



2013 Corporate Sustainability Report



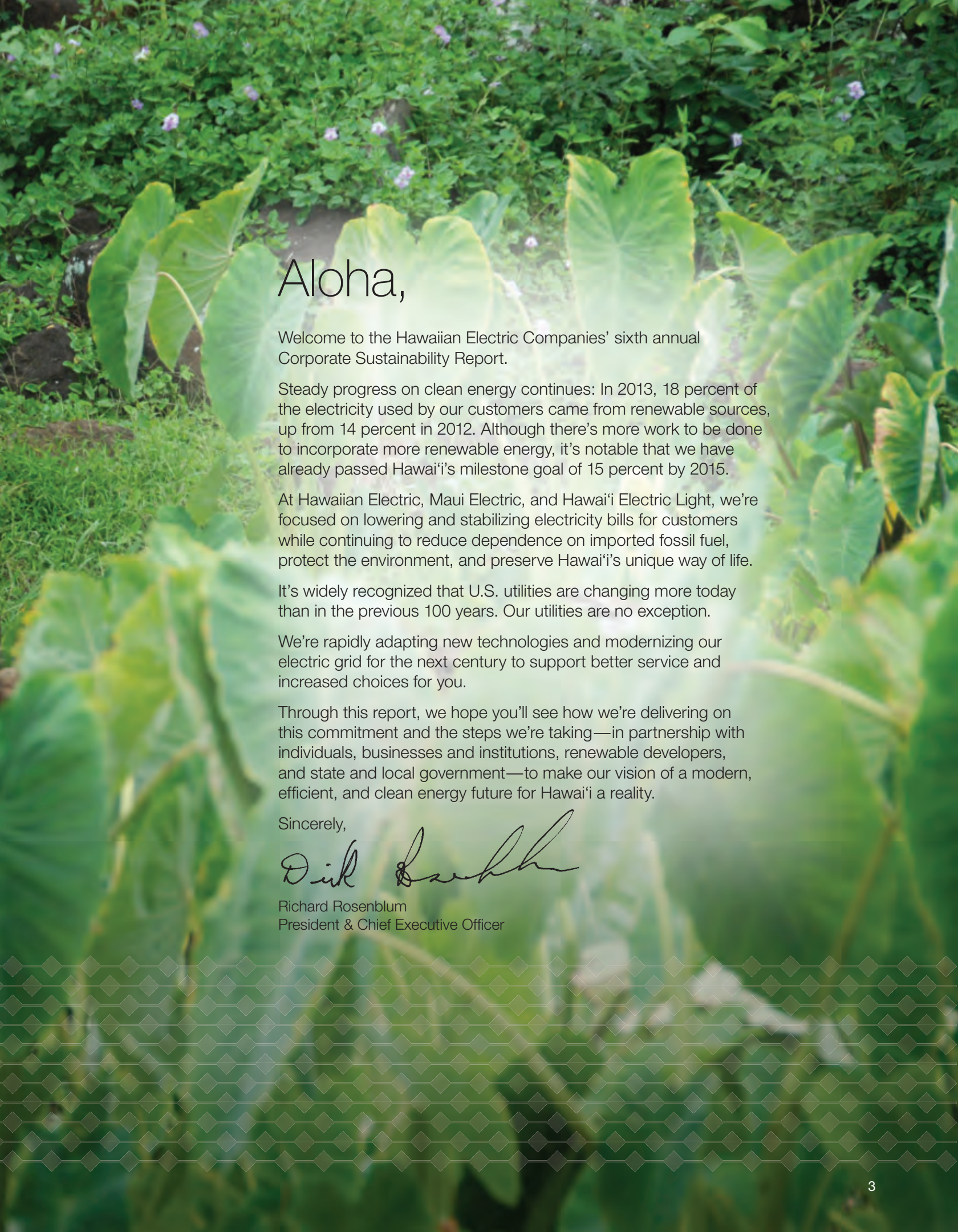
Hawaiian Electric
Maui Electric
Hawai'i Electric Light



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Editor's Note: At the Hawaiian Electric Companies, we recognize the use of diacritical marks in the modern Hawaiian language and make every effort to include such marks in Hawaiian names. Out of respect for individuals and organizations that do not use diacritical marks in the official spelling of their names, we are not including diacritical marks in those instances.

A lush background of tropical plants, including large green leaves and small purple flowers, creating a vibrant and natural setting.

Aloha,

Welcome to the Hawaiian Electric Companies' sixth annual Corporate Sustainability Report.

Steady progress on clean energy continues: In 2013, 18 percent of the electricity used by our customers came from renewable sources, up from 14 percent in 2012. Although there's more work to be done to incorporate more renewable energy, it's notable that we have already passed Hawai'i's milestone goal of 15 percent by 2015.

At Hawaiian Electric, Maui Electric, and Hawai'i Electric Light, we're focused on lowering and stabilizing electricity bills for customers while continuing to reduce dependence on imported fossil fuel, protect the environment, and preserve Hawai'i's unique way of life.

It's widely recognized that U.S. utilities are changing more today than in the previous 100 years. Our utilities are no exception.

We're rapidly adapting new technologies and modernizing our electric grid for the next century to support better service and increased choices for you.

Through this report, we hope you'll see how we're delivering on this commitment and the steps we're taking—in partnership with individuals, businesses and institutions, renewable developers, and state and local government—to make our vision of a modern, efficient, and clean energy future for Hawai'i a reality.

Sincerely,

A handwritten signature in black ink, appearing to read "Dick Rosenblum", written in a cursive style.

Richard Rosenblum
President & Chief Executive Officer

Our New Logo:

A symbol of where we've been, who we are, and where we're going



SIMPLE, STRONG, UNIFYING.

Our new logo represents where we've come from, who we are and where we're going. Each element has important meaning. Together, they capture the deep local roots and strong commitment to Hawai'i's future of the three Hawaiian Electric companies.



A Defining Moment

At Hawaiian Electric, Maui Electric, and Hawai'i Electric Light, we're proud of our long history of service to our communities. But we know it's not enough for us to just look back. Looking forward, we know we can and need to do better. These items are at the top of our priority list:

- Lowering bills for our customers
- Improving service
- Developing more low-cost clean energy

As we reaffirm our responsibility to our customers and communities, we've introduced a new logo — one that represents our deep roots in these islands, as well as our commitment to creating a better energy future for Hawai'i.

A Reflection of Our Heritage

Our new logo was developed by respected Hilo designer Sig Zane, working with his wife, cultural expert Nalani Kanaka'ole, and their son Kuha'o. Drawing on Hawaiian Electric's 122-year history for inspiration, they combined traditional Hawaiian design elements with a modern look to create the logo.

"From the very beginning, when King Kalākaua pioneered electricity at 'Iolani Palace, and chartered Hawaiian Electric, the company has played a key role in Hawai'i's growth," Zane said. "We wanted to create a design that captures that history and reflects the way the company connects our communities."



