



Hawaiian Electric
Maui Electric
Hawai'i Electric Light

NEWS RELEASE

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PUC approves special rates for electric buses

'Groundbreaking' pilot program encourages use of solar for charging

HONOLULU, March 21, 2019 – The move to replace fossil-fueled, combustion engine buses with cleaner, quieter, more efficient electric buses on O'ahu, Maui and Hawai'i islands got a boost from Public Utilities Commission approval of a pilot program offering special time-of-use rates for electric bus charging.

The commission approved the Hawaiian Electric Companies' new rates for a total of up to 20 bus fleet customers on three islands with lower prices that encourage charging during midday when there is abundant solar energy on the grid and overnight when electricity demand is low.

The new rate will go into effect on March 31 and run as a pilot, subject to annual reporting and potential adjustments, for five years. Based on discussions with public and private bus fleet customers, it is expected at least 130 electric buses will be added to fleets during the course of the pilot, including tour buses, school buses and public transit systems like TheBus on O'ahu.

"After extensive research, peer investigation and on-island testing, we believe the future of transit is electric," said Jon Nouchi, deputy director of the department of transportation services for the City and County of Honolulu. "The E-Bus tariff supports our effort to electrify our large transit fleet, providing both economic and environmental benefits for O'ahu residents."

Putting more solar to use during the day by charging vehicles - especially buses and other heavy equipment – will make more room on the grid for new private rooftop solar systems as well as numerous grid-scale renewable energy projects offering low-cost energy to every customer.

By charging at midday, bus operators will pay as much as 25 percent less than the standard rate. Demand charges typically paid by commercial customers are also eliminated during the optimal charging hours. Higher rates during peak demand times between 5 and 10 p.m. discourage charging during those hours. Savings for bus fleet operators will be monitored to ensure no costs are shifted to residential or commercial customers.

"This is a welcome, groundbreaking development to electrify our transportation sector, which includes not just passenger vehicles but buses, trucks and harbor and airport equipment," said Brennon Morioka, Hawaiian Electric manager of electrification of transportation.

"We especially appreciate the collaboration and support from everyone in our E-Bus working group – including public and private fleet operators, state and county transportation departments, our Drive Electric Hawai'i partners and the state energy office – as well as endorsement of our plan by the Consumer Advocate and, of course, prompt approval by the Public Utilities Commission.

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“This is truly an example of public-private partnership and win-win cooperation that benefits the entire community.”

Earlier this month, JTB Hawai‘i rolled out the first fleet of three electric buses for its visitor fleet. Electric buses have been tested for by TheBus on O‘ahu and other county transportation departments. An alternative energy pilot bus demonstration program was completed last month at the Daniel K. Inouye International Airport to connect terminals with the temporary rental car facility. And Hawaiian Electric will begin an electric school bus program in cooperation with EPRI, the Electric Power Research Institute, later this year.

Transportation uses about 71 percent of the fossil fuel imported into Hawai‘i, as compared to 29 percent for electricity. Hawai‘i is committed to achieving 100 percent clean energy for electricity and transportation by 2045.

In December 2017, in a ceremony aboard the Hawaiian sailing canoe Hōkūle‘a, the four county mayors and their representatives also committed to a 100 percent renewable fleet by 2035 and a 100 percent public and private renewable ground transportation by 2045.

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