

July 26, 2016

Mr. Jason Reyes
Project Manager
Hawaiian Electric Company
P.O. Box 2750
Honolulu, Hawaii 96840-0001

Dear Mr. Reyes:

Subject: Maintenance and Storage Facility (MSF) Substation

Thank you for your letter dated June 20, 2016 regarding Hawaiian Electric Company, Inc.'s ("Hawaiian Electric") determination that a dedicated substation will be necessary to serve the anticipated loads for Honolulu Authority for Rapid Transportation's ("HART") Maintenance and Storage Facility ("MSF") area.

Would you please provide an explanation on how Hawaiian Electric concluded that a dedicated substation would be necessary? Related to this, in your June 24, 2016 email to me, it appears that Hawaiian Electric evaluated the option of upgrading its existing electrical system to provide power to our MSF area by bringing power from an existing substation via 12kV lines. We are interested in learning more about the specifics of that option (e.g., adding capacity at which substation, adding new 12kV lines from where to where, etc.) as well as the costs associated with that option.

Similarly, we are interested in learning more about any other system upgrades that Hawaiian Electric will be doing in order to provide power to all of our TPSS sites along the length of our project.

As mentioned in our April 1, 2016 email from Huy Huynh to Phillip Gerwien, which included a paper summarizing our latest building and TPSS load estimates for the MSF, these estimates will be updated as deemed necessary due to future schedule updates. On April 25, 2016, another paper was issued to Hawaiian Electric (Justin Garrod's email to Phillip Gerwien). This paper documents additional analyses to provide further details with respect to incremental MSF TPSS' RMS power demands. As you may know, the scope and schedule of the entire rail project are being discussed by HART management with the HART Board as well as other approving entities and are subject to change. Changes to scope and schedule will have an impact to the load levels and timing of those loads at MSF.

Currently, we are planning for Interim Opening (East Kapolei station to Aloha Stadium station) by December, 2019 and the periods associated with our anticipated incremental loads at the MSF may need to be revised once we have final decision on this opening date. Please note that our previous schedule forecast for the Interim Opening was early 2019.

Mr. Jason Reyes, Project Manager»

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Regarding provisions for redundant service or equipment in Item 3 of the letter, HART would like to obtain data from Hawaiian Electric related to (1) reliability, (2) capital cost, and (3) O&M cost for additional substation equipment beyond the “standard facilities.” Furthermore, to address the need for the 12 kV redundant feeders, HART would like to obtain reliability data from Hawaiian Electric for existing 12 kV feeders which are part of the existing Hawaiian Electric power distribution system. To facilitate our discussions on this issue, please provide single line diagrams that depict the base and redundant options that clearly show the demarcation lines between Hawaiian Electric’s and HART’s scope.

To summarize, we would like to discuss and examine with Hawaiian Electric all options available to HART in serving our future loads at MSF.

Should you have any questions, please contact me at 768-6252.

Sincerely,



Jason Chung
Utility Manager
Honolulu Authority for Rapid Transit

cc: Chris Takashige
In-Tae Lee
Justin Garrod
Huy Huynh
Kathy Yonamine, HECO
Ken Aramaki, HECO
Anthony Hong, HECO
Susan Chow, HECO
Mina Brinkopf, HECO
Rachelle Pruss, HECO