



IT'S ELECTRIC!

Electric car proposal has state charged up

A California firm proposes to jump-start electric car use in Hawaii

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By 2012, Hawaii is poised to become a national leader in electric car use under an ambitious plan announced yesterday by Gov. Linda Lingle.

Palo Alto, Calif.-based Better Place has proposed a \$1 billion plan to be funded through private investments that would include up to 100,000 charging stations around Hawaii and possible state incentives for thousands of electric car buyers to be rolled out in the next several years.

It is the first statewide project of its kind, and follows a similar outlay announced last month in San Francisco.

"Better Place is a grand scale step in the right direction," Sen. Daniel Inouye said in a statement. "Let us not falter or recede from our commitment to reduce our dependency on foreign oil."

Under the plan, which might include government incentives for customers to buy electric vehicles, drivers would pay up to 8 cents a mile to buy electricity through Better Place under a subscription plan similar to that of a cell phone contract.

The plan is part of the state's Clean Energy Initiative, which provides that 70 percent of power come from clean energy sources by 2030.

"Our goal is 1.2 million cars in Hawaii all going electric," said Shai Agassi, founder and chief executive of Better Place.

— [*Jennifer Sudick*](#)

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[By Jennifer Sudick](#)

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It took less than a year for a conversation about electric cars to turn into a cornerstone of Hawaii's clean energy policy.

Shai Agassi, founder and chief executive of Better Place, first spoke with Gov. Linda Lingle this spring, proposing an ambitious outlay that would make the state a blueprint for U.S. electric car use. Yesterday, the governor announced a plan with the Palo Alto, Calif.-based company that would include up to 100,000 charging stations around Hawaii and possible state incentives for thousands of electric car buyers to be rolled out in the next several years.

"Our path, the direction of energy independence, is not based on what happens to the barrel of oil," Lingle said at a press conference announcing the plan. "We have to reach a secure and clean energy future."

In the Hawaii Clean Energy Initiative initially rolled out in January and expanded in October, the state said it expects to have at least 3,000 electric cars on isle roads in 2010 and 50,400 electric cars in 2015. Better Place plans to begin permitting for the network in the next year and introduce vehicles within 18 months and have mass-market availability by 2012.

Hawaii would be the second U.S. location to implement the Better Place network, following San Francisco, which signed on for a \$1 billion system several weeks ago. Israel, Denmark and Australia have also already agreed to implement systems designed by the company, which launched in 2007.

"We started with what we call 'transportation islands,'" Agassi said in an interview. "When you think of the advantages Hawaii has compared with the rest of the 49 states, they are pretty obvious."

Hawaii is a contained environment with driving distances well within a typical battery's use of 120 miles on a single charge, Agassi said. It also has a wide selection of renewable resources, which would power the vehicles.

Hawaiian Electric Co. signed an agreement yesterday with Better Place for collaboration on the energy supply and infrastructure of charging stations and an undecided number of battery-swapping locations. Better Place plans to pay a premium to buy power from new incremental renewable power projects on long-term contracts to match the number of cars being put on the road, Agassi said.

In turn, customers would pay up to 8 cents a mile to purchase electricity through Better Place under a subscription plan similar to that of a cell phone contract. At an average 20 miles a gallon at Hawaii's current average regular unleaded gasoline price of \$2.66 as calculated by AAA, one mile now costs about 13 cents. Because the company's electric resources would be renewable, prices are likely to go

From gasoline to electric

The state announced yesterday a plan with Palo Alto, Calif.-based Better Place to make Hawaii a blueprint for U.S. electric car use.

Better Place founder: Shai Agassi

Hawaii Clean Energy Initiative: The plan includes at least 3,000 electric cars on isle roads in 2010 and 50,400 electric cars in 2015.

Expected cost of Hawaii plan: \$1 billion

System would include: Up to 100,000 charging stations

Mass-market availability: 2012

down over time, Agassi said. The cost of an electric car - any model of car could be used on the system - would be similar to that of a gas-powered vehicle.

A single wind turbine similar in size to those in the Kaheawa Wind farm on Maui can produce enough energy to power up to 4,000 electric cars. Even when getting electricity from an oil-based power plant, a car is saving about half the oil and emissions by going electric, he said.

"If you've got a ton of storage - which is what electric cars are is storage - you have the ability to absorb a lot of that power whenever it comes onto the grid," he said. "The way we approach it, cars don't decide when they charge, it's the grid that decides which cars to charge."

The cost savings would help fuel a transition to electric vehicles, said David Rolf, executive director of the Hawaii Automobile Dealers Association.

"The only way the auto dealers say we can help the economy move forward in a zero-growth GDP is you can either bring more money onto the island or keep money here," he said. "You have saved your way to success." (GDP is gross domestic product.)

Lingle said yesterday that the state would not provide funding for the project, which is expected to cost \$1 billion, or about 14 percent of the \$7 billion a year Hawaii spends on oil imports annually. The outlay for about 2 million cars on the company's Israel project is estimated at roughly \$200 million.

"There needs to be some level of incentive in place for early consumers," Agassi said. "We are coming in and saying don't pay more, here is an option for you to do the right thing without paying more money."

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