Hawaiian Electric & Ka Lā Nui Solar sign agreement for new project

HONOLULU, Oct. 10, 2014 – Hawaiian Electric Company has submitted a power purchase agreement (PPA) for the 15-megawatt Ka Lā Nui Solar project in Waianae to the Hawai‘i Public Utilities Commission for review and approval.

This and other solar projects will benefit all utility customers with lower prices and help support Hawaiian Electric’s goal to lower customer electric bills.

Ka Lā Nui Solar will consist of approximately 61,000 fixed photovoltaic panels and associated equipment on 75 acres leased from Mountain View Dairy west of the Waianae Valley Road and Pili‘uka Place intersection.

Ka Lā Nui Solar, LLC, a subsidiary of NextEra Energy Resources, will build, own and operate the project.

Ka Lā Nui has conducted extensive outreach in the Waianae community since early 2013 and plans to continue public outreach through the permitting, design, and construction phases.

NextEra responded to a February 2013 Hawaiian Electric invitation for renewable energy projects on O‘ahu at a low levelized cost, generally below 17 cents per kilowatt-hour. The PUC approved Hawaiian Electric’s request to negotiate with responding developers outside of the lengthier competitive bidding process.

Pricing for the Ka Lā Nui Solar contract has been provided to the PUC, but is not public at this time while negotiations with other responding solar developers continue. This will help ensure Hawaiian Electric can negotiate the best possible pricing for our customers. Prices will become public after other negotiations are completed. The low cost per kilowatt-hour is locked in for the 22-year duration of the contract.

The final contract also awaits completion of an Interconnection Requirements Study to tie the solar facility to Hawaiian Electric’s 46 kV sub-transmission line along Farrington Highway in Leeward O‘ahu.

To capture full value of the federal investment tax credit for Hawaiian Electric’s customers, the project is proposed to be in service by the end of 2016. Beginning in 2017, the tax credits are due to decline from 30% to 10%.

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