

**EXPRESSIONS OF INTEREST
FOR
NON-WIRES ALTERNATIVE UTILITY-SCALE
OR DISTRIBUTED ENERGY RESOURCE GRID
SERVICES**

ISLAND OF O'AHU

January 25, 2023



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1) INTRODUCTION

Hawaiian Electric Company (the Company) forecasts significant load growth in the Kakaako and Kewalo area in the coming years. The forecasted load growth totals approximately 30 MVA by 2030 triggering normal and contingency overloads of existing electrical infrastructure beginning in 2026. Therefore, the Company has identified a capacity and reliability grid need (see Performance Requirements) and is exploring the possibility of utility-scale renewable projects or aggregate distributed energy resources (DER) and energy efficiency (EE) that can be used to reduce loading to serve as a non-wires alternative (NWA) in place of a traditional wires system project.

The Company is requesting Expressions of Interest (“EOI”) from developers or aggregators who are capable of developing utility-scale renewable projects or aggregating DER/EE in the Kakaako and Kewalo areas of O’ahu.

Developers and aggregators are encouraged to submit comprehensive responses to this request. The information obtained from responses may assist in the development and issuance of a Request for Proposals (“RFP”) for Renewable Dispatchable Generation under the Framework for Competitive Bidding,¹ the issuance of another RFP, or the issuance of an alternative means of procurement, subject to approval by the Hawai’i Public Utilities Commission. However, there is no assurance or certainty that Hawaiian Electric will issue an RFP or an alternative means of procurement, and the decision to do so shall be in the sole discretion of the Company. While the Company may collectively summarize the results of the EOI, individual responses will be held in confidence and will not be published, including in any future RFP issued by the Company without first receiving prior permission to do so from the respondent.

2) PURPOSE

The objectives of this EOI are to:

- Identify interested parties who are able to develop cost competitive utility-scale renewable projects or aggregating DER/EE projects on the island of O’ahu to fulfill the grid service performance requirements defined below.

The Company intends to use the information gathered to evaluate and pursue, through follow on discussions with developers/aggregators that may be able to offer such services, suitable grid services for the identified reliability grid need due to forecasted normal and contingency overloads on a Kewalo transformer and 25 kV circuit. Final proposals, negotiations, and contracting for the grid services will need to be completed separately from this initial EOI solicitation, and PUC approval is required to

¹ Decision and Order No. 23121 in Docket No. 03-0372, issued on December 8, 2006, “Instituting a Proceeding to Investigate Competitive Bidding for New Generating Capacity in Hawaii.”



commence with the NWA project. The desired outcome of this process is to determine whether there are cost competitive NWAs to the traditional wires solution.

While the Company may collectively summarize the results of the EOI, the information contained in individual responses will be held in confidence and will not be published, including in any future request for proposals (“RFP”) issued by the Company, without first receiving prior permission to do so from the respondent.

Interested parties are encouraged to provide the following information in the form provided by February 28, 2023.

Wires Solution:

This EOI is being used to determine if an NWA is capable of deferring the planned wires solution cost-effectively and within the required timeframe. The wires solution consists of installing a 138-25 kV, 50 MVA transformer and associated equipment (switchgear, relays, SCADA, etc.) at Kewalo Substation and four new 25 kV circuits. This solution is preliminarily estimated to cost \$12.3M, which meets the performance requirements below, as well as addresses forecasted capacity needs in the 2026-2030 timeframe pending progress of various developments.

Performance Requirements:

The NWA capacity and energy grid needs by year are shown in Table 1.

	2026	2027	2028	2029	2030
Capacity (MW)	2.0	17.6	17.7	17.7	17.7
Energy (MWH)	3.3	166.6	168.5	168.1	167.7

Table 1 Capacity (MW) and Energy (MWH) annual grid needs

To address these grid needs, the Company is seeking aggregate NWA amounts for the following two scenarios:

- 1) 2.0MW/3.3MWH in 2026 to defer the wires project by one year; or
- 2) 2.0MW/3.3MWH in 2026 and 17.7MW/168.5MWH in 2027 to avoid the need for the wires project.

