



Renewable Energy.
Sustainable Development.

October 15, 2021

An Update from the Kahana Solar Project Team

Aloha Community Members:

Thank you for your ongoing interest in the Kahana Solar Project. As planning for the project continues, we are pleased to share the latest information about it with you.

Kahana Solar Project Overview

The Kahana Solar Project is a 20 MW solar PV coupled with an 80 MWh battery energy storage system (BESS). The BESS would be charged from the solar panels during the day. One of several awarded by Maui Electric to achieve Hawaii's 100% renewable energy goal, the Project:

- *provides Maui Electric with flexible, semi-dispatchable renewable energy at **a fixed price for 25 years***
- *provides enough electricity to power **the equivalent of 11,600 homes***
- *will provide **West Maui** with stored renewable generation and improve grid stability*
- *will **displace about 2,160,872 barrels of fossil fuel** over the 25-year life of the project*
- *will reduce an **estimated 754,510 net metric tons** of greenhouse gas emissions over the life of the project*
- *will help **replace the power of the 38 MW oil-fired Kahului Power Plant** due to close in 2024*
- *is scheduled to be operational **by the end of 2023***

Outcome of PUC Hearing

On September 14 and 15, 2021, the Public Utilities Commission (PUC) held an Evidentiary Hearing about the Kahana Solar Project Power Purchase Agreement (PPA) with Maui Electric Company. Representatives for all parties and participants involved—Kahana Solar LLC, Maui Electric, the Consumer Advocate, and West Maui Preservation Association—had the opportunity to raise questions about previously submitted documentation and to present oral arguments. We are **grateful for the numerous letters of support** about the Project that were provided to the Public Utilities Commission. The hearing recording is available on the PUC's YouTube channel (<https://puc.hawaii.gov/>) and in Docket 2020-0142 if you have further interest in these proceedings.

The two-day session concluded with the PUC instructing all parties to participate in a mediation process to resolve viewpoints on Kahana's community benefits process, preference for a local workforce, and formalizing Kahana's intent to decommission at the end of the life of the project. On October 15 after a productive mediation process, the involved parties came to an agreement that resolved the differing perspectives. We look forward to the PUC's Decision and Order and commencing the permitting process over the coming months.

Innergex Renewable Energy Inc.

888 Dunsmuir Street, Suite 1100
Vancouver, British Columbia V6C 3K4
Canada
Tel. 604 633-9990 | Fax 604 633-9991
info@innnergex.com | www.innnergex.com

Head Office

1225 Saint-Charles Street West, 10th floor
Longueuil, Québec J4K 0B9
Canada
Tel. 450 928-2550 | Fax 450 928-2544
info@innnergex.com | www.innnergex.com

Innergex Renewables USA, LLC

3636 Nobel Drive, Suite 260
San Diego, CA 92122
United States
Tel. 858 346-4004 | Fax 604 633-9991
info@innnergex.com | www.innnergex.com

Benefits to the Community

The State of Hawaii's renewable energy mandate is to achieve a 100 percent renewable portfolio standard by the year 2045. **Kahana Solar Project's primary benefit to the community is the contribution it will make toward achieving the 100% renewable energy goal.** Utility scale solar projects like Kahana Solar benefit all Maui Electric customers connected to the grid, not just those who can afford a solar installation. The price of the Project's solar plus storage is amongst the lowest to date for renewable energy in the state and is cheaper than the cost of traditional fossil fuel generation. It will help reduce Hawaii's overdependence on oil and vulnerability to volatile oil prices.

Since our inception in 1990, Innergex has envisioned a world where abundant renewable energy promotes healthier communities and creates shared prosperity. Innergex develops, acquires, owns, and operates a portfolio of high-quality, environmentally responsible renewable energy projects around the world. Innergex maintains ownership of its projects, so we know that being a good neighbor in the communities that host our projects is essential for our success—and is a direct reflection of our company's vision, mission, and values. In this spirit, we looked beyond the primary benefits of the Kahana Solar Project to learn about other ways the Project could assist the West Maui community. More than 100 West Maui residents and organizations, including educators, business owners, non-profit representatives, cultural practitioners, senior citizens, and students that generously shared their views and recommendations in interviews with us.

Guided by these community interviews¹ and in keeping with what we presented to the PUC, we are committing to **\$1.375 million in community giving** over the 25-year life of the Project, which breaks down to \$55,000 per year during the Project's commercial operations. More specifically, our commitment will support:

- **Friends of Pu'u Kukui Watershed Preserve** through the Living Pono Project as part of supporting environmental stewardship, sustaining the Preserve's natural and cultural resource, and protecting a vital water source for Maui's community.
- **Education and Training at Lahainaluna High School** (directly or through the Lahainaluna High School Foundation) **and/or the University of Hawai'i Maui College** to advance renewable energy and environmental stewardship training. Eligible initiatives may include vocational education, mentoring, internships, professional development for teachers, equipment, leadership development that expand student horizons. Innergex will also serve as an **Education Resource** for engaging students in exploring energy or sustainability career paths.
- **West Maui Cultural Programs** that promote cultural education and/or environmental protection programs and initiatives, specifically the Honokōwai Valley project of Maui Cultural Lands and the Nāpili Kai Foundation program to perpetuate the Hawaiian culture.
- **West Maui Events and Organizations** to be administered by Hawaii Community Foundation through an annual grantmaking program that aligns with Innergex's core values around

¹ <https://www.innergex.com/hawaii/wp-content/uploads/2021/05/2020-2021-Community-Interviews-Findings-and-Recommendations.pdf>



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long-term sustainable development that balances People, our Planet and Prosperity. Kahana Solar will support events and organizations in West Maui over the life of the Project.

- **Memberships and Sponsorships** of events and programs identified by Innergex that occur throughout the year in West Maui.

In addition to the above, Kahana Solar has engaged and harnessed local knowledge and talent to aid in the complex planning process of creating the solar farm. We are grateful for their expertise in and dedication to the Project's goals. As an example, **expertise from West Maui Ridge 2 Reef and CORAL Reef Alliance on minimizing stormwater runoff has led to incorporating design techniques that minimize the landscape impacts from the project.**

To date, Kahana Solar has hired from the local workforce and purchased from local businesses. The construction and operation phases will further create new employment opportunities and the need for other local suppliers and services. For construction and operations, we are also committing to **a preference to local residents, consultants, businesses, and contractors continues, with a significant majority of project hours paid at the prevailing wage equivalent.**

We are excited to continue engaging with the West Maui community and apply our resources and expertise, sponsorship opportunities and support to local organizations as needed. Forging long-term relationships and providing support as well as partnering up with the communities that host our projects has always been and will remain a priority.

Your comments and questions are always welcome

We hope you found this update informative. As we continue with project planning, your participation, input and advice are always welcome.

Please visit our [website to learn more](#), or contact me personally if you have any questions, concerns, ideas, or would like to sign-up for our [Ka Puni Uila](#) newsletter. We look forward to staying in touch.

Mahalo

Kahana Solar, LLC

Myriam Bernede-Martin

Myriam Bernede-Martin
Senior Advisor – Community Relations
Innergex Renewables USA LLC
Cell: 1 (808) 298-2615
mbmartin@innergex.com

cc: Jamie Horner, Senior Director – Storage and Innovation, Innergex
(jhorner@innergex.com)
Julia Mancinelli, Director – Environment, Innergex
(jmancinelli@innergex.com)
Jeanne Unemori Skog, Skog Rasmussen LLC
(jskog@skograsmussen.com)
Teena Rasmussen, Skog Rasmussen LLC
(trasmussen@skograsmussen.com)