Hawaiian Electric

NEWS RELEASE

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Hawaiian Electric proposes to repower Waiau Power Plant

Project would replace old units with flexible, firm renewable generation on existing site, reducing operating cost and community impact

HONOLULU, May 18, 2023 – Hawaiian Electric is proposing to replace six aging fossil fuel-powered generators at its Waiau Power Plant in Pearl City with smaller, more efficient and fuel-flexible units that can provide reliable, firm generation to back up the expanding portfolio of variable resources like solar and wind on the O‘ahu electric grid.

The new units can run on multiple fuels, including biodiesel and potentially hydrogen if it becomes commercially available in the future. Unlike traditional steam generators built to run continuously and which take hours to come online, the new units are designed to respond quickly to changing needs on the grid, filling the gap when variable resources like solar and wind aren’t available. They can run cleaner, quieter, more efficiently and operate less frequently than the existing units.

The Waiau proposal was submitted in April to respond to a competitive procurement issued by Hawaiian Electric and overseen by the Public Utilities Commission (PUC), which will make the final determination on whether proposals by Hawaiian Electric and any other bidder are approved. The Hawaiian Electric proposal and any generation proposals from other developers will be evaluated on price, technology, community benefits and other factors, with the review and final selection overseen by the PUC and an Independent Observer. There is no guarantee the Hawaiian Electric proposal or any other proposal will be selected in the competitive procurement or approved by the PUC. The final awards announcement is expected in October.

Because this is a competitive procurement, proposals are confidential, and specific details on technology, size, cost and bill impacts are not available until the final awards announcement. Hawaiian Electric is announcing its plan before knowing whether it is in the final awards group in an effort to broaden its community and stakeholder discussions as early as possible and facilitate the greatest level of transparency and flexibility for engagement and input.

“This proposed project represents the most impactful transformation of our generation infrastructure in decades and supports the critical need for reliable, 24/7 power that is much more efficient and aligned with our renewable future than the technology it replaces,” said Mike DeCaprio, vice president of power supply for Hawaiian Electric. “Some of these oil-fired boilers were built just after World War II and while they’ve served us reliably for decades, they don’t have the flexibility and fast-start capability we need with our expanding portfolio of solar and wind resources.”

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By building within the footprint of the 85-year-old Waiau facility and reusing much of the existing infrastructure, DeCaprio said there will be operational cost savings and minimal community impact.

Hawaiian Electric's Waiau Units 3 and 4, built in 1947 and 1950, are scheduled to be decommissioned and removed over the next several years.

Four additional units, built between 1959 and 1968, will be decommissioned and removed in phases through the end of the decade as new firm and variable generation resources come online. While the project will require an Environmental Impact Statement and other permits, no new land acquisition processes or zoning changes will be needed. In-service dates for the first new units will begin in 2029 with other units to follow.

Under the requirements of the latest stage of renewable energy procurement, all project proposals must now include a benefits package created in consultation with the host community that specifies the distribution of funds to beneficiaries or a nonprofit organization, and how those funds address community needs.

Hawaiian Electric's Development Team has been in preliminary discussions with community leaders in Pearl City and has formed an initial Community Advisory Group that will help assess and define community needs, priorities and beneficiaries over the life of the project. If selected, the project and community benefits package developed under the guidance of the advisory group will require PUC approval.

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