



Renewable Energy.
Sustainable Development.

April 27, 2021

RE: Paeahu Solar Special Use Permit Application to be Presented at Maui County Planning Commission Hearing on May 25

Aloha Community Members,

We are pleased to provide you with the latest update about our Paeahu Solar Project. As you may recall, we received approval from the Public Utilities Commission in October 2020 and have been making steady progress on the Project's milestones.

Moving toward the next milestone, the Maui County Planning Department has received our project's Special Use Permit (SUP) and Project District Phase 2 Development Approval (PH2) application and has scheduled it to be reviewed by the Planning Commission on May 25. The meeting will be held virtually, details of which will be posted on the Maui County Planning Commission [webpage](http://www.mauicounty.gov/191/Maui-Planning-Commission) at www.mauicounty.gov/191/Maui-Planning-Commission

As part of the process, a formal notice of the hearing is being sent to residents who are within 500 feet of the project's TMK boundaries via registered mail. In addition to the required notification, we want to share this update with all community members that we have engaged with over the last three years and recap the many benefits the Paeahu Solar Project will provide the Maui community.

In addition, please refer to the attached **Appendix A** for additional information on Community Feedback and Updated Design as a result of pre-development community engagement efforts.

- The Project will power approximately **6,900** Maui households with clean, renewable energy.
- The power generated by the Project will help the utility to move closer toward its goal of closing the oil-fired Kahului Power Plant in 2024. The Kahului plant is more than 70 years old and emits approximately 100,000 lbs. of sulfuric acid per year.
- 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 the import of approximately **1,342,000** barrels of fuel which represents over \$26 million in fuel cost savings over the 25-year life of the Power Purchase Agreement (PPA).
- Paeahu Solar's 25-year fixed price PPA will provide pricing stability to Maui Electric and reduce the volatility and risk from fossil fuel dependence. There will be no escalators in the pricing over the 25 years.
- Paeahu Solar's battery energy storage system will enable Maui Electric to utilize stored solar energy to meet peak demands 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**.

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- The Project's long-term 25-year lease agreement with **'Ulupalakua Ranch** will provide a stable revenue stream that will help sustain ranching operations as well as the extensive conservation efforts the ranch is known for.

Extensive archaeological, cultural, environmental and technical studies have been conducted, and we invite you to review the results on our [website](#).

As our team continues working with the regulatory agencies, Paeahu Solar is committed to continuing to engage and update community members as the project progresses. We encourage you to visit our [website](#) at www.innergex.com/hawaii/paeahu/ to learn more.

Please do not hesitate to contact me directly at (808) 298-2615 or at mbmartin@innergex.com if you have any feedback or questions.

Mahalo

PAEAHU SOLAR LLC

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Encl: Appendix A: Paeahu Solar Project Community Feedback

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Paeahu Solar is pleased to support Hawaii's goal of accelerating renewable energy development in Hawaii and to be part of the State's historic goal of 100% renewable portfolio standard by 2045. To achieve this bold goal, the state needs to reach the following milestones: 30% by 2020, 40% by 2030, 70% by 2040. This is a very challenging but realistic achievement. Hawaii cannot wait until the last minute to "get there". Maui Electric's energy plan for 100% renewable energy generation requires that every home have solar PV on the rooftops and utility-scale projects like Paeahu Solar come online in a timely manner.

The Paeahu Solar Project will provide renewable energy in South Maui, which will reduce electrical transmission losses and provide for energy security and resiliency in the area. The Project will put downward pressure on electricity bills, reduce oil price volatility for Maui Electric's customers, and reduce greenhouse gas emissions.

The power generated by the Project will help the utility to move closer toward its goal of closing the oil-fired Kahului Power Plant in 2024. The Kahului plant is more than 70 years old and emits approximately 100,000 lbs. of sulfuric acid per year.

COMMUNITY FEEDBACK

Since the beginning of the project, in 2018, we have solicited input to help us with the design of the project. A summary of the Project design refinements made in direct response to community input is provided below.

Revised Project Layout:

- We committed to not using Maui Meadows roads to access the project during construction.
- The height of the racking system was reduced from approx. 16 feet to 8 feet to keep the panels at the approx. height of the tree line, further minimizing potential visual impacts.
- The solar array racking system design was changed from single-axis trackers to fixed-tilt.
- Fixed-tilt systems have the advantage of being slope tolerant and can be installed in a more compact space compared to single-axis trackers. Due to the topography of the site, the use of fixed-tilt foundations allows for a reduced Project footprint, thereby allowing more flexibility on the micro-siting of the solar array.
- The Project layout has been designed to take into account the results of the archaeological and environmental studies.
- The solar panels will occupy about one-quarter of the approximately 200-acre study area.

Setbacks Increased:

- The revised Project layout has increased the setback of the solar arrays to a minimum of 300 feet away from the property line or equivalent to a football field away compared to the originally proposed 200 feet. The Project's fence line will be setback a minimum of 250 feet and Project roads and drainage infrastructure will be setback between 250 and 300 feet from the property line.
- Existing vegetation beyond the neighborhood fence lines will be preserved further reducing the visibility of the Project from the Maui Meadows homes adjacent to Ulupalakua Ranch.
- We remain committed to the solar array height being about 8-9 feet (reduced from about 16 feet) to keep them at the approximate height of the existing tree line.

View Planes Mitigated:

- We developed visual (photo simulations) of the project through an experienced engineering firm to understand the potential visual impact from the homes along the border of the Ranch land and shared the results with the community. Our 2020 Visual Impact Assessment Report is available on our website or at this [link](#).
- We increased the setback and the existing vegetation and terrain located within the setback area to provide visual screening of the Project and to reduce the visibility of the Project from the select Maui Meadows homes directly adjacent to the Ranch. Landscaping is planned, as required, to provide and/or supplement the visual screening provided by the existing vegetation in the setback area. We anticipate incorporating trees and shrubs in key locations along the western perimeter of the Project fence line and will include native species that are ecologically and culturally appropriate for this location. All proposed landscaping will be approved by Ulupalakua Ranch. The Landscaping plan can be found on our website or at this [link](#).
- None of the other residents within Maui Meadows will be able to see the project from their homes because Maui Meadows is on a hillside the combination of terrain and adjacent homes blocks their mauka view.

Noise Potential Eliminated:

- Although noise related to the single-axis trackers was not expected to be audible from any neighboring residences, we took this concern into consideration and switched our design to fixed-tilt foundation. This change eliminates the potential for noise from the solar tracker motors.

Glare Reduced:

- With the fixed-tilt foundations, the potential glint and glare from the panels will be mitigated by the anti-reflective coating on the panels and by design and modifications of the array azimuth or direction in which the panels face (south-east).

For additional information on Paeahu Solar Project, including documents, drawings, and reports, please visit our [website](http://www.innergex.com/hawaii/paeahu/) (www.innergex.com/hawaii/paeahu/).