A Symbol of Our Commitments

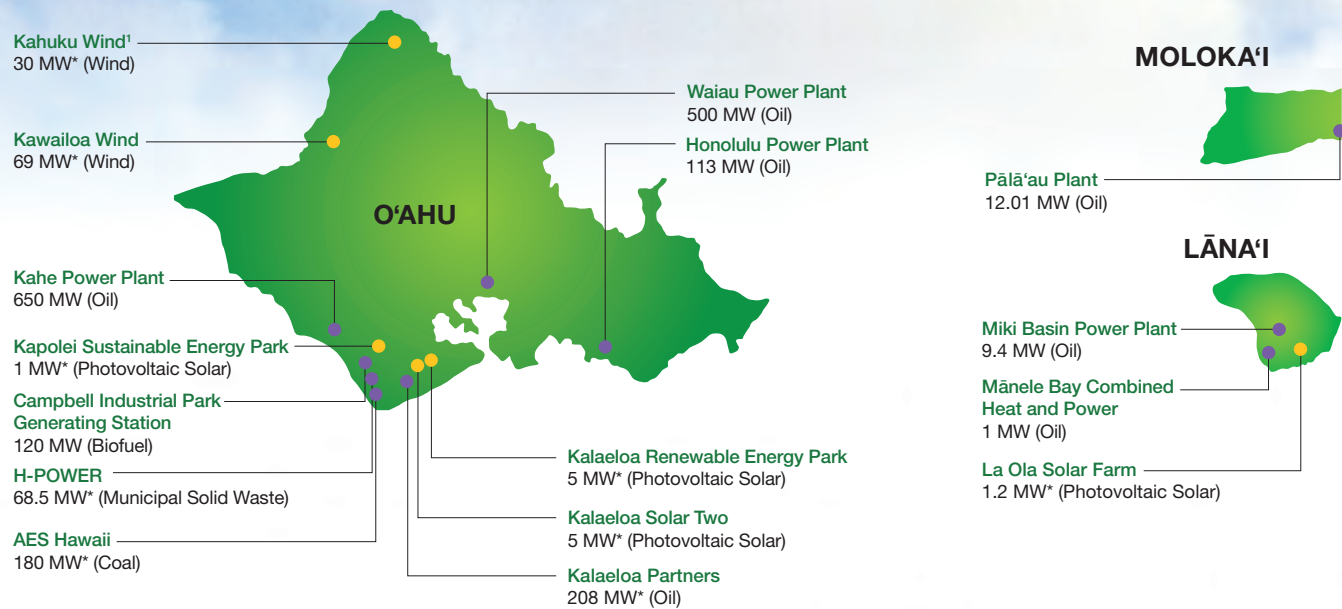
Today we reaffirm our commitment to our customers — to lower bills, improve service, and develop more renewable energy. To deliver on our commitments, we're taking a number of important steps:

- Pursuing low-cost renewable energy projects to reduce our use of high-priced imported oil
- Continuing to help customers use solar power
- Deactivating older, less efficient power plants

- Modernizing our systems and electric grids to improve reliability
- Improving customer service with new technology and added staff

While the logo is an important symbol of our pledge, we know that in the end our actions will speak the loudest. So each day, we're striving to live up to the ideals our logo represents. And we look forward to working with you, our customers and communities, to achieve a clean energy future for Hawai'i.

Generating Capacity



In 2013, 18 percent of the electricity used by our customers came from renewable sources, up from 14 percent in 2012. We are making steady progress on renewable energy and have already passed Hawai'i's milestone goal of 15 percent by 2015.

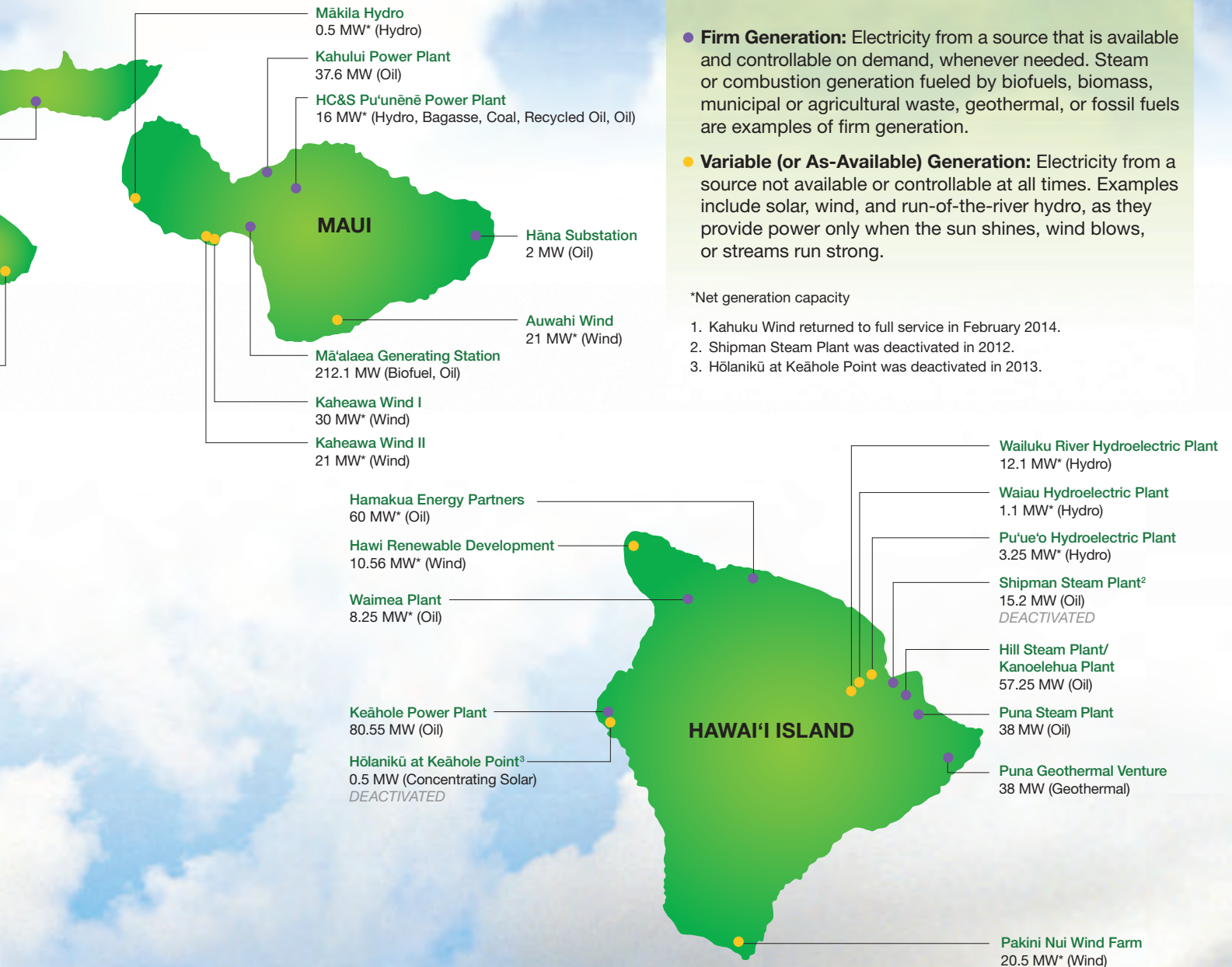
Generating facilities with maximum capacity (in megawatts) in the Hawaiian Electric Companies' service area.

● **Firm Generation:** Electricity from a source that is available and controllable on demand, whenever needed. Steam or combustion generation fueled by biofuels, biomass, municipal or agricultural waste, geothermal, or fossil fuels are examples of firm generation.

● **Variable (or As-Available) Generation:** Electricity from a source not available or controllable at all times. Examples include solar, wind, and run-of-the-river hydro, as they provide power only when the sun shines, wind blows, or streams run strong.

