars in total avoided fuel costs over the term of the PPA, based on a forecasted fuel consumption reduction of 1,342,000 fewer barrels of fuel.
- With the addition of the Project, the avoided fuel use and changes to Maui Electric's system costs will result in a reduction of \$26,463,496 in avoided fuel costs. These savings will result in bill savings to customers over the 25-year term of the PPA.
- A reduction in fossil fuel consumption due to the Project will in turn reduce the need for fuel imports, reduce fuel supply reliability and cost volatility risk, and increase the State of Hawaii's and Maui County's energy independence.
- The Project will enable Maui Electric to utilize stored solar energy to meet peak demand or respond to the unforeseen shutdown of one or more other units on Maui Electric's system, improving the system's reliability and grid stability.
- The Project's long-term lease agreement with 'Ulupalakua Ranch will provide a valuable and stable revenue stream for the ranch over the next 25 years that will help maintain ranching operations and their extensive conservation efforts.

Innergex Renewables USA LLC
4660 La Jolla Village Drive, Suite 680
San Diego (California) 92122
Tel. 858 346-4004 | info@innnergex.com
www.innergex.com

Innergex Renewable Energy Inc.
888 Dunsmuir Street, Suite 1100
Vancouver, British Columbia V6C 3K4 Canada
Tel. 604 633-9990 | info@innnergex.com
www.innergex.com



Renewable Energy.
Sustainable Development.

As our team begins working with the regulatory agencies to obtain the permits for construction, Paeahu Solar is committed to continuing to interact and update community members as planning progresses. We welcome your feedback at any time and look forward to moving this renewable energy project forward!

Please contact me, my colleague Julia Mancinelli, or our Maui team, Jeanne Skog and Teena Rasmussen if you have any questions or comments.

Mahalo

PAEAHU SOLAR LLC

Eddie Park

Eddie Park
Director – Business Development
Innergex Renewables USA LLC
epark@innergex.com

c.c. Julia Mancinelli – Innergex (jmancinelli@innergex.com)
Jeanne Skog – Skog Rasmussen LLC (jskog@skograsmussen.com)
Teena Rasmussen – Skog Rasmussen LLC (trasmussen@skograsmussen.com)



Renewable Energy.
Sustainable Development.

PAEAHU SOLAR PROJECT **SPECIAL USE PERMIT APPLICATION**

Excerpt: Description of Proposed Use on the Property

Paeahu Solar LLC (Paeahu Solar or Applicant) proposes to construct and operate the Paeahu Solar Project (Project) located near Wailea in Maui County. The Project will consist of a 15-megawatt (MW) ground mounted solar photovoltaic (PV) system coupled with a 60 MWh battery energy storage system, as well as ancillary support infrastructure. The Project is located 0.6 miles east of Pi'ilani Highway, mauka of the Maui Meadows subdivision, on the western portion of tax map key parcel (TMK) 2-1-008:001, owned by 'Ulupalakua Ranch. Paeahu Solar is currently considering two access routes for the Project. One access route is via a single new access road extending from Pi'ilani Highway, across TMK 2-1-008:056 (owned by Honua'ula Partners, LLC). One access route is via the existing Auwahi switchyard road which is located on TMK 2-1-008:001 and extends west from Kula Highway to the existing Auwahi switchyard. The Project will interconnect with the Maui Electric Company, Ltd. (Maui Electric) grid at the existing Auwahi switchyard via a 0.5 mile, 69-kilovolt, overhead generation-tie line. The Project is anticipated to be operational by the end of Q4 2022. For more information regarding the Project, please visit www.paeahusolar.com.

As the Project is located within the County Agricultural District and is a solar energy facility greater than 15 acres, it is considered a special use per Maui County Code (MCC) §19.30A.060(A)(12). Therefore, the Applicant is seeking a County Special Use Permit (CUP), as provided in MCC §19.510.070, to construct and operate the proposed Project.