



**Hawaiian
Electric**

NEWS RELEASE



Hawaiian Electric and Stem, Inc. successfully test 1 MW of energy storage at 29 commercial customer sites *System helps customers save money, helps utility manage grid*

HONOLULU, Jan. 30, 2017 – Hawaiian Electric Company and Stem, Inc. have successfully tested nearly one megawatt (MW) of intelligent, energy storage systems deployed at 29 commercial customer sites on O'ahu.

The controlled operation of this aggregated energy storage marks a major milestone in a first-of-its-kind collaborative pilot project. It shows the ability to connect many customers' energy storage with the utility to provide dual value: savings for customers and better grid operations for the utility.

The "fleet" of energy storage systems of differing sizes is installed at long-time family-operated small businesses and local institutions as well as Hawai'i branches of mainland companies. Individual systems are tailored to help each customer manage and control electric use to save money and better utilize renewable systems for their location. As a fleet, these systems operate as a "virtual power plant" seamlessly providing better real-time grid operations to ensure all customers better service.

Hawaiian Electric and Stem, Inc. applaud the innovation leaders participating in the pilot, including Watanabe Floral, Higa Meat Market, Kuroda Auto Body, Menehune Water, American Land Company, Bello's Millwork, Commercial Sheetmetal Co., Hawaiian Mission Academy, University of Hawai'i, Cades Schutte Building, Pearl City Shopping Center, the Honolulu Museum of Art, Whole Foods, Safeway and Wet'n'Wild water park.

The pilot project is supported by the Hawai'i-based Energy Excelsator and U.S. Department of Energy's Sustainable and Holistic Integration of Energy Storage and Solar PV (SHINES) initiative.

"Hawaiian Electric and the Energy Excelsator are speeding the adoption of cutting-edge energy technology to benefit the people of Hawai'i, the environment, and the grid," said Tad Glauthier, Stem Inc. vice president of Hawai'i operations. "The rest of the nation is looking at Hawai'i as a leader in renewables and grid modernization, and Stem is proud to be a part of this important transformation."

Stem's energy storage hardware – including robust commercial "batteries" -- and predictive, cloud-based PowerScope software help businesses predict when their electric use will peak. Using site specific weather information, renewable forecasts and historical and real-time usage data, Stem's system can rapidly and automatically respond to spikes in electricity use by drawing on stored power to reduce peaks in the customer use without requiring operational changes and save on their energy demand.

For the utility, Stem synchronizes the PowerScope information with data from Hawaiian Electric's renewable generation monitoring and forecasting so the utility can easily call upon the stored electricity at diverse customer sites for added stability during times of solar variability or peak demand.

"These customer-sited solutions are an important piece of Hawaiian Electric's strategy," said Dora Nakafuji, Hawaiian Electric's director of renewable energy planning. "This shows we can scale behind-the-meter energy storage to create a more stable and efficient grid as we provide customers with higher levels of renewable energy to reduce fossil fuel use and greenhouse gas emissions."

About Stem, Inc.

Stem creates innovative technology services that transform the way energy is distributed and consumed. The company's mission is to build and operate the largest digitally connected energy storage network for our customers. Our world class analytics optimize the value of customer's energy assets and facilitate their participation in energy markets, yielding economic and societal benefits while decarbonizing the grid. Headquartered in Millbrae, California, Stem is funded by a consortium of leading investors including Angeleno Group, Iberdrola (Inversiones Financieras Perseo) GE Ventures, Constellation Technology Ventures, Total Energy Ventures, Mitsui & Co. LTD., RWE Supply & Trading, and Mithril Capital Management. Visit www.stem.com for more information.

About Hawaiian Electric, Inc.

Since 1891, Hawaiian Electric Company has powered the islands' development from a kingdom to a modern American state. Hawaiian Electric and its subsidiaries, Maui Electric and Hawai'i Electric Light, serve the islands of O'ahu, Maui, Lāna'i, Moloka'i and Hawai'i, home to 95 percent of Hawai'i's people. In a changing world, the Hawaiian Electric Companies are leading in adding renewable energy and developing energy solutions for customers to achieve a clean energy future for Hawai'i. To commemorate its 125 anniversary, Hawaiian Electric will give back to the community with 125 Acts of Aloha. These charitable donations and service projects will benefit agencies and programs committed to building a more sustainable future for Hawai'i. For more information, visit www.hawaiianelectric.com.

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