*Net generation capacity

1. Kahuku Wind returned to full service in February 2014.
2. Shipman Steam Plant was deactivated in 2012.
3. Hōlanikū at Keāhole Point was deactivated in 2013.



Hawai'i's Energy Future

KUKUI UILA



"ELECTRICITY"

Customers depend on us for electricity, day and night, and we must produce and deliver it safely and reliably. This includes renewable energy.

Energy Planning

Significant progress was made in 2013, with more than 18 percent of electricity coming from renewable resources. We expect to increase this percentage in the next year using a full, renewable portfolio of wind, solar, waste-to-energy, geothermal, biomass, biofuel, and hydro power.

Our goal moving forward is to provide high value to customers by delivering reliable electric service, modernizing our grid, increasing efficiency, reducing use of imported fossil fuel, and incorporating more low-cost renewables — all with the goal of reducing the price our customers pay for electricity.

More Low-Cost Power Generation

In 2013, Hawaiian Electric began a search for proposed low-cost renewable energy projects for O'ahu and opted to pursue nine projects, totaling approximately 244 MW of capacity.

To help obtain the benefits of lower costs for our customers sooner, Hawaiian Electric initiated negotiations with developers of the proposed

projects and asked the Public Utilities Commission to waive the competitive bidding process required for such new projects. Preliminary estimates are that if all nine projects are built, they would reduce generation costs by nearly \$26 million per year, compared to today's costs. Final energy contracts will still require PUC approval.

WIND

Hawai'i's winds are a valuable source of renewable energy, providing more than 500,000 megawatt-hours (net) of electricity to our customers in 2013. Balancing output of wind energy at times of low customer demand, such as overnight, so that the amount of wind energy fed into our electric grids does not exceed demand sometimes requires reduction, or curtailment, of the amount of wind energy that can be accepted on the grid. In an effort to minimize curtailment and take the most low-cost wind energy possible, at Maui Electric we made operational changes and improvements in 2013 to increase the use of available wind energy.

Improvements included modifying some generator control systems, reducing the use of four generating units at the Kahului Power Plant, and fully incorporating the battery energy storage system at the Kaheawa Wind II facility. More changes are on the way, as reported in Maui Electric's System Improvement and Curtailment Reduction Plan submitted to the PUC. We expect to increase the amount of wind energy used to as much as 95 to 98 percent of available wind energy, which could provide additional savings to customers.

Kahuku Wind Back Online

Following a battery fire in 2012, which shut down First Wind's Kahuku Wind facility, our engineers at Hawaiian Electric worked closely with First Wind to ensure the project could be safely interconnected to our grid following repairs. First Wind replaced the experimental battery system with a D-VAR system, which uses patented technology to regulate power fluctuations that result from varying wind conditions. The project returned to its full 30-MW capacity in February 2014.



BIOFUEL

In 2013, our companies requested proposals from clean fuel suppliers for ultra-low sulfur diesel, biodiesel, or biodiesel blends for up to 150,000 barrels per year for three years. The goal is to replace as much fossil fuel diesel as possible with biodiesel or blends that result in lowered levels of greenhouse gas emissions.



Jatropha Curas—Jatropha seeds contain oil that can be processed into biodiesel fuel.

GEOHERMAL

Renewable geothermal energy contributes about 26 percent of the electricity generated on Hawai'i Island. Unlike variable solar and wind power, geothermal energy provides an added benefit as a firm renewable energy source.

Additional geothermal energy on Hawai'i Island is currently being pursued. At Hawai'i Electric Light, we have a power purchase agreement to buy electricity from Puna Geothermal Venture, which has a present capacity of 38 MW and has permits allowing expansion of another 22 MW in the future.

Our goal is to serve the best interests of our customers with power that will meet both low-cost and technical requirements that support service reliability and the achievement of our clean energy goals.

LIQUEFIED NATURAL GAS

Our companies plan to import liquefied natural gas—a fuel that is currently cheaper and cleaner than other fossil fuels—to displace more expensive petroleum-derived fuels. LNG is planned to be a transition resource. It's the lowest-cost solution to assure compliance with new Environmental Protection Agency air regulations and can serve as a bridge to the use of more renewable energy.

SOLAR

In 2013, the Hawaiian Electric Companies led the nation in solar watts per customer and in percent of customers with rooftop solar photovoltaic systems. While this is a notable achievement, being a leader means we are facing safety and reliability issues that no other utility in the nation has had to face.

In collaboration with the solar industry and others, we are working to address those challenges. As we integrate more renewable energy, we must always be ready to compensate for the variability of wind and solar energy. We must also ensure that power quality on all of our circuits remain within prescribed level expected by our customers' appliances. Therefore, PV capacity on all of our circuits is closely monitored to keep this balance.

In September 2013, we modified rules to allow more small solar PV systems to be added to our electric grids without requiring an interconnection study.

To help customers who currently reside in neighborhoods whose circuits have reached the daytime minimum load checkpoint, we began performing industry-leading representative safety and reliability studies on a variety of circuits to



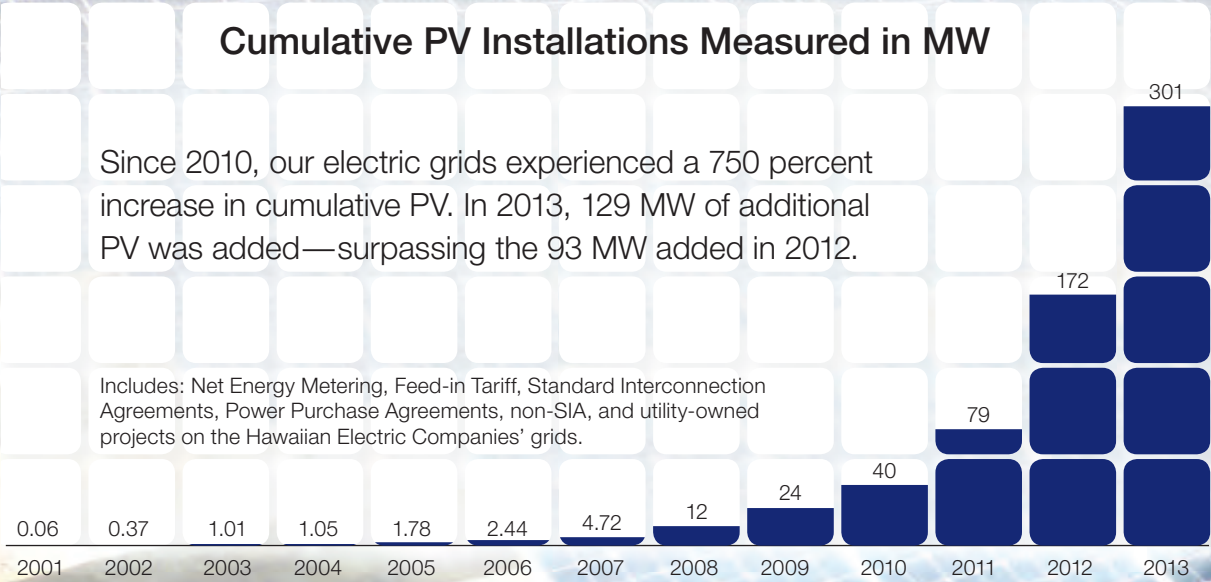
Kalaeloa Renewable Energy Park.

gain more information on potential upgrades that may be required for interconnection.

Additionally, Hawaiian Electric revised its application process to encourage customers to “call before you install,” to ensure that customers have a clear understanding of their individual situations and whether any additional steps are required.