The hourly peak MW and energy MWH profile requirements for 2026 and 2027 are shown in Appendix B. The requirements are needed 365 days of the year.

The NWAs must be located in an area identified in the map shown in Appendix C in order to be able to reduce the loading on the projected overloaded Kewalo transformer and 25 kV circuit.



Cost-Competitiveness:

This project is intended to defer or avoid a T&D solution to provide capacity to the 25 kV system. The approximate NPV² for the two NWA scenarios are:

- 1) NPV to defer the wires project by one year: \$1.8M.
- 2) NPV to avoid the wires project: \$14.3M.

3) INSTRUCTIONS TO INTERESTED PARTIES

Interested parties are asked to follow the instructions below in submitting the requested information:

- a) Submit Requested Information. Complete the Project Questionnaire (see Appendix A) and submit the information using one of the following methods. The Company welcomes all information that respondents are comfortable with sharing; however, none of the fields in the questionnaire should be considered as required.

Email (Preferred Method): With pdf file attachment(s) and subject heading “Kewalo T4 Transformer NWA EOI Response” to igp@hawaiianelectric.com

U.S. Mail*: Director, T&D and Interconnection Planning (mail code WA4-BB)
RE: Kewalo T4 Transformer NWA NOI Response
T&D and Interconnection Planning
Hawaiian Electric Company, Inc.
P.O. Box 2750
Honolulu, Hawaii 96840-0001

- b) Due Date. Please submit all information **by February 28, 2023**.
- c) Confidentiality. Clearly and specifically mark any information that Respondent requests be treated as confidential and not be disclosed outside of the Company and its employees, consultants, and representatives involved with the review of information received in response to this EOI. The Company shall have the right to disclose Information submitted as part of the EOI process or other related regulated process to the State of Hawai‘i Public Utilities Commission (“Commission”) and the Division of Consumer Advocacy (“Consumer Advocate”) and their respective staffs and consultants, including information designated as confidential by the Respondent, provided that such disclosure is made under a protective order entered in the docket or proceeding with respect to which the disclosure will be made

² The NPV is based on a preliminary cost estimate, and is being provided to provide guidance to potential proposers. Responses to this EOI will be compared to the deferral or avoided value of the wires project to determine if an NWA will be cost-effective.



or any general protective order entered by the Commission. Any statement of condition in any information that attempts to restrict the Company's rights under this section shall be void.

- d) Not a Request for Proposals. The EOI is being solicited to inform the feasibility of near-term solutions from developers or aggregators who are capable of developing utility-scale renewable projects or aggregating DER/EE in the Kakaako and Kewalo area of O'ahu. The EOI is not an RFP for proposals related to a specific project or solicitation of development for a single project proposal. Neither this EOI nor the disclosure of the confidential information shall result in any obligation on the part of either the Company or respondents to this EOI to enter into any further agreement with the other with respect to the subject matter hereof, to purchase any products or services from the other, or to require the Company to disclose any particular information to the respondents. Nothing in this EOI shall imply any partnership or joint venture between the Company and any respondent or be construed as making either the agent of the other.
- e) Questions from Interested Parties. If an Interested Party needs additional information or clarification regarding any part of the EOI document, or the EOI process outlined in this document, it may submit questions in writing to igp@hawaiianelectric.com.

4) SUMMARY OF KEY DATES

- January 25, 2023 The Companies issues EOI via website
- February 28, 2023 Property Questionnaire due from Respondents

The Company looks forward to receiving informative responses.



APPENDIX A

Project Questionnaire

Request for Information: Kewalo T4 Transformer NWA

Project Description

Technology:

Enter information regarding the proposed technology to meet the identified need, special conditions, etc.

