



Renewable
HAWAII
A HECO SUBSIDIARY

NEWS RELEASE

January 22, 2004

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FOR IMMEDIATE RELEASE

HECO's renewable energy subsidiary seeks project proposals for Big Island of Hawaii

(Honolulu, HI) Renewable Hawaii, Inc., the renewable energy subsidiary of Hawaiian Electric Company (HECO), today issued a Renewable Energy Request for Project Proposals (RE RFPP) for the island of Hawaii. Renewable Hawaii is seeking opportunities for equity investment in commercially viable and cost effective projects to produce electricity from renewable resources, such as sun, hydro, biomass, ocean or geothermal energy.

"Our clear objective is increase the amount of electricity generated from renewable resources as quickly as possible," said Karl Stahlkopf, Renewable Hawaii President and HECO Senior Vice President of Energy Solutions and Chief Technology Officer.

With initial approval to invest up to \$10 million in renewable energy generation projects, Renewable Hawaii aims to partner with developers, taking a minority interest and thus contributing financing to help increase the overall number of renewable energy projects connected to the electrical grid.

Projects supplying "firm" power (which the utility can dispatch on demand) will generally receive higher priority than "as-available" energy sources. Another criteria will be to confirm that a project can be integrated into the island's electric system without impacting service reliability. To ensure projects support the key objective of attaining marked increases in the amount of renewable electricity generated in Hawaii, projects must have a capacity of at least one megawatt and a planned date of commercial operation no later than December 31, 2008. At this time, Renewable Hawaii, Inc. will not entertain proposals for wind-only projects for the Big Island, due to transmission limitations.

Last May, Renewable Hawaii, Inc. released a RFPP for the island of Oahu, where the need for renewable energy development is greatest. That RFPP closed in August and three proposals are currently under review. In September 2003 a separate RE RFPP was issued for Maui County (islands of Maui, Molokai, and Lanai), the service territory of the HECO subsidiary utility Maui Electric Company, Limited (MECO). That RFPP closed in December and proposals are under review.

Additional information is available at renewablehawaii.com. All proposals must be received by April 22, 2004.

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