New Solar Projects

- **Pohoiki FIT PV Farm**—The 75-kilowatt PV solar farm in Puna, Hawai'i Island was blessed in March 2013. Under the Feed-In Tariff program, Hawai'i Electric Light purchases energy generated by this 400-panel system designed and built by Greenpower Solutions.



The solar farm is made of stand-alone greenhouse structures with solar panels. While the structures provide shade for an aquaponics food-growing system, the solar panels mounted on top will provide the equivalent amount of electricity as that used by 25 homes.

- **Kalaeloa Solar Farm**—In Leeward O'ahu, Hawai'i's second largest solar farm was blessed on March 8, 2013, producing the equivalent amount of electricity needed to power 1,000 area homes. According to the Environmental Protection Agency, the solar farm will produce enough renewable power to avoid an estimated 9,500 tons of carbon dioxide emissions per year, equivalent to eliminating the consumption of approximately 400,000 barrels of oil over the 20-year term of the power purchase agreement. It's the first utility-scale solar project on state land.
- **Chevron Hawai'i Solar Project**—Plans for a new PV solar project, developed by Chevron Hawai'i on four acres of land in Kapolei, are moving forward after the project passed its final environmental assessment. The project will include multiple solar panels and a solar tracking system that improves efficiencies by aiming the panels directly at the sun throughout the day. Hawaiian Electric will purchase the renewable energy through its Feed-in Tariff program.
- **Kahe Power Plant PV Project**—Hawaiian Electric has proposed developing a 15-MW PV system on undeveloped land at the Kahe Power Plant in Leeward O'ahu. Based on preliminary estimates, the project would, over its lifespan, reduce the overall cost of generating electricity on O'ahu by \$64 million, while displacing approximately 1.8 million gallons of

oil per year. In October, 2013, Hawaiian Electric filed a request with the PUC to proceed with the development.

Hawaii Energy Bill \$aver (On-Bill Financing)

Under the direction of the PUC, the Hawaiian Electric Companies are collaborating with Hawaii Energy and other stakeholders to create the Hawaii Energy Bill \$aver Program, anticipated to be available in the fall of 2014. Residential and small business customers will be able to reduce electricity costs by installing permanent energy efficiency improvements and gradually paying for them through their electric bill. Initially the program will focus on solar water heaters. Additional energy efficiency improvements under consideration are heat-pump water heaters; split-system air conditioning for residential customers; and energy-efficient lighting, pumps and motors, and heating, ventilation, and air conditioning improvements for small business customers.

Green Energy Market Securitization

The Green Energy Market Securitization program was established by Act 211 in 2013. GEMS aims to help people pay for the upfront costs of purchasing and installing renewable energy devices such as solar PV. The intent of the program is to make the benefits of investing in renewable energy available to Hawai'i's underserved markets, including low- and moderate-income homeowners, renters, and non-profits, through on-bill financing. If the PUC approves the program, the State of Hawai'i Department of Business, Economic Development, and Tourism will issue bonds secured by a green infrastructure fee that is collected as a surcharge on electric utility customers' bills.



Blessing ceremony at the Kalaeloa Solar Farm.

WASTE TO ENERGY

At Maui Electric, we are supporting the County of Maui's efforts to divert municipal waste from county landfills by using it as a sustainable renewable energy resource. We requested the PUC's approval for a waiver from competitive bidding for a possible County of Maui waste-to-energy project. Maui County has selected a technology that can convert waste into a renewable natural gas and a clean solid fuel that can replace imported coal. Working together with Maui County, our goal is to provide for residents' energy needs at the lowest possible cost, while reducing our dependence on oil.



GREENING TRANSPORTATION

One way to reduce fossil fuel consumption for transportation is by increasing the number of electric vehicles on our roads. To encourage the use of EVs, we are working with the PUC to increase the number of available public charging stations by developing pilot electricity rates to make it more affordable for businesses to provide public EV charging stations.

The PUC approved two new pilot rates intended to encourage the use of EVs in Hawai'i. The first rate was designed to help commercial customers install fast chargers on their properties to serve the EV-driving community. The pilot rate simplifies the cost structure for electricity used to provide direct current fast-charging stations. These fast-charging

stations can charge an empty EV battery to 80 percent capacity in approximately 30 minutes and should reduce drivers' anxiety about driving beyond the battery's range.

The PUC also approved a tariff to allow the installation of utility-owned fast chargers for public use. Under the new tariff, we can install and operate up to 25 publicly accessible EV fast-charging stations across O'ahu, Hawai'i Island, and Maui County. Customers who use these charging stations will be assessed a flat fee for the charging service.

We also received approval to extend previously implemented EV pilot rates for existing customers and new customers wanting to enroll in time-of-use rates with discounted off-peak nighttime rates for EV charging.

JUMPSmartMaui

In the fall of 2013, Kīhei, Maui residents were given the opportunity to participate in an EV demonstration project designed to aid in the development of a more-efficient power grid. The project, called JUMPSmartMaui, is a collaborative demonstration project among Japan, the State of Hawai'i, and Maui County to improve the integration of renewable energy into the island's electric grid and support more EVs on the island. The project will utilize smart grid technology to improve our operations at Maui Electric, increase electric system reliability, and help our customers make smarter energy choices. These efforts can help stabilize electricity costs for the community.



JumpSmartMaui blessing ceremony.



IMPROVING THE ELECTRIC SYSTEM

Hawai'i Island

During the summer of 2013, at Hawai'i Electric Light, we began grid modernization work in Kona and Hilo to replace underground cables. The grid improvements were made to provide the Kilohana, Pacific Heights, Ainako Terrace, and Hawaiian Beaches Terrace communities with more-reliable electric service.

Maui County

As part of our South Maui reliability projects, Maui Electric crews completed grid upgrades on the Mā'alaea to Kamali'i 69-kilovolt transmission line. The upgrades will meet the existing and future electrical needs of the growing South Maui community.

We are working with the Hawai'i Natural Energy Institute at the University of Hawai'i to lead a smart grid demonstration project funded by the U.S. Department of Energy. Smart grid technologies have been installed at the Maui Meadows community to demonstrate and evaluate new technologies that will help residents better manage and reduce their energy consumption. The technologies will also help to restore power outages faster and integrate more renewable energy into Maui's electric grid.

O'ahu

In June 2013, we announced plans to add smart grid technology to our O'ahu power distribution system. Initially the smart grid improvements, including the installation of smart electric meters, will offer customers the benefit of more-reliable service through quicker outage detection. Customers will also be able to view their electricity usage prior to receiving their electric bills so they can make more-informed decisions on energy use. As the smart grid is fully developed, technological enhancements will improve utility operational efficiencies and should reduce overall costs over time.

Pending approval by the PUC, the five-year grid modernization plan will begin on O'ahu and then will expand to Hawai'i Island and Maui County. As part of the plan, residents may choose to opt out of receiving smart meter upgrades.

Reducing Oil-Fired Generation

Our companies filed a plan to deactivate older, less efficient utility-owned fossil fuel generation power plants amounting to 226 MW of generating capacity. These generators include portions of Maui Electric's Kahului Power Plant, Hawai'i Island's Shipman Steam Plant, and two generators at O'ahu's Wai'au Power Plant. Plans also were announced to deactivate the Honolulu Power Plant in early 2014. While deactivated plants are no longer in operation, they may be restarted in the event of an emergency.

