

# News Releases

## NextEra Energy and Hawaiian Electric Merger Represents Best Path to Achieving Hawaii's 100 Percent Renewable Energy Goal

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### **New Filings Detail Nearly \$1 Billion in Customer Savings and Economic Benefits**

#### **NextEra Energy Estimates Per Residential Customer Savings of Roughly \$345-\$475 for the First Five Years**

#### **The Combination Would Accelerate the Development of Modern Smart Grids Throughout the Islands**

#### **NextEra Energy Affirms its Commitment to At Least \$2.2 Million in Charitable Giving for a Minimum of 10 Years**

#### **NextEra Energy Commits to Keeping Hawaiian Electric Locally Managed**

JUNO BEACH, Fla., and HONOLULU, Aug. 31, 2015 /PRNewswire/ -- NextEra Energy, Inc. (NYSE:NEE) and Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company Limited (collectively referred to as Hawaiian Electric), subsidiaries of Hawaiian Electric Industries, Inc. (NYSE:HE) (HEI), today provided additional extensive details on NextEra Energy's plans for its merger with HEI, including a comprehensive package of 85 commitments, of which more than 50 are new, that would accelerate the achievement of Hawaii's goal of an affordable, 100 percent renewable energy future by 2045.

These commitments, which were made as part of filings with the Hawaii Public Utilities Commission (PUC), strengthen and underscore the broad range of benefits that the merger will deliver, including customer savings of nearly \$465 million and economic benefits to Hawaii of approximately \$500 million in the first five years following the close of the merger – a total of nearly \$1 billion in customer savings and economic benefits. Customers also will benefit from NextEra Energy's ability to accelerate the development of more modern grids throughout the islands through the deployment of smart meters, including time-of-use rate options, as well as improvements to overall service, reliability and performance. In addition, NextEra Energy reinforced its commitment to the communities served by Hawaiian Electric and the state of Hawaii by pledging to maintain HEI's current levels of charitable giving for at least 10 years and to keep Hawaiian Electric locally managed.

"Our expanded set of commitments is a clear reflection of the thoughtful input we have received from many key stakeholders, including the Governor and the Consumer Advocate," said Eric Gleason, president of NextEra Energy Hawaii, LLC. "We fully embrace Hawaii's goal of 100 percent renewable energy by 2045 and believe this partnership represents the best path forward to achieving this goal – the most ambitious of its kind in the nation. This is a goal that will be accomplished by many people working together collaboratively, and we hope to play a major role in that effort. As the world's leading generator of renewable energy from the wind and sun, we are well positioned, alongside Hawaiian Electric, to partner with the state to achieve its 100 percent renewable portfolio standard by 2045, as well as integrate more rooftop solar, modernize the electric grids and lower customer bills. We will continue to listen, learn and constructively engage with stakeholders and communities throughout the state – including Gov. Ige and his administration – as we respond to questions and present our vision to the PUC."

"Achieving Hawaii's 100 percent renewable energy goal is of critical importance to all of us and we firmly believe that the combination of NextEra Energy and Hawaiian Electric will best position our state to realize this future," said Alan Oshima, Hawaiian Electric's president and chief executive officer. "As one of the world's most innovative companies, NextEra Energy's expertise and resources will significantly accelerate our efforts to strengthen Hawaii's energy infrastructure, lower customer bills and continue our active support of our local communities. In NextEra Energy, we have a partner whose corporate values closely align with our local values to do what's best for customers and our communities. NextEra Energy has underscored this with a substantial set of commitments to the state of Hawaii."

### **Delivering Nearly \$1 Billion in Customer Savings and Economic Benefits to Hawaii**

- *NextEra Energy estimates that the combination will deliver overall customer savings of nearly \$465 million and economic benefits for the state of Hawaii of approximately \$500 million in the first five years following the close of the merger.*
- *The estimated nearly \$465 million in customer savings include \$172 million in capital expenditure savings, \$133 million in savings from a four-year general base rate case moratorium, \$60 million in guaranteed rate savings from forgoing a portion of the increase in revenues due to decoupling, \$67 million in fuel savings, post-rate moratorium \$30 million in non-fuel operating and maintenance cost reductions, and \$3 million in lower interest expense.*
- *NextEra Energy estimates that the cumulative net savings per residential customer of Hawaiian Electric by island for the first five years (2016-2020) after the completion of the merger ranges from roughly \$345-\$475, for an average across all islands of nearly \$400.*
- *NextEra Energy commits to establish a \$10 million customer benefit fund paid over four years following the close of the merger to be used at the PUC's discretion for what it deems appropriate and in the public interest.*

These and other related commitments demonstrate NextEra Energy's focus on delivering more affordable electric rates for customers and enhancing the ability of Hawaiian Electric to provide safe and reliable service at a reasonable cost.

