

HR BioPetroleum, Alexander & Baldwin, Hawaiian Electric and Maui Electric to Develop Algae Facility for Biodiesel on Maui

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Honolulu, Hawaii: HR BioPetroleum, Alexander & Baldwin, Inc. (NASDAQ: ALEX), Hawaiian Electric Company and Maui Electric Company, subsidiaries of Hawaiian Electric Industries, Inc. (NYSE: HE), today announced that they have signed memoranda of understanding to pursue the joint development of a commercial-scale microalgae facility on Maui to produce lipid oil for conversion to biodiesel and other valuable products, such as animal feed.

Under the agreements:

- HR BioPetroleum will be responsible for overall project management, including obtaining financing, and construction and operation of the microalgae facility.
- Alexander & Baldwin will provide strategically located land, adjacent to Maui Electric's Ma'alaea Power Plant, to site the algae production ponds and processing plant, and may provide equity capital to the project.
- Hawaiian Electric and Maui Electric companies will lead in determining the permitting and construction needs for piping to carry stack gases containing carbon dioxide, which the algae consume, from the Ma'alaea plant to an adjacent algae facility.

Construction of the commercial microalgae facility is subject to a variety of factors, including confirmation of algae performance data from HR BioPetroleum's pilot and demonstration facilities, receipt of required regulatory approvals, formation of a special purpose entity, project financing commitments and the signing of definitive agreements with Hawaiian Electric, Maui Electric and A&B. Assuming these successfully occur as planned, the first phase of the commercial facility could be in operation by 2011.

"This innovative partnership can help move Hawaii one step closer to securing energy independence and achieving our goal of having 70 percent of Hawaii's energy come from clean sources by 2030," said Hawaii Governor Linda Lingle. "There is no single source of energy that will break our dependence on foreign oil, but investments in renewable projects such as this are part of the comprehensive solution to provide energy alternatives for our state."

Microalgae have significant potential as an energy crop, with the prospect for very high levels of oil production per acre. When combined with other vegetable-oil crops that could be grown locally, such as jatropha or palm, algae could help meet the biodiesel feedstock need for biodiesel on Maui, which now fuels about 85 percent of its combustion generation with petroleum diesel.

The Ma'alaea algae facility would be HR BioPetroleum's first commercial facility.

"This agreement is a welcome step in HR BioPetroleum's efforts to accelerate its proven technology toward commercial scale," stated Ed Shonsey, HR BioPetroleum chief executive officer.

"HR BioPetroleum has developed techniques to scale production and achieve at least a 50 percent improvement over the price per barrel of fossil fuel today, while mitigating carbon dioxide release into the atmosphere. This is tremendous technological progress as we seek energy solutions that also attack global warming," he added.

"Alexander & Baldwin has been producing renewable energy in Hawaii for more than 100 years through biomass and hydro-electric generation at its agricultural operations on both Maui and Kauai, and today generates approximately seven percent of the electricity used on each of those islands," said Allen Doane, A&B chairman and CEO.

"We are excited about the promise of algae as another renewable energy source, and look forward to the potential reduction in imported oil and greenhouse gas emissions it represents," Doane continued.

"Hawaiian Electric is very pleased to be part of this pioneering accord," said Mike May, president and CEO of Hawaiian Electric. "Along with many other initiatives in the works, this is another example of how successful partnerships can move Hawaii toward a clean, renewable energy future we can all take pride in."

"As we move toward siting an algae facility next to Maui Electric's power plant, we will meet more of our energy needs at home

and also reduce our carbon footprint," said Dr. Karl Stahlkopf, Hawaiian Electric senior vice president for energy solutions and chief technology officer. "This project entails some uncertainty. Stepping forward to be a first implementer of a new idea always does."

"However, it unites the best of the new Hawaii high-tech industry with two long-established Hawaii infrastructure companies in a unique partnership. We have good reason to be confident it will be a step toward energy self sufficiency, not only for Hawaii but for the nation and the world," Stahlkopf said.

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About HR BioPetroleum

HR BioPetroleum, Inc., (HRBP) is a Hawaii-based and -founded renewable biofuels company focused on using the most productive plants on earth - marine algae - to produce biofuel feedstocks while simultaneously reducing industrial emissions of CO₂. HRBP intends to construct and operate commercial algae facilities that will convert carbon dioxide emissions from power plants and other large point sources of carbon dioxide into feedstocks for biofuels and other valuable products. In 2007 HRBP and Royal Dutch Shell PLC, the international energy company, formed Cellana, a separate joint venture, to operate a demonstration facility to grow marine algae and produce vegetable oil for conversion into biofuel. Additional information is available at www.hrbp.com.

About Alexander & Baldwin

Alexander & Baldwin, Inc., (NASDAQ:ALEX) headquartered in Honolulu, Hawaii is engaged in ocean transportation and logistics services, through its subsidiaries, Matson Navigation Company, Inc. and Matson Integrated Logistics, Inc.; in real estate, through A&B Properties, Inc.; and in food products, through Hawaiian Commercial & Sugar Company and Kauai Coffee Company, Inc. Additional information about A&B may be found at: www.alexanderbaldwin.com.

About Hawaiian Electric and Maui Electric Company

Hawaiian Electric Company, Inc., and its subsidiaries, Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc., provide electricity to 95 percent of the state's 1.2 million residents on Oahu, Maui, Hawaii, Lanai and Molokai. For more than 100 years, Hawaiian Electric has provided the electricity to power the islands' progress, first as a kingdom, then a U.S. territory and since 1959 as the 50th state. Additional information is available at www.heco.com.

Forward-Looking Statements

Statements in this press release that are not historical facts are "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, that involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Factors that could cause actual results to differ materially from those contemplated in the statements include, without limitation, overall economic conditions, failure to satisfy the conditions set forth in the memoranda of understanding, including the receipt of required regulatory approvals and sufficient project funding, and other risks associated generally with the commercial development of large-scale commercial algae facilities. These forward-looking statements are not guarantees of future performance. This release should be read in conjunction with Hawaiian Electric Industries' and Alexander & Baldwin's Annual Reports on Form 10-K and their other filings with the SEC through the date of this release, which identify important factors that could affect the forward-looking statements in this release.