Renewable Portfolio Standard

Our three companies achieved a consolidated Renewable Portfolio Standard of more than 34 percent in 2013, including the electrical energy savings from energy efficiency and solar water heating technologies. This is an increase of more than 5 percent from the previous year.

Starting January 1, 2015, the RPS requirements will exclude electrical savings from energy efficiency and solar water heating technologies. Applying these exclusions to our current RPS calculations provides a more accurate assessment of our progress toward achieving future RPS requirements. With the exclusion of electrical savings from energy efficiency and solar water heating technologies, our companies achieved a consolidated RPS of 18 percent, including contributions from wind, solid waste, geothermal, biomass, hydro, solar, and biofuel power facilities, plus customer-sited, grid-connected renewable energy systems. This is an increase of more than 4 percent from the previous year, and already surpasses the RPS requirement of 15 percent by 2015.

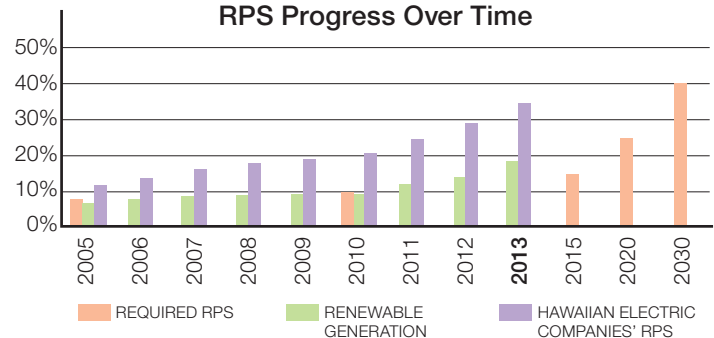
Required Renewable Portfolio Standard

YEAR	REQUIRED RPS	RENEWABLE GENERATION*	HAWAIIAN ELECTRIC COMPANIES' RPS**
2005	8%	6.7%	11.7%
2006	—	8.2%	13.8%
2007	—	9.1%	16.1%
2008	—	9.4%	18.0%
2009	—	9.5%	19.0%
2010	10%	9.5%	20.7%
2011	—	12.0%	24.5%
2012	—	13.9%	28.7%
2013	—	18.2%	34.4%
2015	15%	<i>Starting in 2015, energy efficiency and solar water heating benefits will no longer be included in RPS.</i>	
2020	25%		
2030	40%		

*These percentages include contributions from wind, solid waste, geothermal, biomass, hydro, solar, and biofuel power facilities, plus customer-sited, grid-connected renewable energy generation, required to be calculated starting in 2015 per RPS law, effective July 1, 2009.

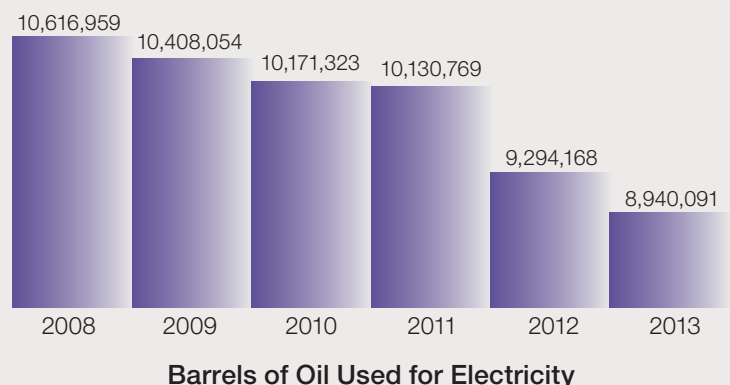
**These percentages include, in addition to the above-mentioned contributions, the energy efficiency savings from solar water heating and energy efficiency technologies that may be used to calculate RPS percentages through 2014.

RPS Progress Over Time



REDUCING OUR USE OF OIL FOR ELECTRICITY

Reducing Hawai'i's dependence on imported oil is a critical and fundamental step to lowering customers' electric bills. In 2013, more than 350,000 fewer barrels of oil were used to generate electricity as compared to the year before. With steady progress over the years, we've accomplished a 16 percent reduction in the use of imported oil from 2008 to 2013.

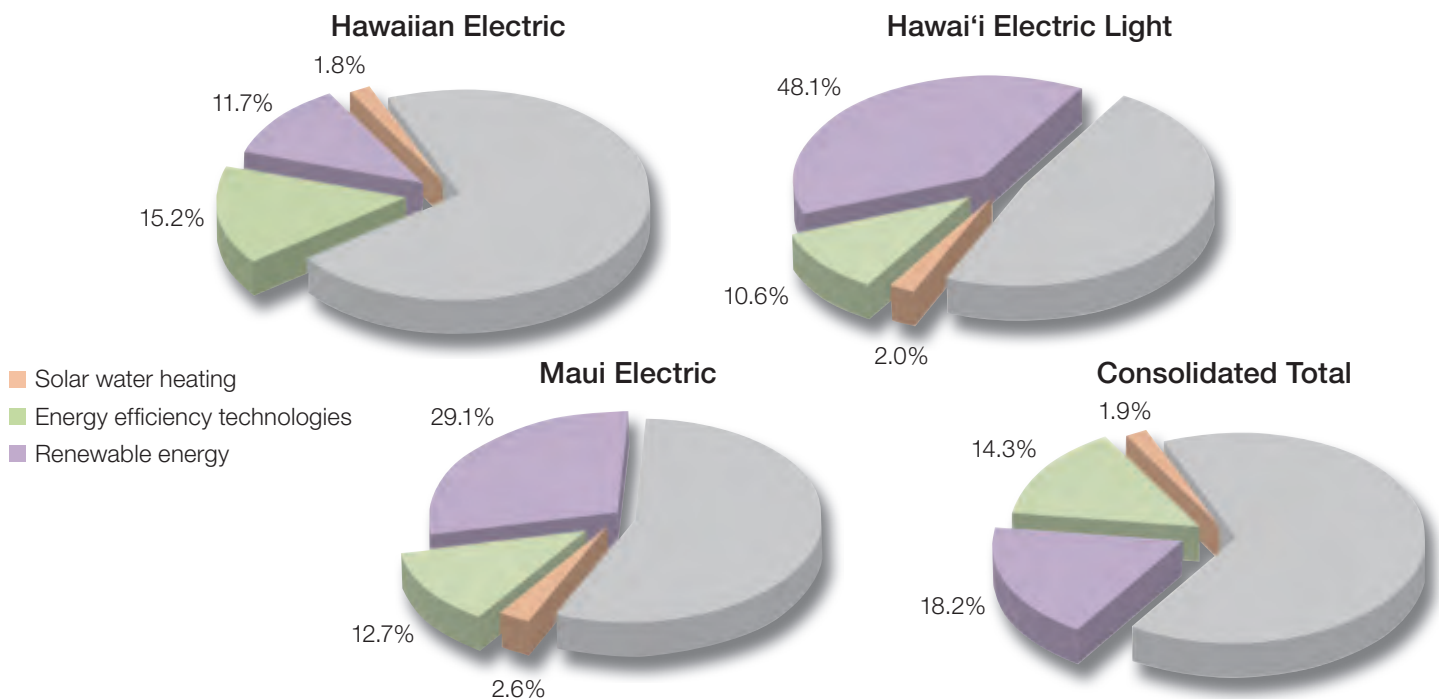


2013 Renewable Portfolio Standard Status Report

For the Year Ended Dec. 31, 2013
(In Net Megawatt Hours)

