

KIUC and PMRF to Partner on Solar PV Plus Storage Project

*Līhu'e, Kaua'i, HI – 12/21/17* – The Department of the Navy (DON), Command Navy Installations Command, Naval Facilities Engineering Command and Kaua'i Island Utility Cooperative (KIUC) have signed a lease to develop a 19.3-megawatt (MW) solar facility in conjunction with a 70 megawatt hours (MWh) battery energy storage system to be housed on-base at Pacific Missile Range Facility – Barking Sands (PMRF).

The lease signing was commemorated on December 20, 2017. The agreement leases 140 acres of land at PMRF to KIUC for the development of a solar generation asset capable of generating 19.3 MW of direct current energy, coupled with 70 MWh of battery storage. The facility will provide renewable power after sunset to help meet KIUC's members' electricity needs during peak usage hours. The facility will also have the capability of directly supporting PMRF's mission-critical activities in the event of a short-term or extended grid outage.

“KIUC has set an aggressive goal of reaching 70 percent renewable by 2030,” stated KIUC's President and Chief Executive Officer, David Bissell. “This project brings us closer to that goal, while also providing greater overall grid stability via the use of battery storage. The project will displace 2.8 million gallons of diesel annually, can power roughly 6,000 homes, and creates a downward pressure on rates through a long-term PPA that is well below the current cost of diesel.”

KIUC has selected AES Distributed Energy to construct and operate the facility. The bulk of the project costs will be paid up-front by AES, who will then sell energy to KIUC via a 25-year Purchase Power Agreement (PPA) priced at 10.85 cents per kilowatt hour.

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“AES is honored to be chosen to develop this innovative solar plus storage project and to further our efforts of providing cleaner more reliable energy solutions here on the Hawaiian island of Kaua‘i,” said Woody Rubin, President of AES Distributed Energy. “This project offers a sustainable and cost-effective solution to Hawai‘i’s evolving customer needs and long-term energy goals.”

"This project at PMRF will provide energy security and resiliency that is critical to the base and to Kaua‘i, especially the west side," said PMRF Commanding Officer Capt. Vinnie Johnson.

"Pursuing alternative sources of energy allows us to be stewards of our Nation's defense, the community and the environment. Improving energy efficiency will ensure our base remains a leader in innovation and at the forefront of the defense of the country. The energy generated and stored will provide a reliable source of backup power for our missions while also contributing to Kaua‘i’s renewable energy portfolio.”

In exchange for the use of DON land, KIUC is providing in-kind consideration for the value of the land in the form of an express feeder to connect PMRF to the power facility, which will allow PMRF to operate as a micro-grid when necessary.

This project supports a Memorandum of Understanding signed last year between the DON and the State of Hawai‘i to coordinate goals and strengthen the partnership between both organizations in the pursuit of additional renewable energy projects in the state.

Construction on the project is estimated to begin in late 2018.

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