

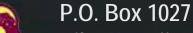


23rd Pacific Islands Environmental Conference

Saipan, CNMI

June 21-25, 2004

Dan V. Giovanni, Manager of Production Hawaii Electric Light Company, Inc. P.O. Box 1027



Hilo, Hawaii, USA 96721



Hawaii Island's Energy Frontier

- Isolated geography
- Challenging physical environment
- High growth rates in energy demand
- Low population density
- High potential for diverse, renewable energy development

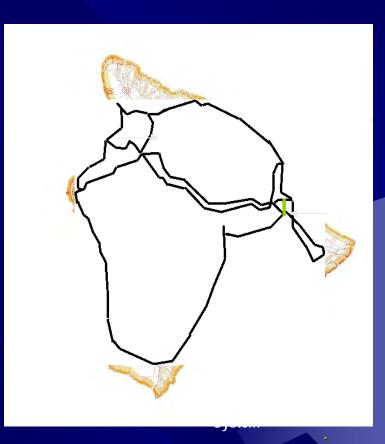


HELCO Transmission System

Isolated transmission grid

4 major cross-island ties

Limited capacity in some areas





HELCO Power Supply System

- Diverse generating sources
- Geographical mismatch of sources and customer loads
- Mix of HELCO-owned and IPP facilities

Aging equipment





HELCO Renewable and Fossil Fuel Generation Mix



Fossil 77%

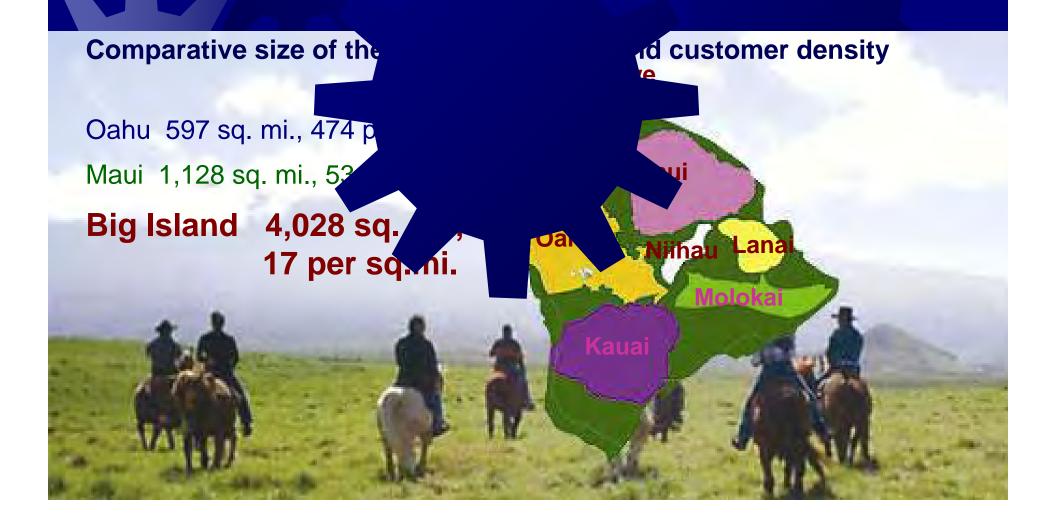
Hawaii Renewable Portfolio standard:

10% by 2010 20% by 2020



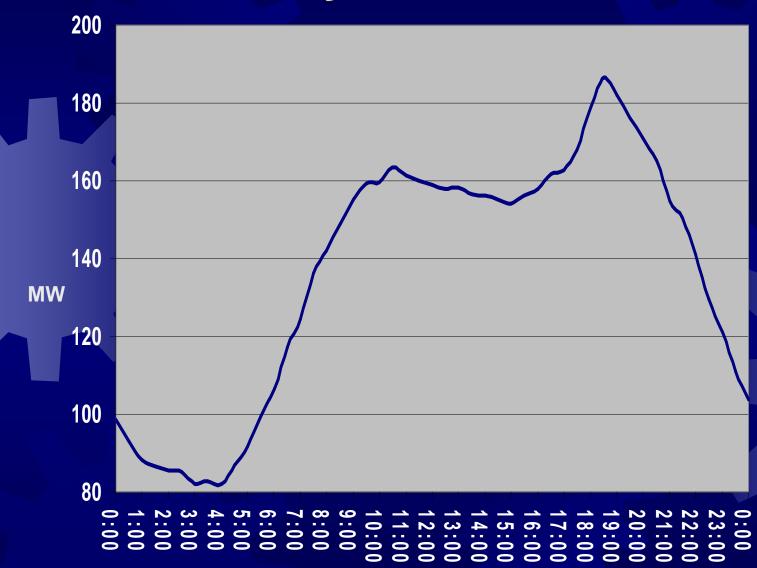
Customer Density

Lower customer do sity Hig! ar costs of service



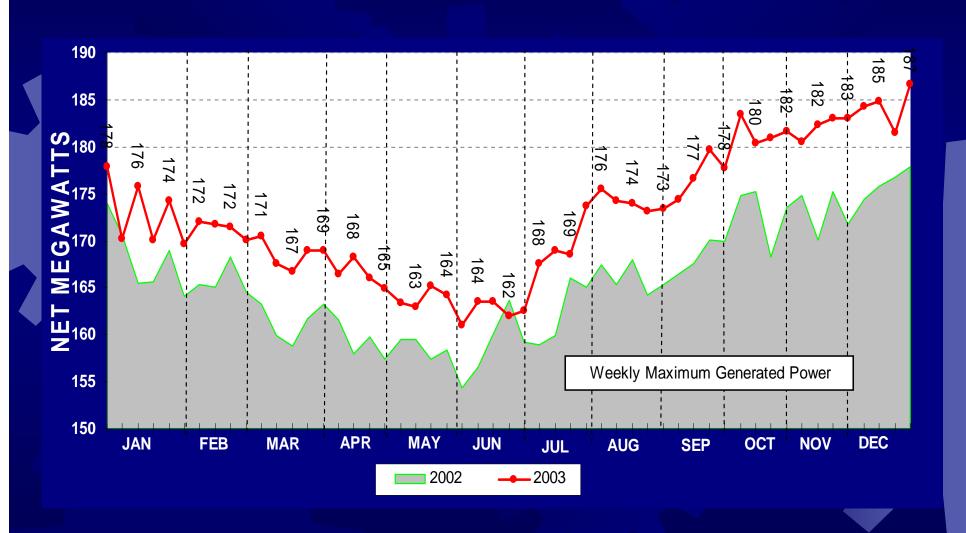


Daily Load Profile





Daily Peak Load - Annual Profile



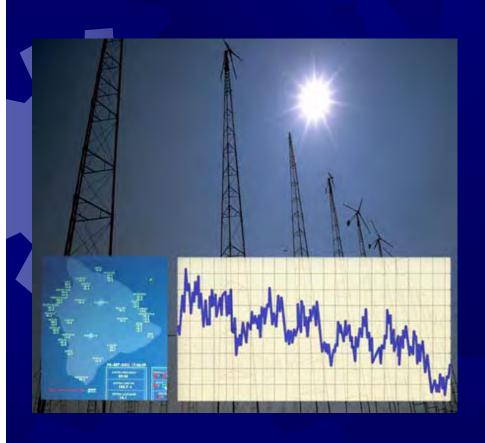


Annual Peak Load





Expanding the Use of Renewable Energy HELCO's Challenges



Wince section

Wind, s, ar, id h, dro require firm back-up

Volatile power output disrupts power quality

 Geothermal resources difficult to manage



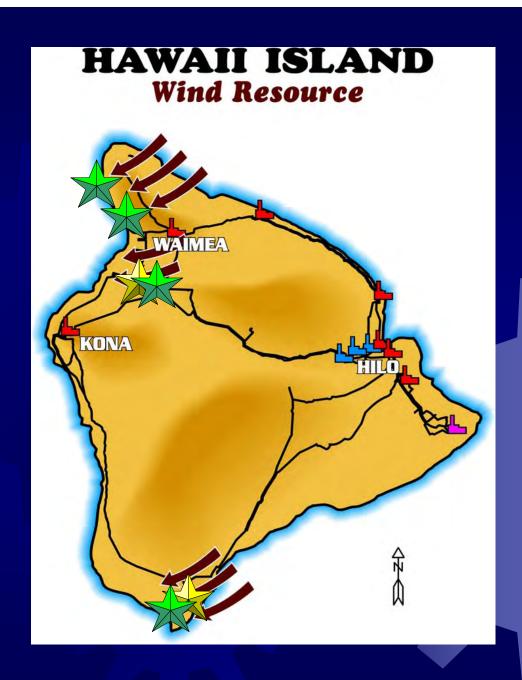
Today's Wind

- •Lalamilo 2.3 MW
- •Kamaoa 7.0 MW



Future Wind

- •Hawi 10 MW
- •Lalamilo 3 30 MW
- Kamaoa 20 MW





HELCO Lalamilo Windfarm





Kamaoa Windfarm





Wind Energy Issues

- As-available resource; needs back up
- Regulating unice of the Regula
- Ride through for ency excursions
- Excess wind energy leas to urtailments
- Energy storage could firm resource but is costly
- WTG's are tallest structure on the view plane