	2013				2012
	Hawaiian Electric	Hawai'i Electric Light	Maui Electric	TOTAL	TOTAL
Electrical Energy Generated Using Renewable Energy Sources					
Biomass (including municipal solid waste)	374,569	0	41,122	415,691	341,790
Geothermal	0	281,417	0	281,417	266,234
Photovoltaic and Solar Thermal	27,303	1,525	5,097	33,924	9,643
Hydro	0	35,410	4,745	40,155	65,066
Wind	121,691	151,552	230,305	503,548	388,256
Biofuels	28,508	0	1,281	29,788	22,607
Subtotal	552,071	469,904	282,550	1,304,525	1,093,596
Electrical Energy Savings Using Renewable Displacement Technologies					
Customer-Sited, Grid-Connected	248,938	47,471	47,517	343,926	182,638
Solar Water Heating					
Utility	100,997	16,678	26,774	144,449	159,801
Public Benefits Fee Administrator (Hawaii Energy)	21,945	4,628	3,161	29,733	24,910
Subtotal	371,880	68,776	77,452	518,108	367,349
Electrical Energy Savings Using Energy Efficiency Technologies					
Pre-2013 Participants					
Utility	630,696	47,065	84,856	762,617	777,640
PBFA	315,955	48,765	42,427	407,147	231,670
2013 Participants (PBFA)	92,516	18,286	16,998	127,799	175,950
Subtotal	1,039,167	114,116	144,281	1,297,564	1,185,260
TOTAL	1,963,119	652,796	504,282	3,120,196	2,646,205
TOTAL SALES	6,858,536	1,076,104	1,134,873	9,069,512	9,205,998
RPS PERCENTAGE	28.6%	60.7%	44.4%	34.4%	28.7%
RENEWABLE GENERATION RPS PERCENTAGE (Not Counting Energy Efficiency and Solar Water Heating)					
Energy	801,009	517,374	330,067	1,648,451	1,276,234
Percentage	11.7%	48.1%	29.1%	18.2%	13.9%

The full 2013 RPS report provided to the PUC is available online at www.hawaiianelectric.com under "Clean Energy."



Greening Our Facilities

We are proud to be recognized by the Hawai'i Department of Labor and Industrial Relations as one of Hawai'i's "green employers," defined as an enterprise in the clean energy sector or any other field that promotes sustainable practices. These practices aren't just limited to energy projects—they're also a part of day-to-day operations. Every year our employees strive to implement new "green improvements" and initiatives to minimize environmental impacts.



Knowing that every kilowatt of energy produced through renewable resources decreases Hawai'i's dependence on foreign oil, we are committed to finding every opportunity to go green. It's why PV energy is being incorporated into our power plants.

In 2013, at Hawaiian Electric we installed a 137-kW solar system on the Waiau Power Plant maintenance shop rooftop to power the building, as well as other operations at Waiau. We are also exploring the possibility of adding PV solar panels on the Archer Substation rooftop in Honolulu.

Also in 2013, we installed new energy-efficient LED fixtures and controls at the Ward Avenue Base Yard in Honolulu. To save on energy use during the day, new motion and daylight sensor lighting adjusts brightness levels based on natural sunlight available. The extended lifetime of these newly installed lamps will improve work productivity by minimizing disruptions and will provide substantial

Green Transportation

To reduce the use of fossil fuels, our companies have increased the percentage of on-road fleet vehicles that are cleaner for the environment. EVs or hybrids use substantially less oil to perform day-to-day business operations that require transportation—and at lower cost.

Percentage of EV and Hybrid On-Road Fleet Vehicles

10%
Maui Electric



11%
Hawai'i Electric Light



19%



Hawaiian Electric

savings on maintenance costs over time. Lighting in base yard parking lots has also been retrofitted with stand-alone fixtures, each with a solar collector and batteries. In addition to reducing electricity consumption, these prototype installations provide a basis for implementing similar solutions in other Hawaiian Electric, Maui Electric, and Hawai'i Electric Light buildings.

Monitoring Our Impact



Environmental Compliance



Hawai'i Electric Light operators demonstrate their skills during a live-action oil spill drill in the Ice Pond/Reeds Bay area of Hilo Harbor. As part of the exercise, members from Hawai'i Petroleum, Hawai'i Electric Light, and Aloha Petroleum worked together to install the harbor boom.

Protecting the environment and ensuring public safety are our top priorities. About three dozen environmental professionals, including scientists, engineers and chemists, work full-time to ensure that employees and outside contractors understand and meet all applicable environmental laws, regulations, permitting requirements, and procedures regarding air and water quality, noise control, and hazardous materials.

Environmental Training

In addition to operating and maintaining facilities to ensure compliance with all environmental protection requirements, we conduct various training exercises to ensure our employees are prepared to meet their responsibilities in the event of emergencies.

Each year, our employees participate in environmental training programs related to air quality, spill prevention and countermeasures, storm water runoff, and proper handling and disposal of hazardous materials.

As one example, we conduct annual exercises with a variety of agencies, including the Hawai'i State Department of Health and State of Hawai'i

Department of Land and Natural Resources, U.S. Coast Guard, and the Clean Islands Council, often mobilizing more than 100 employees at a time, to practice responding to emergency scenarios involving oil spills.

Protecting Avian Species

Our companies are committed to protecting Hawai'i's unique avian species, in particular sea birds. To reduce utility impacts, we have undertaken facility lighting minimization projects and have increased employee awareness through educational materials and hands-on training. We also partner with and/or support efforts of various groups on avian care and rehabilitation, predator control, and habitat conservation. These groups include the Wildlife Society Hawai'i Chapter, Hawai'i Wildlife Center, U.S. National Park Service, Save our Seabirds, and the State of Hawai'i Department of Land and Natural Resources Division of Forestry and Wildlife.