Potential Capacity (MW) and Energy (MWh):

Enter information regarding the MW and MWh provided by the potential project.

Previous Commercial Application Examples:

Please identify any previous commercial applications of the intended technology (size (MW/MWh), and any duration/timing constraints (alternative plans) with developing the proposed project.

Timeline for Completion:

Please detail an expected timeline needed to develop such a project, including any phased approach to meet the identified need, as well as assumed RFP award timeline.

Project Siting:

Please detail the approximate square footage required for the project, including its interconnection facilities, or whether a potential host site for the project has been identified on the island of O'ahu, Maui, or Hawai'i.

Community outreach efforts:

Describe any plans for or provide a current status on community outreach efforts for a proposed energy project

Project development activities:

Describe any project development activities that have been performed to date (permitting, site access, design, resource measurement)

Contact information:

Enter any available contact information (Name, Phone Number, Email, Fax, Mailing Address)



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Additional Information:

Enter any other information that you would like to share

Please send completed forms and any available photos of the property or topographical maps to one of the following by February 28, 2023.

Email (preferred): With pdf file attachment(s) to igp@hawaiianelectric.com
U.S. Mail*: Director, T&D and Interconnection Planning (mail code WA4-BB)
T&D and Interconnection Planning
Hawaiian Electric Company, Inc.
P.O. Box 2750
Honolulu, Hawaii 96840-0001
Fax: (808) 564-6622