Increased Wind Energy on HELCO System

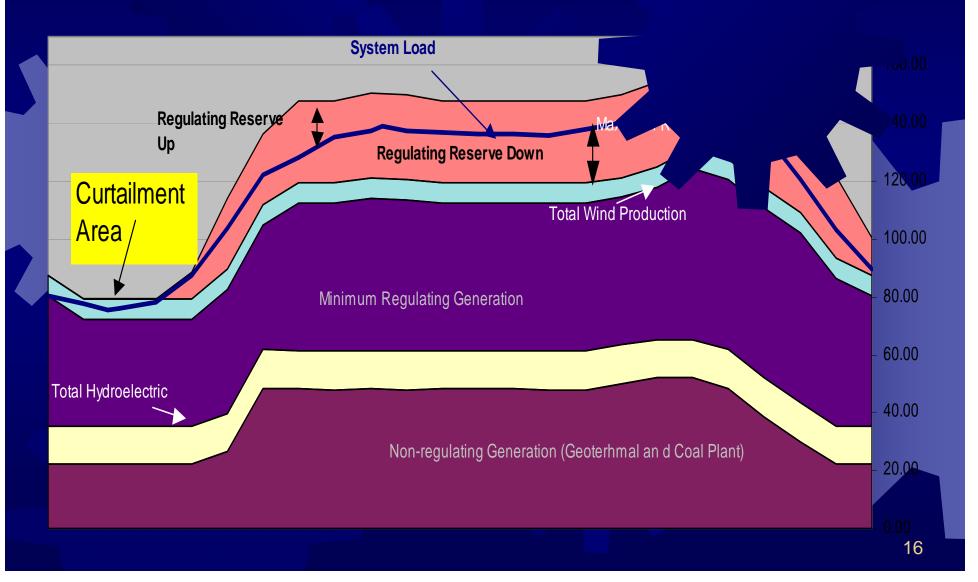
 HELCO Goal → Add wind energy to the HELCO power grid, and preserve Power Quality and Reliability

- Potential system impacts
 - Increased capacity of as-available power
 - Increased duty on regulating units
 - Need additional operating reserve
 - Further curtailment of wind generation