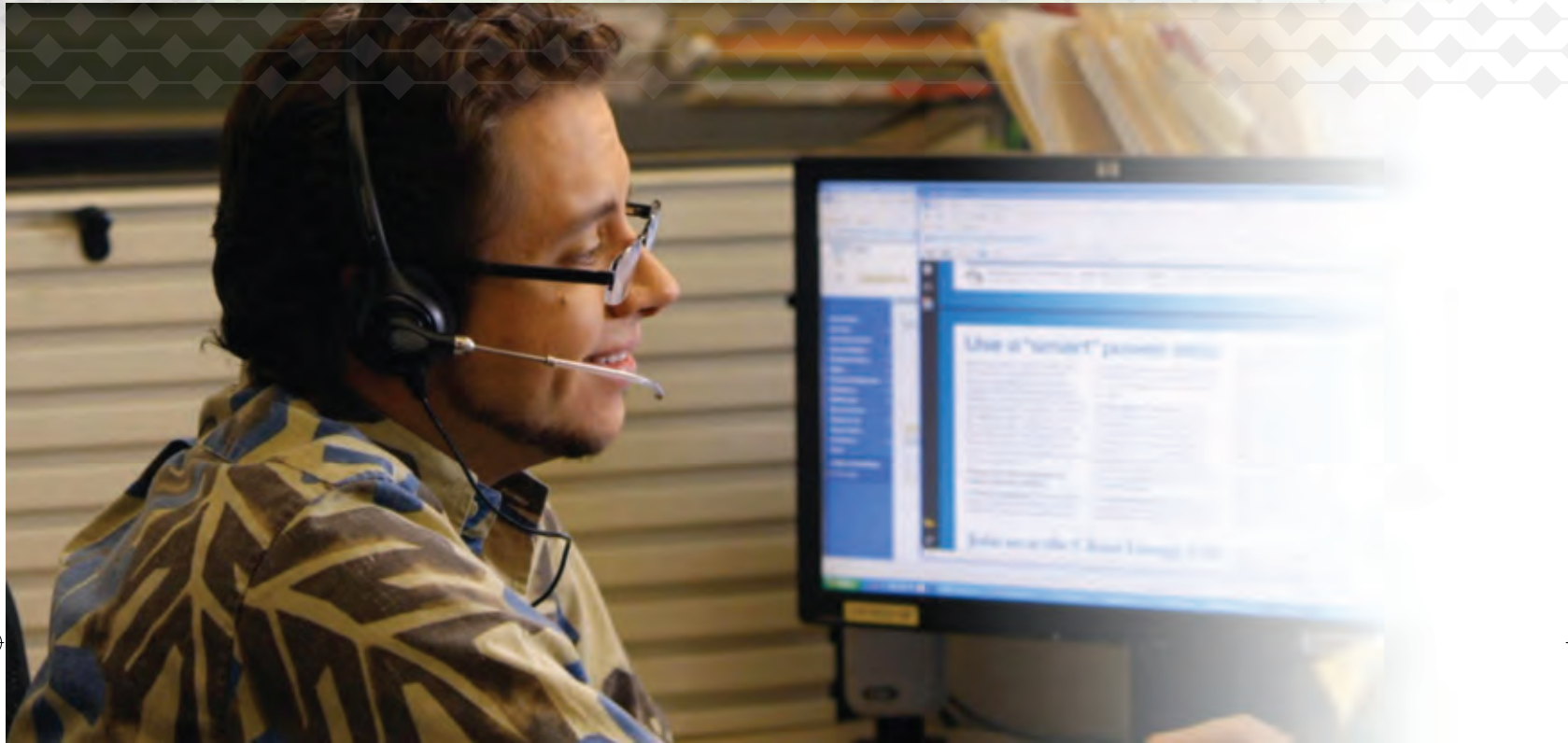
Keeping Our Coastlines Clean

For more than 20 years at Hawaiian Electric, we have participated in the Ocean Conservancy's annual International Coastal Cleanup, collecting marine debris along the shoreline fronting the Kahe Power Plant. Led by our environmental department, about 100 employees, retirees, and families return each year to keep Hawai'i's beaches clean and give back to the Leeward community impacted by utility operations.



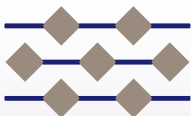
Maka represents our employees and the legacy of the employees who have come before.

Serving Our Customers and Communities



Sustainability encompasses more than incorporating renewable energy into the grid or reducing dependence on fossil fuel, it's also about sustaining positive relationships with our customers and communities.

HO'OKU'I



"TO CONNECT"

Our linemen and crews connect many different sources of energy to homes and businesses. Equally important are the human connections that customer service makes.

Reconnecting Online

Recognizing that an increasing number of our customers prefer accessing information via the Internet and mobile devices, we revamped all three company websites in 2013. The new layouts, with improved navigation features, were designed to be more user-friendly for customers. The websites are also viewable on smart devices, such as mobile phones or tablets, to provide more ways for us to connect with our customers.

Call Center Upgrade

Our companies upgraded our automated phone systems to offer customers convenient ways to check their balances, stop service, make simple payment arrangements, and access other services.

In addition to the call center upgrades, at Hawaiian Electric we implemented a new trouble line phone service for customers needing to report power outages or electrical problems. The new trouble line is capable of handling thousands of phone calls within minutes and has the ability to automatically detect customers' addresses to improve our crews' response times. These upgrades were implemented to save customers valuable time and to make more information readily available.

Safety Outreach

To help to protect customers from becoming victims of fraud, we developed informational materials and advertising campaigns providing safety tips. The materials and campaigns advise customers how to detect suspicious phone calls and protect their private information. We also reached out to small business owners identified as potential targets of scammers and worked with the local media to inform customers about recent telephone scams. Our efforts are ongoing.



Net Energy Metering Education

To assist customers with understanding the Net Energy Metering program, we developed and distributed two new solar brochures. The *Understanding the Net Energy Metering Process* brochure provides an overview of the NEM application and installation process, while the *Guide to Net Energy Metering* brochure assists NEM customers with reading their meters and understanding their bills.



Online Locational Value Maps

At Hawaiian Electric, we improved our online Locational Value Map tool to help customers and contractors make more-informed decisions when planning new solar PV systems. Accessible at www.hawaiianelectric.com/lvm, the enhanced LVM tool enables viewers to do the following:

- Visually track renewable energy development and growth of distributed generation
- Increase awareness of PV penetration levels on electric circuits
- Improve project timeliness, estimates, and expectations

Strengthening Roots

In celebration of Arbor Day in Hawai'i every year, our companies collaborate with local organizations to give away a variety of trees and shrubs. The events help us to educate our customers on safe tree planting, fruit picking, and tree trimming practices.

- To commemorate the 20th anniversary of the Hawaiian Electric Arbor Day Tree Giveaway, we partnered with Hawaiian Legacy Hardwoods to plant 150 koa trees during the year, as part of the native reforestation initiative on the Hāmākua Coast of Hawai'i Island.
- At Hawai'i Electric Light, we annually support Kua O Ka Lā Charter School's tree giveaway. The students care for the trees and compile a newsletter to distribute with them. We provide educational material about tree planting, safety, and sustainability.
- At Maui Electric, we partner with Maui Nui Botanical Gardens, Kaulunani Urban and Community Forestry Program and the County of Maui Department of Water Supply for the annual Arbor Day tree and plant giveaway. At the event, we educate the community on home cooling and safe planting techniques.





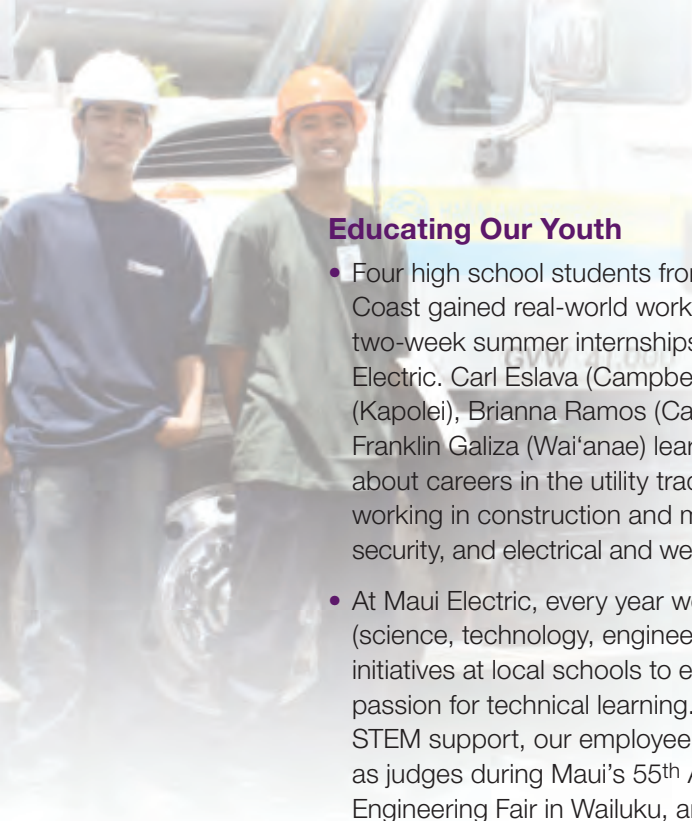
Annual Mauka to Makai Environmental Expo held at the Waikīkī Aquarium.