APPENDIX B

Capacity (MW) and Energy (MWH) Profile Needs

	2026	2027 - 2030
Capacity (MW)	2.0	17.7
Energy (MWH)	3.3	168.5

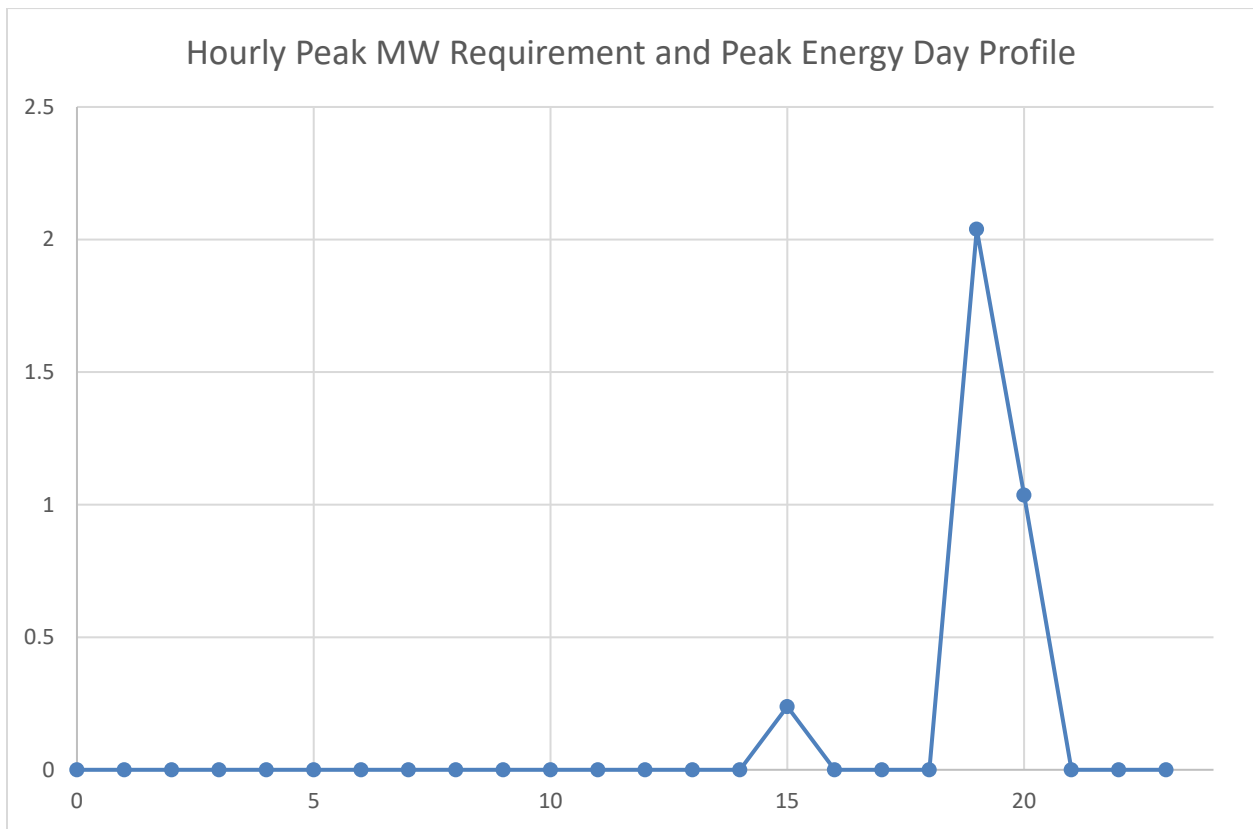


