

- 1 Q. On page 7, the SOI references ocean water as a potential source of energy. In the second bullet on the same page, it also states “the resources should provide non-firm or firm energy”. We have a great deal of interest in the commercial development of OTEC, which is a firm alternate energy resource. Prior to submitting a response to the SOI, for clarification purposes, we would like to know whether or not a response focusing on an OTEC development would be acceptable.
- A. A response focusing on an OTEC project would be considered, taking into account the state of development of OTEC resources around the world. As is stated on page 7 of the SOI, the anticipated RFP is expected to allow for bidders to submit non-firm and firm¹ energy bids. And, as is stated on page 10 of the SOI, the resources and technology employed should be demonstrated and proven commercial OTEC facility providing power anywhere in the world. We would encourage any party considering submitting an OTEC project in response to the RFP to provide sufficient information that the technology being proposed is demonstrated and proven commercially available.

Please note that, separate from this procurement effort, HECO is considering the integration of emerging renewable energy technologies, such as wave energy, into the grid. As stated in HECO’s IRP-3 Evaluation Report filed on May 31, 2007, the Company has envisioned the potential for a “set-aside” for up to 20 MW of non-firm energy from emerging renewable technologies. HECO is developing a separate procurement strategy for these emerging renewable energy resources. A procurement strategy will be the subject of analysis in HECO’s IRP-4.

¹Resources that have characteristics that enable them to provide schedulable or dispatchable energy.