Supporting Sustainability in Our Communities

- To celebrate our islands' rich abundance of resources, from the mountains to the sea, our Hawaiian Electric employee volunteers joined the annual Mauka to Makai Environmental Expo, held at the Waikīkī Aquarium, and shared information on clean energy and sustainability with families. We also partnered with Hui Kū Maoli Ola, which propagated 500 native plants and trees that were given away to attendees.
- Our Hawai'i Electric Light employee volunteers participated in the 2013 Earth and Ocean Festival in Kona to educate attendees about clean energy. The community-based event is a collaborative opportunity for us to join other businesses, community leaders, and individuals, serving as stewards in raising awareness and respect for sustainable living and business practices.

- More than 700 people participated in our Maui Electric Energy Fair at the Queen Ka'ahumanu Center. Participants learned how electricity is made, how it works, and how to safely use electrical devices. Participants also received tips on energy conservation and efficiency, as well as information about ongoing clean energy efforts.





Educating Our Youth

- Four high school students from O'ahu's Leeward Coast gained real-world work experience during two-week summer internships at Hawaiian Electric. Carl Eslava (Campbell), Hunter Marino (Kapolei), Brianna Ramos (Campbell) and Franklin Galiza (Wai'anae) learned hands-on about careers in the utility trade from employees working in construction and maintenance, security, and electrical and welding departments.
- At Maui Electric, every year we support STEM (science, technology, engineering and math) initiatives at local schools to encourage a passion for technical learning. As part of our STEM support, our employee volunteers served as judges during Maui's 55th Annual Science & Engineering Fair in Wailuku, and we sponsored two Energy and Environment Awards for students with outstanding projects.
- At Hawai'i Electric Light, we participated in the Nā Leo O Nā Ōpio 11th Annual Career Opportunity

Expo, introducing students to careers and summer opportunities, including jobs, educational programs, community volunteering, and internships. Our employees presented demonstrations of their job duties to Hawai'i Island high school students and suggested classes in related fields that students could take to gain experience.



High school students Brianna Ramos (left) and Carl Eslava (right) learn to climb a utility pole during their two-week summer internship.



Partnerships

- The first Hawai'i Lineman's Rodeo was held at the Old Kona Airport State Recreation Area in Kailua-Kona on Hawai'i Island. The event was sponsored by our companies in partnership with the International Brotherhood of Electrical Workers Local 1260. This friendly competition among electric utility and contractor teams from utilities across the country highlighted safety, skill, and education in overhead electric work. Our employees at Hawai'i Electric Light worked closely with the County of Hawai'i Department of Parks and Recreation to clear the area and make improvements to the recreation area that will be enjoyed by future park users. The event also supported Toys for Tots and The Food Basket.
- At Maui Electric, we collaborated with the County of Maui and Maui Economic Development Board to host the Introduce a Girl to Engineering Day. This mentoring partnership is designed to encourage intermediate school girls to pursue careers in engineering. Our engineers designed and developed activities to provide the participants with hands-on experience.



Hawaiian Electric volunteers sell re-usable tote bags to raise money for Hope Lodge.

- The Hawaiian Electric 'ohana, including Hawaiian Electric Industries, American Savings Bank, Hawaiian Electric, Maui Electric, and Hawai'i Electric Light, helped the American Cancer Society to raise more than \$100,000 for the construction of Hope Lodge in Honolulu. When built, Hope Lodge will offer neighbor island and rural O'ahu cancer patients and caregivers a place to stay at no cost during treatment.



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- More than 80 volunteers from Hawaiian Electric and eight other companies and organizations joined The Trust for Public Land and its donors and board members for a community workday in Moanalua Valley. Volunteers cleared trails of leaves, branches, and muddy debris resulting from high winds and rain. They spread gravel along trails to preserve this important natural habitat and its rich cultural heritage.
- Keeping customers safe during emergencies and natural disasters is a high priority and begins with preparedness. We work closely with the Department of Emergency Management and the State Civil Defense to update our *Handbook for Emergency Preparedness* every year. Free copies of this booklet are made available to customers at various distribution sites, community events, and safety fairs. Customers can view the publication online or call for a free copy.

Environmental Stewardship

- About 200 Hawaiian Electric volunteers worked alongside Papahāna Kūaola at its 70-acre kauhale, a traditional Hawaiian sustainable living community located in Waipao, He'eia. Our volunteers created gardens for rare varieties of native banana trees, removed weeds, gathered and debarked guava wood for building frames, bundled pili grass for roof thatching, cleaned lo'i (taro patches), and planted native Hawaiian trees and plants.
- Save our Seabirds is a collaborative effort among Maui Electric, the State of Hawai'i Department of Land and Natural Resources, U.S. National Park Service, Maui Nui Seabird Recovery Project, and the County of Maui to raise awareness about seabird groundings and how the public can help protect seabirds. At Maui Electric, we fund the public awareness campaign, which includes print and radio advertising, and the production and distribution of educational information.

- More than 60 Hawaiian Electric volunteers helped restore the Hale Na'auao at Ka'ala Farm in Wai'anae after a wildfire destroyed the hale in 2012. Our volunteers cleaned lo'i (taro patches), removed koa haole (foreign acacia shrubs), and skinned logs to reconstruct the hale that serves as a gathering place for thousands of students who enjoy hands-on educational science programs at the farm each year.





- As part of the Adopt-A-Highway program, our Hawai'i Electric Light employees have picked up litter along Kanoiehue Avenue in Hilo several times a year since 2009 to create a more beautiful community.
- More than 130 Hawaiian Electric volunteers helped mālama (care for) the Ulupō Heiau, a Hawaiian temple built in the 1400s near Kawainui Marsh in Kailua, O'ahu. Our volunteers cleared debris, planted kalo (taro), and waded into the muddy marsh to dig out invasive weeds and expand the pond for native birds to thrive. Kawainui Marsh, the largest remaining wetland in Hawai'i, provides primary habitat for four endemic and endangered water birds and 60 other bird and fish species.





KAHIKUONĀLANI



"SEVENTH SOVEREIGN"

The elements together are called "Kahikuonālani." Sig Zane and his team created the art and gave it this name. It honors King Kalākaua, the seventh sovereign, who brought electricity to 'Iolani Palace in the 1880s. His royal charter formed the Hawaiian Electric Company in 1891.



Environmental Benefits

This report is printed with vegetable-based inks on an environmentally responsible paper that is 100 percent post-consumer waste material, free of chlorine and manufactured from sustainable raw materials. The paper was certified by the Rainforest Alliance to the Forest Stewardship Council® standard and meets the credibility of American National Standards Institute for longevity.

By using this paper, we conserved the following resources:

Trees: 15 fully grown

Water: 6,993 gallons

Energy: 5,000,000 BTU

Solid Waste: 425 pounds

Carbon Emissions: 1,452 pounds

These savings are based on a quantity of 2,500 reports. Environmental impact estimates for savings pertaining to the use of post-consumer recycled fiber are based on the Environmental Defense Fund Paper Calculator and research done by the Paper Task Force, a peer-reviewed study of the lifecycle environmental impacts of paper production and disposal.

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