### **Creating Modern Electric Grids by Accelerating Deployment of Smart Meters to Improve Service, Reliability and Performance for Customers**

- *NextEra Energy is committing to accelerate Hawaiian Electric's deployment of smart meters, including time-of-use rate options, by approximately two years. Smart grid technology will provide Hawaiian Electric with greater ability to manage its electric grids, including faster detection and restoration of outages, and will give customers unprecedented access to information about their energy usage and pricing options to help them better manage their energy costs.*
- *NextEra Energy will coordinate with key customers in developing updated emergency response plans for Hawaiian Electric and will file the plans with the PUC within 12 months of the merger's completion.*

NextEra Energy is a world-class energy company, and the expertise, processes and best practices it will bring to Hawaiian Electric will enhance service, reliability and performance. Importantly, NextEra Energy brings to the table a powerful combination of renewable energy experience, technological know-how and financial strength necessary for developing modern smart grids and achieving Hawaii's 100 percent renewable portfolio standard by 2045.

NextEra Energy's utility, Florida Power & Light Company (FPL), is leading the industry in grid modernization. Having deployed more than 4.8 million smart meters and more than 12,000 intelligent devices, FPL's smart grid is recognized as one of the most advanced grids in the nation and one of the most comprehensive, full-scale deployments of its kind. FPL's smart grid, which includes smart meters as the foundation for all the associated smart grid technologies, has delivered measurable operational savings and strong customer benefits, including improvements in efficiency, reliability and customer service. FPL will continue to leverage this smart technology investment to develop new tools to enhance service reliability and deliver even more value for customers.

### **Committed to Charitable Giving Levels for a Minimum of 10 Years After Merger Close**

- *NextEra Energy commits to corporate giving of at least \$2.2 million annually for a minimum of 10 years post-closing, consistent with HEI's 2014 charitable giving.*
- *NextEra Energy is committing to broad, Hawaii-focused geographic representation on the local, independent Hawaiian Electric advisory board that will be established. NextEra Energy commits that the board will include members from the counties of O'ahu, Maui and Hawaii.*
- *NextEra Energy will prepare an annual Hawaii-specific Corporate Responsibility Report that tracks its progress in operating as a Hawaii business, including how it is living up to the Hawaii values of kuleana, mālama pono and aloha.*

### **Hawaiian Electric Will Continue to be Locally Managed and Retain its Hawaii-Based Values and Culture**

- *NextEra Energy is committed to supporting local control and governance and has reaffirmed its proposal to preserve local headquarters, local management and the Hawaiian Electric name.*
- *NextEra Energy has committed to ensuring that Hawaiian Electric will have the same independent authority as NextEra Energy's two other principal businesses in approving capital expenditures up to \$20 million without additional approvals.*
- *NextEra Energy commits to make available incremental internship programs and recruiting opportunities above those already made available by Hawaiian Electric. This commitment includes adding the University of Hawaii System to the list of colleges and universities at which NextEra Energy recruits candidates for employment opportunities nationwide.*
- *NextEra Energy also has reaffirmed its commitment that, for at least two years after closing, there will be no involuntary layoffs as a result of the transaction and compensation and benefits offered will be substantially comparable to those provided prior to the merger. In addition, NextEra Energy has committed to honor all existing union labor agreements.*

### **NextEra Energy Committed to Fully Supporting the Achievement of Hawaii's 100 Percent Renewable Portfolio Standard by 2045**

- *NextEra Energy is the world's largest producer of renewable energy from the wind and sun.*
- *As a result of its efforts, in 2014, NextEra Energy had one of the lowest emissions profiles of any utility in North America.*
- *Since 2001, FPL's investments in high-efficiency, natural gas energy centers have enabled the company to cut its use of foreign oil by more than 99 percent – from more than 40 million barrels to less than 1 million barrels annually today. Since 2001, the effectiveness of these investments has saved FPL customers more than \$7.5 billion on fuel costs and prevented more than 85 million tons of carbon emissions.*
- *Since 2003, FPL and NextEra Energy Resources in total have completed more than 101 major capital projects totaling nearly \$27 billion, with the overwhelming majority of those projects completed on time and under budget.*

NextEra Energy has received numerous awards from credible third parties for its overall performance relative to its national and global peers, as well as its leadership in areas such as innovation, ethics and sustainability. In 2015, the company was recognized as one of Fortune's World's Most Admired Companies, ranking in the top 10 worldwide for innovativeness and sustainability. NextEra Energy also was named a 2015 World's Most Ethical Company® by the Ethisphere Institute, marking the eighth year the company has received this recognition. The skills, knowledge, resources and experience that helped produce this track record will be available to Hawaiian Electric as a member of the NextEra Energy family and can be expected to benefit and accelerate the company's clean energy transformation.