Figure B-1: 2026 Hourly Peak MW Requirement and Peak Energy Day Profile

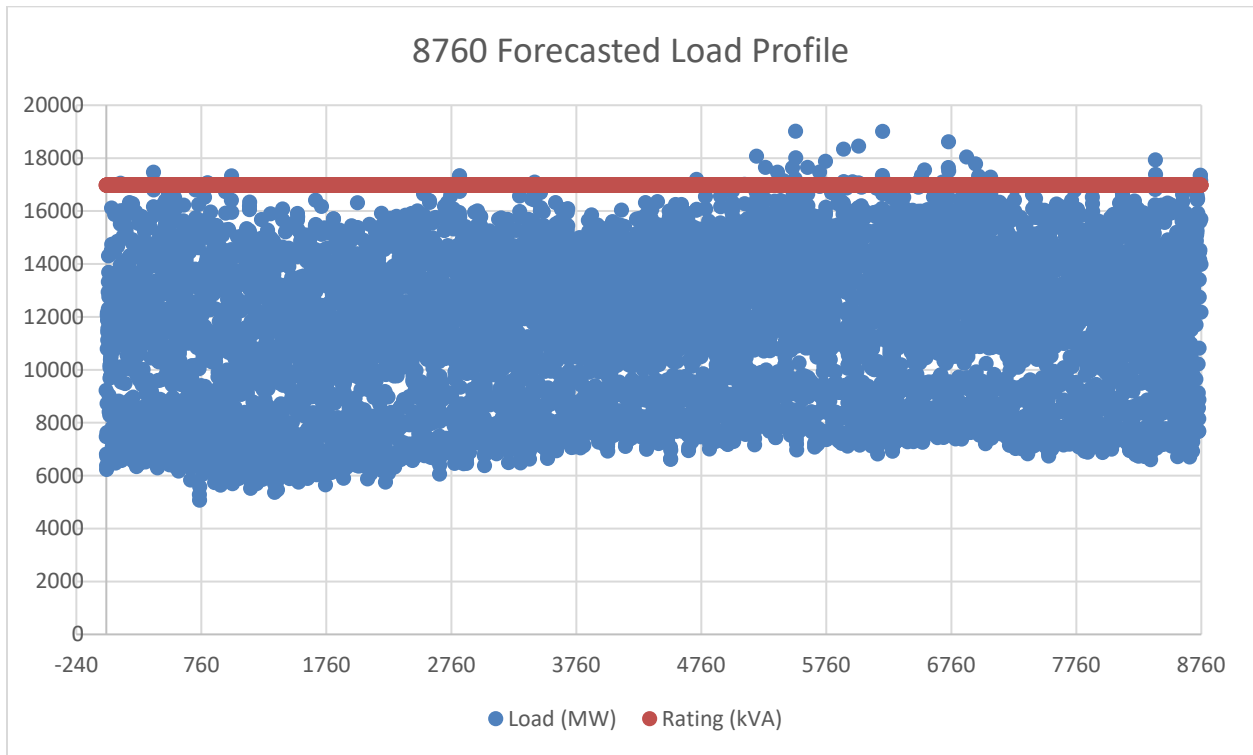


Figure B-2: 2026 8760 Forecasted Load Profile

