

# U.S. DEPARTMENT OF ENERGY SELECTS HAWAII FOR ENERGY MODERNIZATION PROJECT

## \$15 million Hawaii project to install electrical distribution system at Maui substation

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HONOLULU – Governor Linda Lingle and U.S. Department of Energy (DOE) Assistant Secretary for Electricity Delivery and Energy Reliability Kevin Kolevar today announced the selection of a Hawaii project as part of a nationwide demonstration to modernize the country's electricity grid system.

The Department of Energy plans to invest up to \$7 million over three years in a project led by the Hawaii Natural Energy Institute (HNEI) of the University of Hawaii to increase efficiency in Hawaii's energy infrastructure and use of renewable energy sources. An additional \$8 million will be contributed by the various team partners, which include General Electric, Hawaiian Electric Company, Inc., Maui Electric Company, Columbus Electric Cooperative, the New Mexico Institute of Mining and Technology, Sentech and UPC Wind.

The goal of the HNEI project, one of nine to be competitively selected by the Department of Energy as part of a \$50 million nationwide demonstration, is to reduce peak load electricity demand by at least 15 percent at distribution feeders – the power lines delivering electricity to consumers. The three-year Hawaii project will be deployed at the Maui Lani Substation on Maui.

"This is a groundbreaking project that again highlights Hawaii as a national center for new energy development," said Governor Lingle. "This project will help set the foundation to improve the reliability and efficiency of Hawaii's electric grid system while allowing greater utilization of renewable energy sources."

The Hawaii project will develop and demonstrate a control and energy management distribution system that includes resources such as renewable energy sources, energy storage, responsive loads and distributed generation. The deployment of this distribution management system will benefit Hawaii by providing improved reliability and power quality by addressing concerns such as energy grid congestion, energy reserves and intermittent power supplies.

"DOE is pleased to partner in the development of this innovative energy management system which will further the State of Hawaii's bold plan to reduce its dependency on fossil fuels and move to a renewable-based energy portfolio," said Assistant Secretary Kolevar. "The development and deployment of advanced technologies to increase the efficiency and dependability of the nation's electricity grid are critical to the Bush Administration's comprehensive strategy to ensure energy security and reliability."

This latest project supports the Hawaii Clean Energy Initiative, an unprecedented partnership formed in January between the State of Hawaii and the U.S. Department of Energy which aims to have 70 percent of Hawaii's energy come from clean, renewable sources by 2030. This will reduce the state's dependence on imported oil and help bring energy price stability to Hawaii consumers.

Last month, the Department of Energy's National Renewable Energy Laboratory (NREL), the nation's primary laboratory for energy efficiency and renewable energy research and development, signed a memorandum of understanding with UPC Wind to establish a Remote Research Affiliate Partner Site at UPC Wind's Kaheawa Wind Farm on Maui.

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Governor Lingle, DOE Assistant Secretary for Electricity Delivery and Energy Reliability Kevin Kolevar (right) and Hawaii leaders in energy discuss the project.