

Virtual Developer Meeting

Integrated Grid Planning Request for Proposals





Integrated Grid Planning RFP

March 20, 2024

✓ Please mute your audio when not speaking

REC This meeting is being recorded



We welcome your questions





VIRTUAL MEETING



PHONE



SURVEY



RenewableAcquisition@hawaiianelectric.com

Click "Raise Hand" 🕒

Press *5 by phone



QR Code or https://form.jotform.com/240707069410148

Agenda

- ➤ Purpose of IGP Request for Proposals ("RFP")
 - > IGP Objectives and Grid Needs
- ➤ Proposed Changes from Stage 3 RFP
 - > Incorporating stakeholder feedback
- > Opportunities for continued engagement

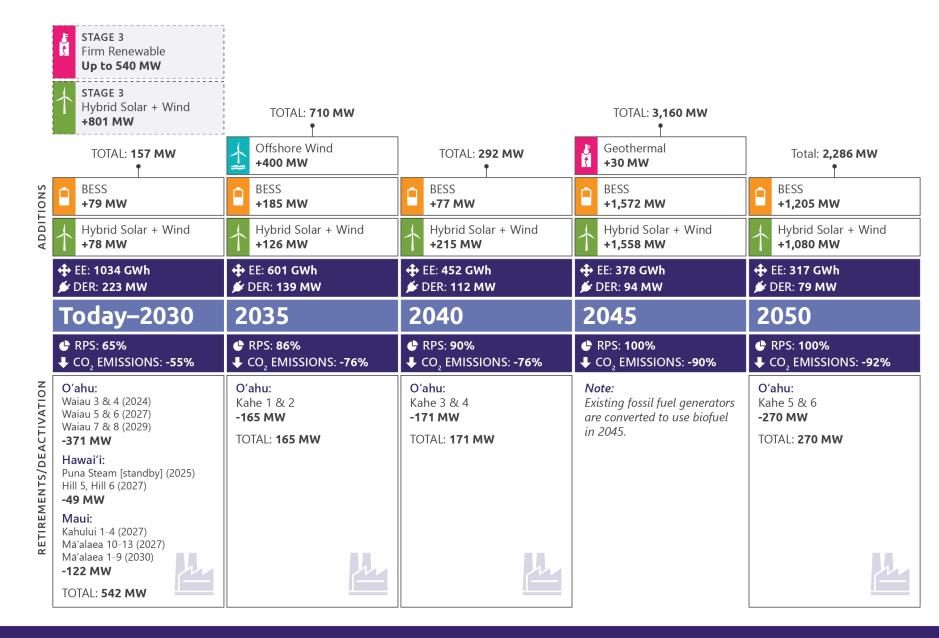
Planning for Future Grid Needs

- ➤ The RFP targets were informed by the preferred plans developed in the Integrated Grid Planning ("IGP") process
- > The targets reflect:
 - > Actual projects acquired through the Stage 3 RFP
 - > Projects that withdrew from prior RFPs that were assumed in the IGP
 - > Energy from existing facilities that have expiring contracts in the near future
 - Unacquired energy targets from the Stage 3 RFP
- ➤ Long-term resources that require extended project development time or long-lead infrastructure to complete will be sought in a separate RFP (GCOD: 2035)