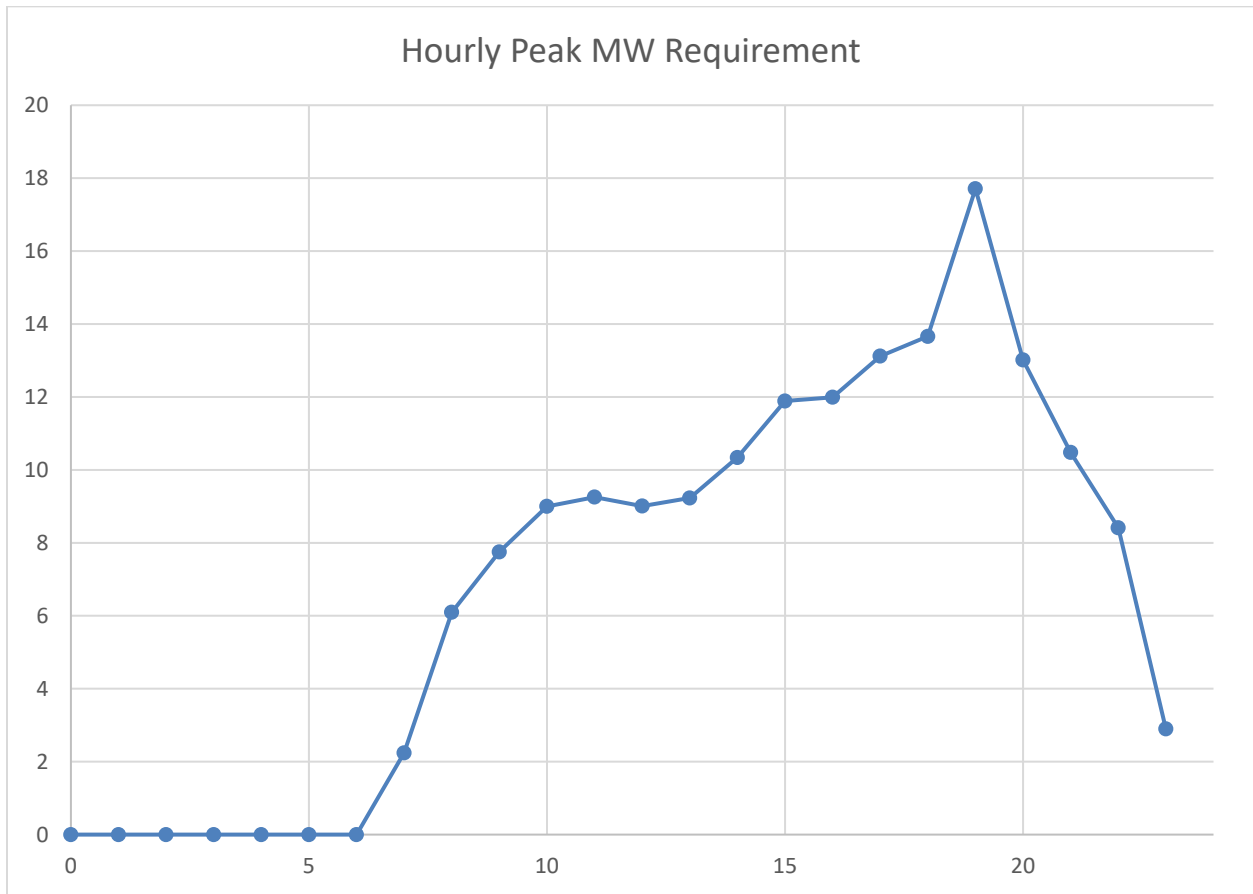


Figure B-3: 2027-2030 Hourly Peak MW Requirement

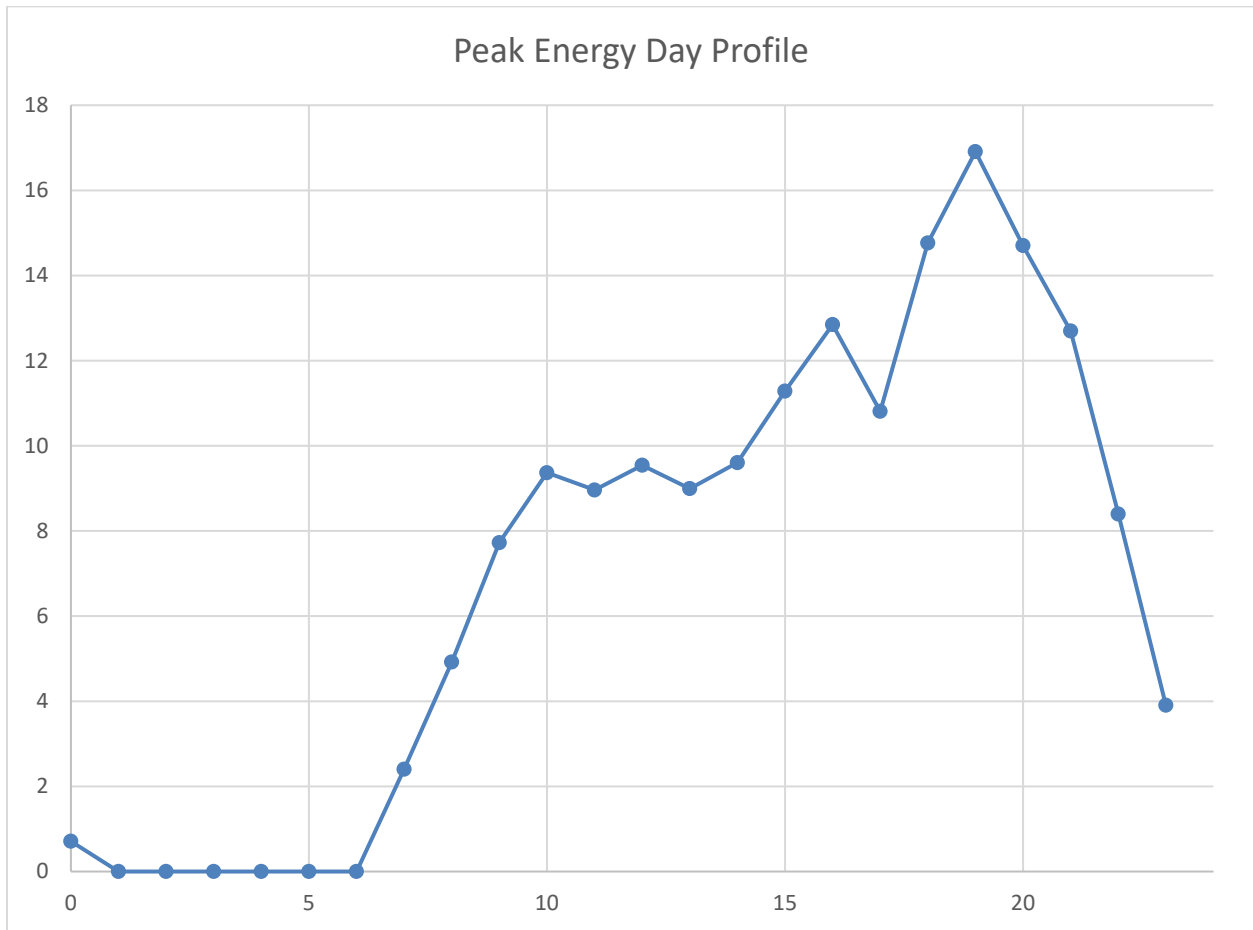


Figure B-4: 2027-2030 Peak Energy Day Profile

