

KIUC Reaches 50 Percent Renewable Generation Goal

 $L\bar{a}wa'i$, Kaua'i, HI - 01/08/2019 - "We've passed the 50 yard line and the end zone is in sight." Those were the words of KIUC's President and Chief Executive Officer, David Bissell, as the cooperative and its renewable energy partner AES Distributed Energy (AES DE) unveiled the state's largest solar-plus-utility-scale-storage power facility today in Lāwa'i.

More than 100 people attended the blessing and had a close up look at the solar panels and batteries that are now operational and can meet up to 11 percent of Kaua'i's energy needs.

"Now that the Lāwa'i project is on line, as much as 40 percent of our evening peak power will be supplied by stored solar energy," stated Bissell. "I think it's safe to say this is a unique achievement in the nation and possibly the world."

Owned and operated by AES DE, the Lāwa'i Solar and Energy Storage Project is located on former sugar land owned by Alexander and Baldwin (A&B) on Kaua'i's south shore. The facility consists of 28 megawatt (MW) solar photovoltaic and a 100-megawatt hour (MWh) five-hour duration energy storage system.

Designed to offer dispatchable renewable solar power, the battery-based energy storage system can also supply the grid with peak power output for up to five-hours duration while simultaneously charging the batteries.

Power from the facility will be purchased by KIUC at 11 cents per kilowatt hour via a 25-year power purchase agreement. "Replacing fossil fuels with stable, lower-priced renewables helps us keep rates as low as possible for our members," stated Bissell. He added that the facility will also avoid the use of 3.7 million gallons of diesel each year. Overall, KIUC's renewable portfolio has expanded from 8 percent in 2010 to more than 50 percent at the end of 2018, with a corresponding reduction of 15 million gallons of fossil fuel usage per year.

"Projects like this are possible because we've forged partnerships with landowners like A&B and proven industry leaders such as AES DE. Credit is also due to the strategic leadership of our board of directors, support from our elected officials and of course the participation of our memberowners," said Bissell

"This innovative project will be a reliable source of firm renewable energy for decades to come and serve as an example for markets across the globe," said Woody Rubin, President of AES DE. "We thank KIUC for their leadership in driving towards a cleaner energy future as well as the broader community for their support during the development of the project."

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KIUC, AES DE and the Department of Defense are also partnering on a solar-plus-storage project soon to break ground on land occupied by the Pacific Missile Range Facility (PMRF) in Kekaha. The PMRF facility will couple a 19.3 MW solar array in conjunction with a 70 megawatt hour battery energy storage system.

"We expect the PMRF project to be on line by the end of this year, and that will bring us well over 60 percent renewable. Our strategic goal is 70 percent renewable by 2030: We'll be substantially there a full ten years early," stated Bissell.

About KIUC

KIUC is a member-owned cooperative serving 33,000 customer accounts on the island of Kaua'i. Formed in 2002 and governed by a nine-member, elected board of directors, KIUC is one of 930 electric co-ops serving more than 36 million members in 47 states. KIUC has surged from less than 10 percent renewable generation in 2010 to more than 50 percent renewable at the end of 2018, and leads the nation in energy storage watts per customer.

About AES Distributed Energy

AES Distributed Energy (AES DE) is a wholly owned subsidiary of The AES Corporation, a *Fortune 500 and publicly traded international energy company. Our daily mission at AES DE is to bring reliable and cost-effective distributed energy systems to utilities, municipalities, corporations, schools, and commercial and industrial customers. AES DE's proven project development, financing, and operating experience empowers energy consumers to benefit from the distributed energy solutions we deliver. <u>www.aesdistributedenergy.com</u>*

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Mayor Derek Kawakami with KIUC personnel (L-R): Board member David Iha, President & CEO David Bissell, Board Member Calvin Murashige, Board Vice Chair Jan TenBruggencate, Board members Dee Crowell, Peter Yukimura, Janet Kass and Teofilo "Phil" Tacbian ###



AES will utilize sheep to control vegetation in an environmentally friendly way, avoiding fossil fuels and herbicides used in traditional landscape maintenance