

## **Hawaii energy group studies potential savings of proposed cooperative utility ownership model**

By Duane Shimogawa, Reporter Pacific Business News

The Hawaii Island Energy Cooperative, which formed earlier this year to explore the possibility of cooperative utility ownership, is in the process of doing a 10-year financial analysis to quantify the potential savings of this type of business model, one of its co-founders said Monday.

The cooperative also is urging Hawaii regulators to give serious consideration to the cooperative utility ownership model as an alternative to selling the Big Island's electric utility to Florida's NextEra Energy Inc.

NextEra Energy is proposing to buy Hawaiian Electric Co. and its subsidiaries, including Hawaii Electric Light Co. on the Big Island and Maui Electric Co., for \$4.3 billion.

"HIEC believes that there is a once-in-many-lifetimes opportunity to achieve something truly transformational on Hawaii Island," Marco Mangelsdorf, co-founder and spokesman for HIEC, said in a statement. "The energy cooperative model versus investor-owned model is a unique and appropriate discussion worth having at this critical juncture."

The cooperative also is one of 28 intervenors in the acquisition decision before the Hawaii Public Utilities Commission.

Mangelsdorf noted that HIEC does not oppose the sale to NextEra Energy, and acknowledges that Hawaiian Electric's parent, Hawaiian Electric Industries Inc., has said HELCO is not separately for sale.

But he urged the PUC to consider the benefits of not-for-profit cooperative ownership as part of its decision-making process.

Among the cooperative benefits Mangelsdorf describes are the potential to lower rates over time, shift from a shareholder focus to a member focus, provide local control over the island's energy future, further emphasize renewables and energy storage technologies, and explore the potential to share services with Kauai Island Utility Cooperative, the state's only electric cooperative, a "win/win" that could financially benefit members on both islands.