Proposed timeline

Renewable additions







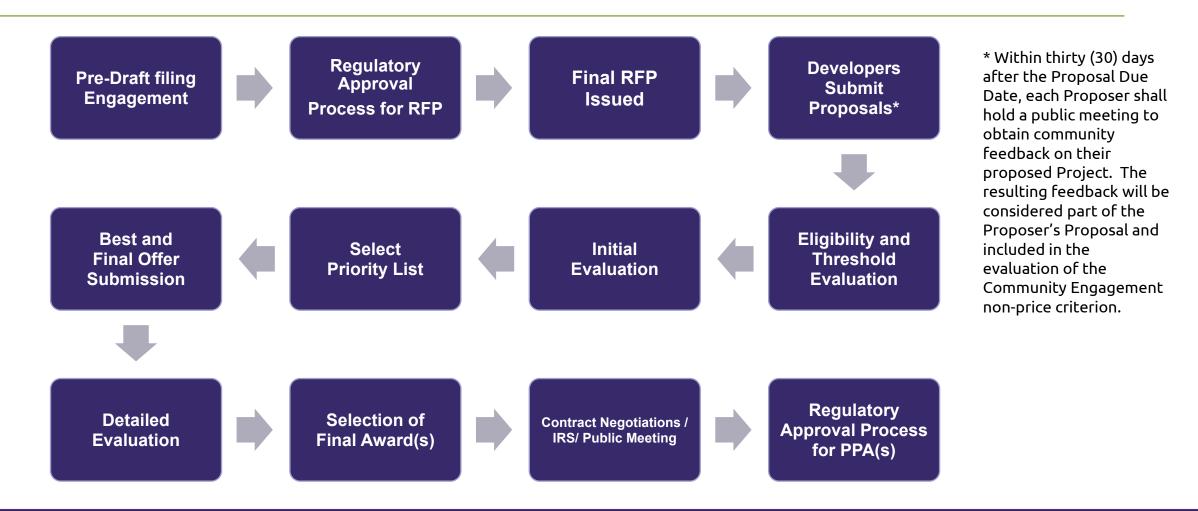
RFP Targets Based on Grid Needs

	Project GCOD	Oahu	Hawaii Island	Maui
Round 1	No later than December 1, 2029	Energy: 589 GWh Stability: 270 MW grid forming resources	Energy:134 GWh	N/A
Succeeding Round(s)	No later than December 1, 2033	Energy: 232 GWh, plus remaining Round 1 needs, plus consideration for other projects withdrawn in previous procurements	TBD, based on remaining Round 1 needs plus consideration for other projects withdrawn in previous procurements	Energy: 176 GWh plus consideration for other projects withdrawn in previous procurements

Note: The targets specified here are not final and subject to revision. The targets are under continuing review and may be adjusted upward or downward and may include the addition of other needs.



Renewable Energy Procurement Process



Opportunities for Public Engagement

RFP Development & Procurement

- Pre-draft filing Hawaiian Electric engagement meetings
- Pre-draft filing public review of draft RFP
- Pre-selection developer-led community meetings*
- Submit written comments to PUC or Company

Prior to Signing Contract

- Required public meeting by developer
- Submit Written Comments to Developer/Company

PUC Approval Process

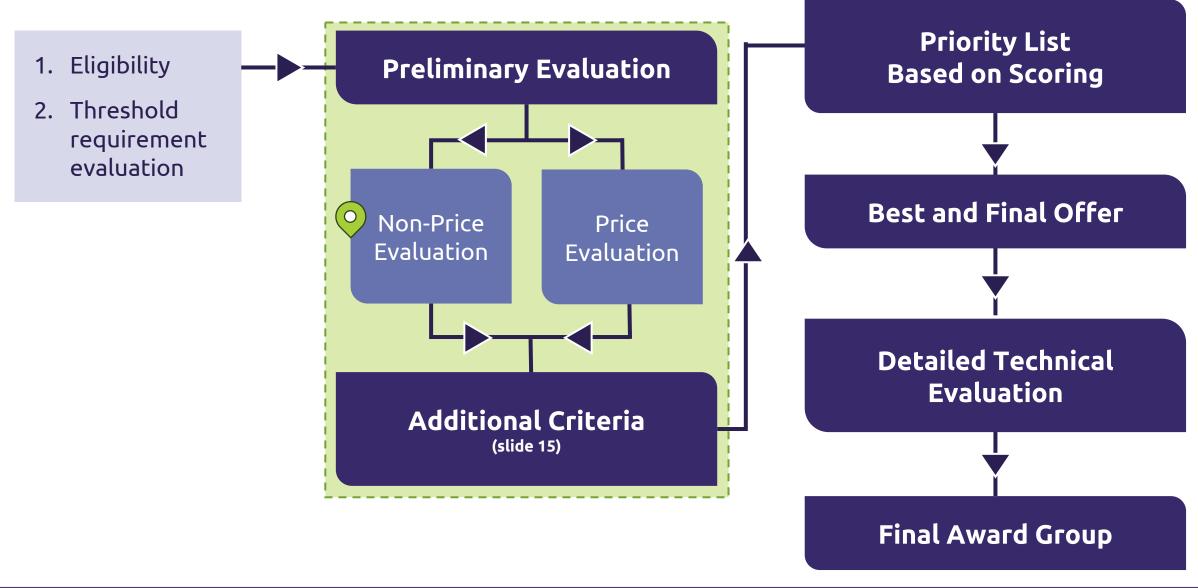
Submit Written Comments to PUC

Post-PUC Approval Process

Potential permitting approval processes

* Within thirty (30) days after the Proposal Due Date, each Proposer shall hold a public meeting to obtain community feedback on their proposed Project. The resulting feedback will be considered part of the Proposer's Proposal and included in the Company's evaluation of the Proposer's Community Engagement non-price criterion.