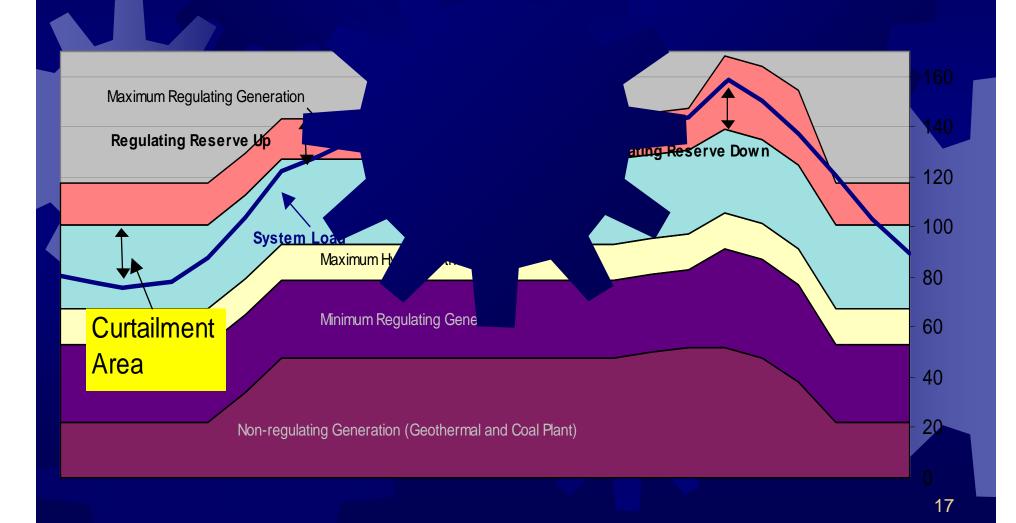


Current Daily Load Profile and Wind Energy Curtai





Future Daily Load Profile and Wind Energy Curtailment

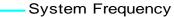


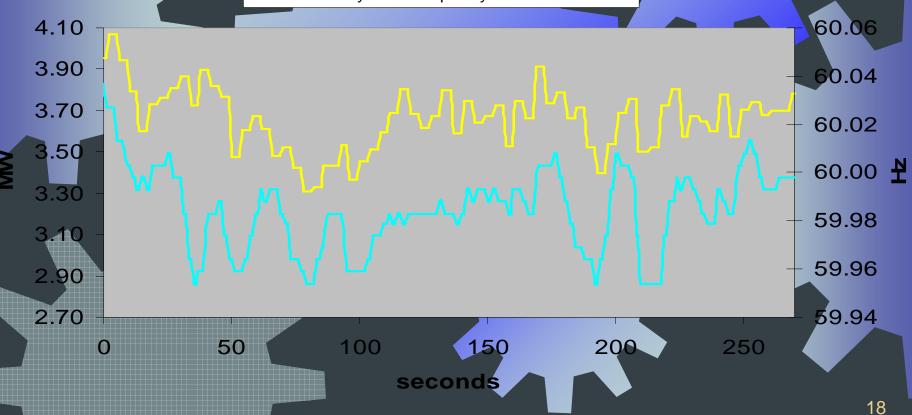


HELCO System Frequency Deviation



Total Wind (Lalamilo+Kamaoa)







Electronic Shock Absorber

- ⇒ ESA to integrate fluctue

 wind power into the elec
 - Device and contice would mitigate should frequency and walk deviations
- HECO received \(\bar{\cut} \)
- Three phase demonstration planned; with private company
- Communicated with WTG manufacturers for ESA applications





View Plane





Photovoltaic (PV) Applications Grow



- Net metered PV education center
- * Kona Gym 15-kw PV system
- NELHA Gateway
 Center
- Large CustomerProjects (MaunaLani, Parker Ranch)



Demand-Side Management

- Residential Wate、 'ອati 💎 Progr 🦙 with Solar Energy
 - Provides rehates to and also his

ating systems, heat pumps water heaters

- Energy Eft
 - Incentives for
 - Covers light of the control of the control

- ses
- t electric equipment
- n, and custom measures

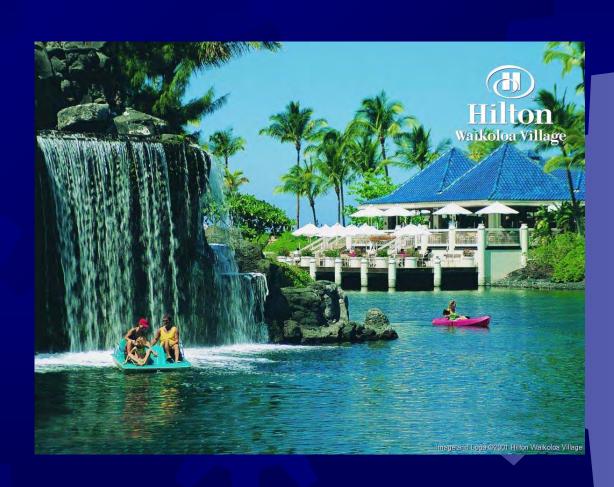
- Load Curtailment Rider IVI
 - Discounted rates for businesses who curtail loads during HELCO's daily peak, 5:00-9:00 pm



DSM Good for Businesses

Hilton Waikoloa Village

- Energy efficient technologies:
 - Lighting
 - Motors/drives
 - Window film
- Total rebates: \$92,000
- Energy saved:1.8 millionkWh/year





En v Efficiency Partnerships

- Waik
 Marriot
 (Outrigger high temperature solar thermal system)
- Hapuna Beach
 Resort Laundry –
 ozone laundering
 system demo
- North Hawaii
 Community Hospital
 feasibility of heat
 pipes for humidity
 control



HELCO's Puueo Hydroelectric Plant





Hydroelectric Power

- Run-of-stream 😙 😋 re in East Hawaii
- Public resist:
 /damming streams
- Limited potr
 nits
- Small "In-Line" nydı units ın water supply pipelines look promising
- Pumped-storage hydro to be considered



In-Line Hydroelectric Power HELCO & Dept. of Water Supply





Geothermal

- Firm, base-loaded generation
- Resources in Puna, far from major load centers
- Community acceptance increasing
- Significant technical and commercial risks





Puna Geothermal Ventures

Hawaii Island



Summary

- >20% of Hawaii Island energy from renewable resources today
- Wind energy levels expected to increase from 2% to >25% within next few years
- Many technical issues to overcome in order to preserve power quality
- Geothermal will continue to play major role
- Utility Business partnerships critical to advancing new technologies

Powering the Big Island Hawaii's Energy Frontier

Thank you

Hawaii Electric Light Company 1894 - 2004

HELCO 110th Anniversary