

January 6, 2023

The Honorable Chair and Members of the Hawai'i Public Utilities Commission Kekuanao'a Building, First Floor 465 South King Street Honolulu, Hawai'i 96813

Subject: Docket No. 2017-0352 – To Institute a Proceeding Relating to a Competitive

Bidding Process to Acquire Dispatchable and Renewable Generation

Flowing Updates into Stage 3 RFP for Hawai'i Island

Dear Commissioners:

The Companies¹ are making available additional information to prospective proposers in the Stage 3 Request for Proposals ("RFP") for Hawaiʻi Island. To address Order No. 38735, Approving the Companies' Final Stage 3 RFPs for Oahu and Maui, with Modification, issued on December 1, 2022 in this proceeding, the Companies made updates to information common to the Stage 3 RFP for Hawaiʻi Island in developing the Final Stage 3 RFP for Maui Island. Many of the updates required by the Commission are helpful to proposers and provide further information to be able to develop more accurate proposals, such as further clarity on fuel requirements and further cost information for interconnection. The Companies also found errors or other areas where further clarity could be provided to developers when finalizing the Final Stage 3 RFP for Maui Island. Those updates, as appropriate, are now offered to prospective proposers in the Stage 3 RFP for Hawaiʻi Island to maintain consistency between the RFPs and to ensure that proposers to the Stage 3 RFP for Hawaiʻi Island have the same beneficial updates and clarity offered to proposers of the Stage 3 RFP for Maui Island.

The additional information that is being provided in the Stage 3 RFP for Hawai'i Island is as follows:

- 1. Providing additional Appendix H cost information made available to proposers adding another unit cost item that provides cost information for interconnection of a 69 kV overhead final span for termination into an existing Offered Substations (except Keamuku).
- 2. Refining the fuel requirements for any renewable generation project requiring fuel –

¹ Hawaiian Electric Company, Inc. ("Hawaiian Electric"), Hawai'i Electric Light Company, Inc. ("Hawai'i Electric Light"), and Maui Electric Company, Limited ("Maui Electric") are collectively referred to as the "Hawaiian Electric Companies" or "Companies".

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clarifying the minimum fuel floor requirement required to operate the proposed facility with assumptions of dispatch and operations. This can help proposers refine their proposal prices for any generation proposal requiring fuel.

- 3. Providing clarification with respect to the Interconnection Requirements Study identifying a recently published IEEE standard that may be incorporated into the Interconnection Requirements Study, to the extent relevant to Hawai'i, to be performed on all projects selected to the final award group at the conclusion of the RFP.
- 4. Offering additional community feedback information recently made available on the Hawai'i Powered website that developers might find helpful.
- 5. Providing updated versions of the Hawai'i model Firm Power Purchase Agreement ("PPA"), the all-island model Renewable Dispatchable Generation ("RDG") PPAs (both PV and Wind versions), the all-island model Energy Storage Purchase Agreement ("ESPA"), the Maui/Hawai'i model ESPA Project Specific Addendum, and the model Maui/Hawai'i RDG Project Specific Addendum. These updated versions incorporate conforming modifications from the proposed final Stage 3 RFP for Maui Island to maintain consistency of the model contracts. They reflect the incorporation of the fuel clarifications made for the RFP, clarification of a ride-through requirement, and clean-up edits found during the finalization of the Stage 3 RFP for Maui Island model contracts. Both a redline description of any Stage 3 contract changes made and a clean version of the updated model contract will be provided, as well as the corresponding Microsoft Word file of the updated model contract.
- 6. Identifying corrections to several incorrect reference numbers found in the RFP that were discovered after the RFP was released.

The Companies will communicate the additional information via posts to the RFP Website² and will also send notices to the email distribution used announcing the Stage 3 RFP for Hawai'i Island was opened, including any prospective proposer who has submitted a question to the RFP Email Address³ or has registered into the Electronic Procurement Platform.

The Companies look forward to the successful execution of the Stage 3 RFP for Hawai'i Island, and the continued positive working relationship with the Commission, the Independent Observer, and the Independent Engineer.

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² www.hawaiianelectric.com/Stage3HawaiiRFP

³ hawaiirenewablerfp@hawaiianelectric.com

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Sincerely,

/s/ Rebecca Dayhuff Matsushima

Rebecca Dayhuff Matsushima Vice President Resource Procurement

cc: Division of Consumer Advocacy

Nojiri, Andrew

From: puc@hawaii.gov

Sent: Friday, January 6, 2023 2:30 PM

To: Nojiri, Andrew

Subject: Hawaii PUC eFiling Confirmation of Filing

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