



## Hawaiian Electric Company, Inc., Biodiesel Supply Contract RFP

### Questions and Answers (Revision #3 dated March 8, 2011):

#### **Question #1: Are companies required to register with HECO? If so, what is the registration process?**

Answer #1: Companies are not required to register with HECO in regards to this RFP. To submit your company's proposal, please follow the directions provided at <http://biodieselsupply.heco.com/>, including the questionnaire and all other required information by the deadline indicated, March 15, 2011.

#### **Question #2: On Attachment B, for the CIP CT-1 Specifications, there are two test procedures and two values for the Phosphorous content. One is on line 16 (Phosphorous Content) and the other is on line 24 (Phosphorous). They refer to two different testing protocols and set different limits (10 ppm and 2 ppm respectively).**

Answer #2: Please refer to the "Phosphorous" line only using the 2 ppmw specification. The "Phosphorous Content" line has been deleted from the revised specification. Attachment B has been revised and posted on the Biodiesel Supply RFP website.

#### **Question #3: On Attachment B, for the HIA EPF Specifications, the Acid Value is requested in mg NaOH/g. Typically, this result is quoted in mg KOH/g.**

Answer #3: This was an error in the HIA EPF Specification and it should be measured in mg KOH/g. Attachment B has been revised and posted on the Biodiesel Supply RFP website.

#### **Question #4: On Attachment B, the test required for the Oxidation Stability in the CIP CT-1 Specification, D2274, is not valid for biodiesel (see <http://www.astm.org/Standards/D2274.htm> - Note 1.2). Oxidation Stability tests suitable for biodiesel are D7462 or EN14112 (as in the HIA EPF Specification).**

Answer #4: For the CIP CT-1 Specification, please use test method D7462 for Oxidation Stability. Attachment B has been revised and posted on the Biodiesel Supply RFP website. Test method EN14112 is used for the HIA EPF specification.

#### **Question #5: Is renewable diesel, a pure hydrocarbon fuel that meets the ASTM D-975 specification for Biodiesel fuel acceptable for this offer?**

Answer #5: Yes, renewable diesel made from sustainable renewable feedstock is acceptable.



**Question #6: Are the Renewable Identification Numbers (RINs) to be considered in the price of the biodiesel? If so, will HECO assign authority to the seller to detach RINs?**

Answer #6: RINs, to the extent they are applicable to the biodiesel proposed for supply to HECO's RFP, are to be considered in the price of the biodiesel. HECO will consider proposals that allow the seller to detach and sell RINs on the open market to the extent that the proposed biodiesel pricing incorporates the market value (and potential volatility) of the RINs.

**Question #7: Is the supply of biodiesel limited only to US suppliers?**

Answer #7: HECO will accept and evaluate proposals for biodiesel supplies from outside the US.

**Question #8: Can you provide the specific location of the pipeline to offload the biodiesel from a sea-going tanker? Where is the pipeline from the offload station to your storage tanks at the bio generators?**

Answer #8: For marine (pipeline) delivery, the FOB point will be Kalaeloa Barbers Point Harbor located in Kapolei, Hawaii. The biodiesel pipeline runs directly into HECO's Barbers Point Tank Farm in Campbell Estate Industrial Park, Kapolei, Hawaii where the CIP CT-1 generating unit is located.

For more information on Kalaeloa Barbers Point Harbor, please visit the State of Hawaii Department of Transportation Harbors Division website at <http://hawaii.gov/dot/harbors> or contact the Harbor Agent's Office at:

Department of Transportation  
Harbors Division  
91-550 Malakole Street  
Kapolei, Hawaii 96707  
Ph: (808) 682-3989

**Question #9: What is the diameter of the offload pipeline and volume rate of flow?**

Answer #9: The smallest section of the pipeline designated to offload biodiesel into CIP CT-1 is 8" with an approximate flow rate of 1,000 barrels per hour.



**Question #10: Is the pipeline equipped to handle the corrosive nature of the biodiesel?**

Answer #10: All biodiesel must meet or exceed the specifications set forth in Attachment B to the RFP. HECO is preparing for acceptance of conforming biodiesel to be transported through the designated pipeline.

**Question #11: Does HECO have a biodiesel preference based on the different biodiesel classifications (i.e. animal fat, rapeseed methyl esters, soy methyl esters, etc.)?**

Answer #11: HECO has no preference as long as the feedstock used to produce the biodiesel is sustainable. Bidders may quote more than one feedstock and associated pricing.