

NEWS RELEASE

NEIL ABERCROMBIE GOVERNOR

FOR IMMEDIATE RELEASE: February 3, 2012

Governor Abercrombie Secures Agreement with Republic of Korea for Smart Grid Development

State of Hawai'i expands its Asia-Pacific clean energy partnership portfolio

Honolulu – Government officials and private sector leaders today joined Governor Neil Abercrombie and Choi Kyu-Chong, Director of the Electricity Market and Smart Grid Division at the Republic of Korea Ministry of Knowledge Economy (MKE), at the Hawai'i State Capitol as the two leaders signed a letter of intent to pursue mutual interests in smart grid development in the Hawaiian Islands.

"We are delighted that the Republic of Korea has seen the value of partnering with Hawai'i on a mutually beneficial smart grid development project," said Governor Abercrombie. "Partnerships like this show the world just how serious Hawai'i is about our commitment to building a leading clean energy economy through clean energy demonstration and implementation. We are building an energy legacy for our state that will benefit the people of Hawai'i for generations."

Both Korea and the United States, specifically Hawai'i, have been conducting a number of relevant smart grid demonstration projects. Korea and State of Hawai'i recognize that it would be mutually beneficial to collaborate on smart grid research, development and demonstration projects in conjunction with public/private partners from Korea, Hawai'i and elsewhere in the United States.

"The Republic of Korea and the State of Hawai'i both share the common goals of clean energy and energy independence," said Director Choi Kyu-Chong. "The language that we share is that of green growth, independence and prosperity. Through the development of advanced energy technologies, including smart grid, we can sustain and prosper."

MKE and its Korea Smart Grid Institute (KSGI) have been at the forefront of the Korea Smart Grid Roadmap, South Korea's plan to develop and implement a nationwide smart grid by 2030. The MKE and KSGI are currently leading more than 170 South Korean companies in the development and deployment of the Jeju Island Test Bed, a planned 6,000 household smart grid community demonstration project in South Korea, with investments totaling more than \$240 million between 2009 and 2013. KSGI is also currently implementing a joint Korea-State of

Illinois project to install energy-saving equipment in at least four Chicago buildings with investments of more than \$35 million by companies such as LG Electronics and KT Corporation (formerly known as Korea Telecom).

The goal of the partnership between Korea and Hawai'i is to develop a memorandum of understanding for a project in Hawai'i similar to those mentioned above. Such a partnership would help both partners achieve the mutual goals of smart grid development and deployment, which ultimately improves energy efficiency and promotes economic growth.

"The state currently has approximately 80 renewable energy projects in various stages of development in the queue," added state Department of Business, Economic Development and Tourism Director Richard Lim. "Building a smart grid system will help us manage the power that is generated by renewable resources, which means more projects can come to fruition. That translates into more jobs for our local economy."

The next step outlined in the letter of intent is for both parties to collaborate on a more defined memorandum of understanding by October 31, 2012, which will describe the project partners, scope, location and resource contributions.

This project is in addition to another smart grid demonstration project that is currently taking place on Maui, which was brought forward through an agreement with Japan-based New Energy and Industrial Technology Development Organization (NEDO) in November of 2011.

For more information, visit www.energy.hawaii.gov.

#

Media Contacts: Donalyn Dela Cruz Deputy Director of Communications Office of the Governor (808) 586-0012

Kathy Yim Energy Analyst State Energy Office, DBEDT (808) 587-9003

Mark Glick Energy Program Administrator State Energy Office, DBEDT (808) 587-3812