Evaluation Process





Proposed Updates

Updates to Non-Price Criteria and Scoring

Accelerated Community Engagement

Increased Transparency 50% Price - 50% Non-Price ratio

Rolling Procurement Pre-bid Developer Meetings Structural and Wildfire Resilience Requirements

Interconnection Process Improvements

Updates to Non-Price Criteria & Scoring

- > Reduced number of criteria
 - Fatal flaw analysis: reduction from "4 or more" to "3 or more" to correspond with the reduced number of non-price criteria
- > Refinements to existing criteria
- Scoring scales for Stage 3 RFP double-weighted criteria adjusted to allow for greater differentiation in scoring
 - Community Engagement, Project Development and Schedule, and Technical and Operational Requirements

Threshold Requirements				
Stage 3	IGP RFP			
Site Control	Site Control			
Performance Standards	Technical and Operational Requirements			
Proven Technology	Proven Technology			
Experience of the Proposer	Experience of the Proposer			
Financial Compliance	Financial Compliance			
Community Engagement	Community Engagement			
Cultural Resource Impacts	Cultural Resource Impacts			
Available MW Capacity	Available MW Capacity			
Technical Model	Technical Model			
Stage of Project Development and Schedule and Permitting	Project Development and Schedule			
	Environmental Compliance and Permitting Plan*			
	Financial Strength and Financing Plan*			

^{*} Formerly non-price criteria





Non-Price Criteria				
Stage 3	IGP RFP			
Community outreach	Community engagement			
State of project development and schedule and Permitting	Project development and schedule			
Performance Standards	Technical and Operational Requirements			
Experience and qualifications	Experience and qualifications			
Environmental compliance and permitting plan	Environmental compliance and permitting plan			
Financial strength and financing plan	Financial strength and financing plan			
Proposed contract modifications	Proposed contract modifications			
Cultural resource impacts	Cultural resource impacts			
Carbon emissions	Carbon emissions			
Technical model	Technical model			
Land use and impervious cover	Land use and impervious cover			
	Community Benefits Program			





Additional Criteria

- > New category of criteria evaluating factors that may inform the likelihood of a project's success
- Points will be awarded to or deducted from the Proposer's total price/non-price score
- > Previous Performance Criteria
 - ➤ Introduced in Stage 3 as a non-price criteria
 - > Criteria streamlined and moved to Additional Criteria
- > Two (2) new criteria: Community Co-Creation and Project Siting

New Criteria: Community Co-Creation

- > Pilot criterion for developer/community driven co-creation
- > Proposal may receive additional points to its total price/non-price score
- Gives preference to Proposers that commit to piloting the concept of community co-creation by working with organizations and leaders in host communities to engage in project development, including community benefits.

New Criteria: Project Siting

- Pilot criterion based on Project Siting—this is a 2-part criterion that looks at location and land use
- > Proposal may receive additional points to its total price/non-price score
- > Points awarded for:
 - > 1. Projects sited in a preferred Renewable Energy Zone ("REZ"), and
 - 2. Site's land use classification and project's impact to impervious cover
 - Transforms the CBRE/Stage 3 Land Use and Impervious Cover non-price criteria

Balancing multiple considerations

We're considering many factors to determine where to locate future energy projects, including:

- Renewable energy zones
- Community identified opportunities and sensitivities
- Transmission lines
- Substation locations and connections
- Solar potential land area
- Wind potential land area
- Land RFI preliminary results
- IGP Developer RFI inputs
- Fire risk ratings

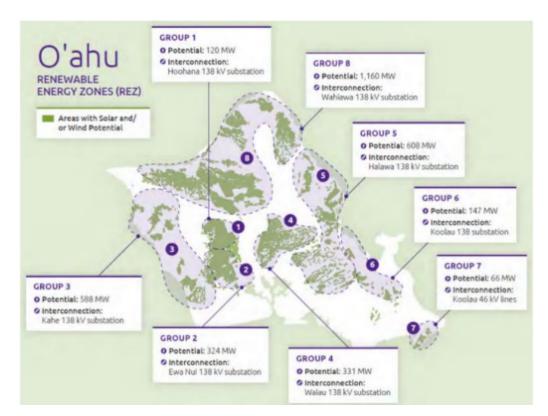
Renewable energy zones (REZ)

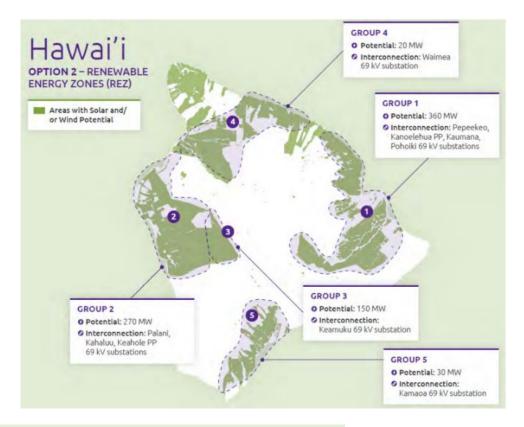
REZ are areas with the right technical conditions for renewable energy projects and interconnection infrastructure.



