

NEWS RELEASE

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Statement on State Energy Office Alternative Fuels Study

HONOLULU, Jan. 28, 2025 – Hawaiian Electric appreciates the analysis conducted by the State Energy Office, which builds on a foundation of previous work, including the company's own 2023 decarbonization scenarios study, the 2023 Integrated Grid Plan and various assessments of LNG, including those commissioned by Hawaiian Electric years ago.

No one is satisfied with the pace of the transition from fossil fuels to renewables and we appreciate this report acknowledges that everyone – government, regulators, interest groups and utilities – is responsible for where we are today. With technology and federal policy changing almost daily, we remain committed to a renewable energy future and support a comprehensive look at all options that would reduce emissions, enhance resilience and make electricity more affordable.

The Alternative Fuel, Repowering and Energy Transition Study notes that the suitability of LNG for Hawai'i was first studied over a decade ago. Hawaiian Electric spent four years and millions of dollars pursuing an LNG transition that was abruptly halted by a shift in state policy.

This stop-and-start public policy loop, rather than inaction by the utility, has contributed greatly to the composition of Hawai'i power plants today. Similarly, shifting regulatory priorities have driven decisions that delayed the procurement of new firm and renewable generation resources over the past 15 years. Specifically:

- Gov. Linda Lingle (2002-2010) opposed the use of LNG for power generation.
- Gov. Neil Abercrombie (2010-2014) made the use of LNG a policy imperative and directed Hawaiian Electric to "move forward with plans to include natural gas in Hawai'i's energy portfolio."
- Gov. David Ige (2014-2022) blocked the use of LNG, saying: "Any time and money spent on LNG is time and money not spent on renewable energy."

With this report, the state returns to seeing LNG as a key component of its energy transition strategy. If that choice is pursued, it must be "locked in," accompanied by durable policy decisions that ensure consistency and clarity, especially for the investors who will be asked to provide billions of dollars of capital to refurbish and replace infrastructure.

A critical element is engagement with the many people and organizations with a stake in, and an opinion on, Hawai'i's energy future. The fuels study acknowledges this was a "desktop feasibility analysis" that did not include outreach. We look forward to participating in this conversation and share Gov. Green's stated desire to "accelerate Hawai'i's energy transition to renewable and carbon-free energy."

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