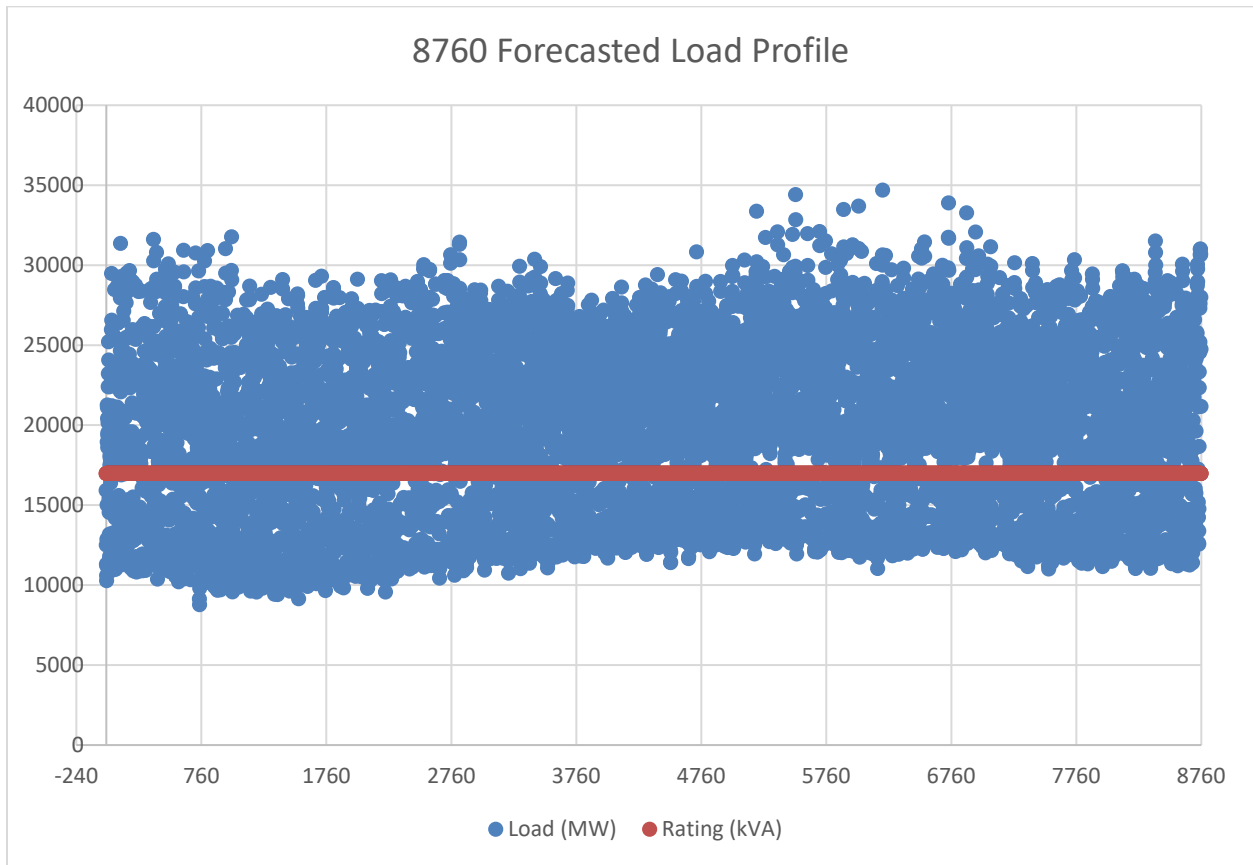


Figure 2 2028 8760 Forecasted Load Profile



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APPENDIX C

Location Map