Integrating community feedback

We consider public input and technical studies to prioritize REZ for future energy projects.





We are prioritizing developer proposals in renewable energy zones that align with community interest and opportunities identified in 2023:

Zones 1, 2, 4, 6 and 7 on O'ahu and Zones 1 and 5 on Hawai'i





Pre-Bid Developer Meetings

- > **Purpose**: Provides an opportunity, pre-proposal submission, to discuss interconnection matters
- > Goal:
 - More accurate interconnection cost estimates and schedules reflected in Proposals
 - Mitigate post-RFP interconnection issues
- > Supplements existing Q&A process

Pre-Bid Developer Meetings

> Process*:

- Proposer's submission of Preliminary Interconnection Report & Pre-Bid Meeting Request by the due date stated in the RFP.
 - Including supplemental materials and fee
 - One request corresponds to one project; a prospective Proposer can submit up to 3 requests
- Hawaiian Electric to provide Preliminary Interconnection Report
 - Identifying potential interconnection requirements for the subject Project, based on information available to Hawaiian Electric and assuming it is the only project interconnecting to the Hawaiian Electric System
- Mandatory Pre-bid Meeting
 - Post-meeting summary

*Hawaiian Electric is still working through the feasibility and timeline of this concept and may make further modifications to this process.



Interconnection Process Improvements

> Early Engineering:

- > Resulting in a reduction of engineering time during Project development
- > Optional in Stage 3, will be required for Project's awarded in this RFP
- Conducted concurrently with the IRS to provide 60% design engineering of COIF.
- Initial payment of \$500,000 will be required for greenfield projects, with final cost TBD by scope of work

➤ Interconnection Website:

- Introduced in Stage 3
- > Revised version detailing IGP steps will go live once the IGP RFP is finalized.



Interconnection Process Improvements

- > Streamlining technical requirements and data submission:
 - ➤ To eliminate the possibility of inconsistencies between the RFP documents, references to specific Technical and Operational Requirements have been removed from the body of the RFP and Appendix B to the RFP.
 - Proposers may find all specific Technical and Operation Requirements in the PPA.
 - Allow for later submission for certain items of higher complexity not required for RFP evaluation
 - Adjustments to certain requirements/deadlines in the Appendix B data request spreadsheet
- ➤ Interconnection Resource Compilation:
 - > To be provided as an "additional resource" on the IGP interconnection website.



Overall Proposed RFP Process Schedule

Milestone	Schedule Dates
Community Meeting	March 11, 2024
Developer Meeting	March 20, 2024
Draft RFP Filing Date	April 30, 2024*
Comments for Draft RFP Due Date	May 30, 2024
Technical Conference	July 16, 2024
Order to Issue Final RFP	August 16, 2024
Issue RFP	August 19, 2024
Preliminary Interconnection Report &	[3 weeks after RFP issuance]
Pre-Bid Meeting Request Due Date	
Pre-Bid Meetings Held	[11-14 weeks after RFP issuance]
	[November 4-22, 2024]
IPP Proposal Due Date	[22 weeks after RFP issuance]
	January 17, 2025 at 2:00 pm HST**
Selection of Priority List	April 4, 2025
IPP BAFOs Due	April 12, 2025**
Selection of Final Award Group	July 26, 2025
IRS and Contract Negotiations Begin	August 02, 2025

^{*} This date and all subsequent dates in the proposed final schedule are dependent on any further guidance to be set by the PUC

** Hawaiian Electric and Affiliate Proposal Due Date is one day earlier



We want your comments

March – April 2024:

- > Draft posted on <u>www.hawaiianelectric.com/competitivebidding</u>
- Comments requested by March 29, 2024
 - > renewableacquisition@hawaiianelectric.com
 - Community Input Survey:
 - Link: https://form.jotform.com/240707069410148
 - QR Code:



> Draft RFP to be filed April 30, 2024



Mahalo for your time

Questions?

Learn More

- hawaiianelectric.com/competitivebidding
- renewableacquisition@hawaiianelectric.com

