ADDENDUM NO. 1

to

INFORMATION PACKET

Disposition of Hawaiian Home Lands by General Leases for Renewable Energy Projects on Oahu, Molokai, and Hawaii Island

September 18, 2020

The following are responses to questions DHHL received by the 2:00 pm (HST) Tuesday, September 15, 2020 deadline:

1. Is DHHL partnering with Maui Electric on Phase II CBRE projects?

No. At this time, DHHL has no plans to partner with Maui Electric on Phase II CBRE RFPs or projects.

2. If DHHL cancels or postpones this project notice, will the \$10,000 ROE fees or any other fees be returned?

The \$10,000 fee paid to DHHL, when the applicant is selected to proceed through the leasing process, serves as a deposit towards the annual ROE fee. In the event the solicitation is canceled or postponed unilaterally by DHHL, DHHL will consider a full or partial refund of the \$10,000 deposit, depending on when this event occurs, the applicant's progress through the process for the ROE and option for general lease, and whether or not the cancellation was outside of DHHL's control.

The \$500.00 application review fee would be returned if an applicant is disqualified due to the application being received after the deadline.

3. What is the "Commercial Fee"?

The "Commercial Operation Date Fee" referred to in Section 3.3.4c. in the Information Packet is a one-time fee that the lessee will pay to DHHL under a general lease, on the date the renewable energy project begins "commercial operation". This fee would cover the period of up to two years when the lessee is engaged in construction and testing the project. The exact timing and date, however, are subject to further negotiation with the selected applicant.

4. Will DHHL consider negotiating a different type of site agreement, such as an easement, rather than a lease agreement?

No. DHHL only intends to issue a lease agreement since this solicitation is made pursuant to Section 171-95.3, Hawaii Revised Statutes, for the leasing of land to renewable energy producers.

5. When is DHHL planning to provide technical assistance to their homestead beneficiaries who are interested in submitting an RFP on these Community-Based Renewable Energy projects?

DHHL has no plans at this time to provide technical assistance to beneficiaries or beneficiary organizations interested in submitting an application (vs. an "RFP") to this solicitation. A Beneficiary or beneficiary organization may apply under this solicitation together or in partnership with other entities that may have the technical expertise and/or financial resources to assist them, as long as the application requirements are satisfied.

6. Would the energy generated be used for homesteaders only or are they also available to others?

That will depend on the selected proposal(s) and, potentially, requirements of the anticipated CBRE RFPs. However, under this solicitation, DHHL is only making its land available for development of renewable energy projects. Depending on how the developer or subscriber organization markets the project, homesteaders may comprise part or all of the customers participating in the program.

7. Is this project specific to beneficiaries only?

If the question is whether applicants under this solicitation are limited to beneficiaries, the answer is "no". Under this solicitation, all qualified renewable energy producers may apply. If the question is whether the benefits of this project are limited or will only be received by beneficiaries, the answer is "it depends". See the answer to Question 6.

8. Will Proposals be shared or posted publicly and if so, where?

No. DHHL does not intend to share or post the applications (proposals) publicly. Applications must remain confidential in order to preserve the integrity of the negotiation process.

9. Can DHHL please provide instructions on how private companies should share proprietary information (such as financial statements) under separate cover?

Applicants have the option of submitting an extra copy of the application clearly marked "For Public Inspection". In this case, in addition to three (3) hard copies and one (1) pdf version, as prescribed in Section 3.1.1, on Page 9 of the Information Packet dated August 31, 2020, the applicants would provide an additional hard copy of their application marked "For Public Inspection". This "public" copy should not include information that the applicant deems to contain confidential information. This "public" copy will be made available to the public by DHHL, if requested.

It shall be noted that as a public agency, DHHL can only keep proprietary or confidential information from disclosure to the extent permitted under Chapter 92F, Hawaii Revised Statutes.

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