Honolulu Board of Water Supply News Release

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BOARD OF WATER SUPPLY FILES REQUEST TO WITHDRAW AS AN INTERVENOR IN NEXTERA ENERGY/HEI MERGER REVIEW SIGNS MEMORANDUM OF UNDERSTANDING WITH HAWAIIAN ELECTRIC COMPANY AND NEXTERA ENERGY

HONOLULU – The Honolulu Board of Water Supply (BWS) has signed a Memorandum of Understanding (MOU) with NextEra Energy and Hawaiian Electric Company ensuring the continued collaboration and coordination between the utilities' respective current and future long-range capital improvement and infrastructure projects. The BWS also filed a request with the Hawaii Public Utilities Commission to withdraw as an intervenor in the PUC's pending review of the merger between NextEra Energy and Hawaiian Electric Industries.

"We are very pleased to have signed this Memorandum of Understanding with Hawaiian Electric and NextEra Energy and look forward to collaborating on projects that improve Oahu's water system infrastructure and help the BWS reduce its energy costs," said Ernest Lau, manager and chief engineer for the BWS. "The MOU also ensures that our current and future energy needs are addressed so that we can continue to provide dependable water service to our communities."

The MOU identifies various projects and plans that both utilities agreed to explore for the mutual benefit of their respective utility customers such as but not limited to:

- Demand response opportunities.
- Renewable energy projects including distributed energy resources and a potential photovoltaic facility at Kalaeloa.
- Pump storage hydro using existing BWS pipelines or other facilities.
- Hardening of various transmission and/or distribution lines that serve critical BWS facilities.
- Shared Advanced Meter Infrastructure and smart meter technology.

Additionally, the MOU addresses other areas of concerns including emergency preparedness planning, design review and construction related processes and procedures, and improving power quality issues at 14 BWS locations.

The MOU will be in effect for a period of three years from October 30, 2015 unless terminated earlier by mutual agreement between the utilities. The MOU may also be extended for one-year terms with mutual agreement of the parties.

About the Board of Water Supply

The Board of Water Supply (BWS), a semi-autonomous agency of the City and County of Honolulu, manages Oahu's municipal water resources and distribution system. As the largest water utility in the State, the BWS serves approximately one million customers on Oahu. The BWS embraces its mission of "Water for Life – *Ka Wai Ola*"—to provide a safe, dependable, and affordable water supply, now and into the future. *Uwē ka lani, ola ka honua* – "When the heavens weep, the earth lives." For more information about the BWS, visit www.boardofwatersupply.com, follow @BWSHonolulu or like the BWS's Facebook page at http://www.facebook.com/BWSHonolulu.

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