### **NextEra Energy, Inc.**

NextEra Energy, Inc. (NYSE: NEE) is a leading clean energy company with consolidated revenues of approximately \$17.0 billion, approximately 44,900 megawatts of generating capacity, which includes megawatts associated with non-controlling interests related to NextEra Energy Partners, LP (NYSE: NEP), and approximately 13,800 employees in 27 states and Canada as of year-end 2014. Headquartered in Juno Beach, Fla., NextEra Energy's principal subsidiaries are Florida Power & Light Company, which serves approximately 4.8 million customer accounts in Florida and is one of the largest rate-regulated electric utilities in the United States, and NextEra Energy Resources, LLC, which, together with its affiliated entities, is the world's largest generator of renewable energy from the wind and sun. NextEra Energy has been recognized often by third parties for its efforts in

sustainability, corporate responsibility, ethics and compliance, and diversity, and has been ranked in the top 10 worldwide for innovativeness and community responsibility as part of Fortune's 2015 list of "World's Most Admired Companies." For more information about NextEra Energy companies, visit these websites: [www.NextEraEnergy.com](http://www.NextEraEnergy.com), [www.FPL.com](http://www.FPL.com), [www.NextEraEnergyResources.com](http://www.NextEraEnergyResources.com).

### **Hawaiian Electric Company**

Hawaiian Electric and its subsidiaries, Maui Electric and Hawaii Electric Light, serve the islands of O'ahu, Maui, Lāna'i, Moloka'i and Hawaii, home to 95 percent of the population of Hawaii. Hawaiian Electric's parent company is Hawaiian Electric Industries (NYSE: HE), which has been named one of "America's 100 Most Trustworthy Companies 2015" by Forbes.

In a changing world, the Hawaiian Electric Companies are taking the lead in adding renewable energy and developing energy solutions for their customers to achieve a clean energy future for Hawaii. For more information, visit [www.hawaiianelectric.com](http://www.hawaiianelectric.com).

### **FORWARD-LOOKING STATEMENTS**

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words or phrases such as "may," "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "predict," and "target" and other words and terms of similar meaning. Forward-looking statements involve estimates, expectations, projections, goals, forecasts, assumptions, risks and uncertainties. NEE and HEI caution readers that any forward-looking statement is not a guarantee of future performance and that actual results could differ materially from those contained in any forward-looking statement. Such forward-looking statements include, but are not limited to, statements about the anticipated benefits of the proposed merger involving NEE and HEI, including future financial or operating results of NEE or HEI, NEE's or HEI's plans, objectives, expectations or intentions, the expected timing of completion of the transaction, the value, as of the completion of the merger or spin-off of HEI's bank subsidiary or as of any other date in the future, of any consideration to be received in the merger or the spin-off in the form of stock or any other security, and other statements that are not historical facts. Important factors that could cause actual results to differ materially from those indicated by any such forward-looking statements include risks and uncertainties relating to: the risk that NEE or HEI may be unable to obtain governmental and regulatory approvals required for the merger or the spin-off, or required governmental and regulatory approvals may delay the merger or the spin-off or result in the imposition of conditions that could cause the parties to abandon the transaction; the risk that a condition to closing of the merger or the completion of the spin-off may not be satisfied; the timing to consummate the proposed merger and the expected timing of the completion of the spin-off; the risk that the businesses will not be integrated successfully; the risk that the cost savings and any other synergies from the transaction, including the value of a potential tax basis step up, may not be fully realized or may take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; the diversion of management time and attention on merger and spin-off-related issues; general worldwide economic conditions and related uncertainties; the effect and timing of changes in laws or in governmental regulations (including environmental); fluctuations in trading prices of securities and in the financial results of NEE, HEI or any of their subsidiaries; the timing and extent of changes in interest rates, commodity prices and demand and market prices for electricity; and other factors discussed or referred to in the "Risk Factors" section of HEI's or NEE's most recent Annual Reports on Form 10-K filed with the Securities and Exchange Commission (the "SEC"). These risks, as well as other risks associated with the merger, are more fully discussed in the definitive proxy statement/prospectus that is included in the Registration Statement on Form S-4 that NEE filed with the SEC in connection with the merger. Additional risks and uncertainties are identified and discussed in NEE's and HEI's reports filed with the SEC and available at the SEC's website at [www.sec.gov](http://www.sec.gov). Each forward-looking statement speaks only as of the date of the particular statement and neither NEE nor HEI undertakes any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

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