

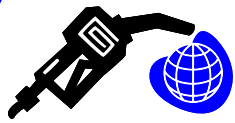


Hawaiian Electric Company, Inc.

# BlueEarth Maui Biodiesel Project Overview

Hawaii Energy Policy Forum

9 May 2007



**BlueEarth  
Biofuels LLC**

# The Maui Biodiesel Plant



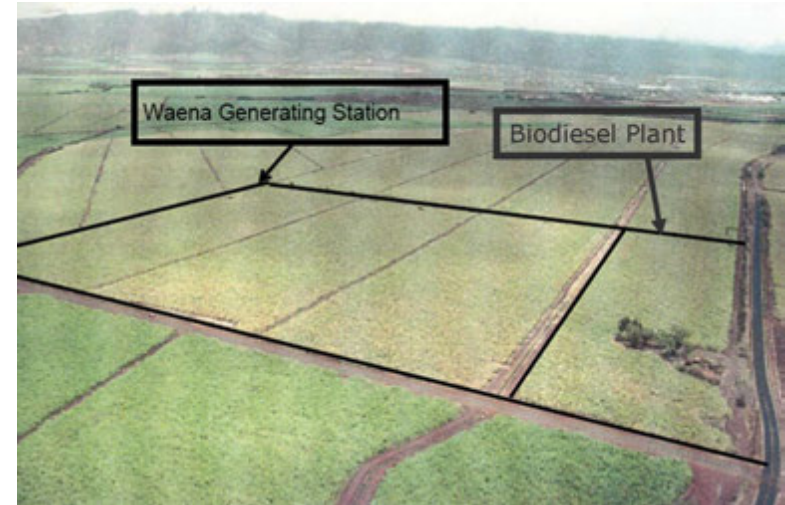
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## Located on MECO's Waena Site

- 15 Acres designated "Renewable Energy"
- Productive Use of Land
- Proximity to MECO's power generation
- Land Lease - Fair Market Value (to rate-base)

## 40MGPY - Expandable to 120MGPY

- State-of-the-art & Proven Continuous Process
- 1<sup>st</sup> Plant in Pacific capable of achieving biodiesel quality specifications (BQ-9000 & *ASTM D6751 06b*)
- 40+ employees – Phase 1
- Multi Vegetable Oil Feed-stock - locally grown in long-term (initially sustainable, non-deforested soybean, canola, etc.)



## Shared Project Profits with the Public\*

- Biofuels Public Trust will receive ~ 1/2 of Project profits
- Trust will fund local Agriculture Infrastructure development



# The Maui Biodiesel Plant

(continued)



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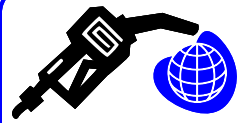
## Unique Window of Opportunity for an early 2009 Plant Start-up and Commissioning

- BlueEarth has secured preliminary Capital Commitments and Hawaii Special Revenue Bond authorization
- Biofuels Construction Company and timing is locked-in
- **Permitting** timeline could be shortened with this site

## Long-term Low-cost Biodiesel to HECO\*

- Leveraged Project – lower product pricing ability
- **Tolling Agreement** Product Pricing Structure:
  - Full “open-book” Cost & Pricing Disclosure
  - **Capped Margin %**
  - Consumer is insulated from petroleum market price volatility

\* ***HECO's entire biodiesel project profits are contributed to the Biofuels Public Trust***



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- Our Project Development Team is customer-centric and solution-oriented with **over 50 years of combined energy project development experience** including over 20 highly structured energy projects.
- Our Engineering, Construction and Operations strategic subcontractor team possess a **nearly unparalleled 500+ million gallons of biofuels experience** with highly efficient, large-scale, state-of-the-art, continuous-process biofuels facilities.



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## **BlueEarth Biofuels (Project Team)**



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**SSOE Engineering** is a world-wide chemical and process engineering firm with over 635 professional employees. SSOE offers a continuous-flow, state-of-the-art transesterification process (rather than a batch process) which provides a significant increase in; production output, production efficiency, product quality control, and environmental & plant personnel safety, all within a limited process footprint. The SSOE process guarantees through-put to ASTM D 6751-06b standards (American Society of Testing and Materials (ASTM), the premier standard setting organization for fuels and fuel additives) and ISO 9000 standards certifying that consistent business processes are being applied.



**NewMech Companies, Inc.**, is currently constructing a half dozen biofuels plants (30MGPY-40MGPY each) domestically. NewMech provides fully integrated construction and engineering solutions throughout the United States and Canada and serves the following markets: Biofuels, Power/Energy, Petrochemical, Food & Beverage, Pharmaceutical, BioPharma, Manufacturing, Water/Waste Water, and Nutraceutical. NewMech is a union labor construction company and employs local union trades for its in-shop fabrication and construction efforts.



**Core Ventures Renewable Fuels**, provides certain aspects our life-cycle plant services and consulting. Core Ventures has commissioned and staffed numerous biofuels plants currently operational domestically. Core Ventures is a contract consultant to BlueEarth assisting in the staffing, training, start-up and operational oversight for our biofuels projects.

- ✓ **Agriculture Stimulus – Biofuels Trust & Market Creation**
- ✓ **Game-Changing Fuels Pricing Approach**
- ✓ **1<sup>st</sup> in Pacific to meet ASTM D6791 06b Quality Specification**
- ✓ **Workforce growth - high-paying career positions**
- ✓ **Unique window for 2009 Start-up via a World-class Team**
- ✓ **Alignment with State's goals**
  - **Renewable energy**
  - **Energy independence & security**
  - **Environmental quality improvement**
  - **Sustainable biofuels**
- ✓ **Broadening biofuels supply capabilities within Hawaii**