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BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

----- In the Matter of ----- )  
 )  
CITIZENS COMMUNICATIONS COMPANY, )  
 dba THE GAS COMPANY )  
 )  
Regarding Integrated Resource )  
Planning. )  
\_\_\_\_\_ )

DOCKET NO. 96-0265

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2003 JAN -8 P 2:59

DIV. OF CONSUMER ADVOCACY  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
STATE OF HAWAII

ORDER NO. 19951

Filed Jan. 8, 2003  
At 1:00 o'clock P.M.

Karen Higashi.  
Chief Clerk of the Commission

ATTEST: A True Copy  
KAREN HIGASHI  
Chief Clerk, Public Utilities  
Commission, State of Hawaii.

K. Higashi.

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

----- In the Matter of ----- )  
CITIZENS COMMUNICATIONS COMPANY, )  
    dba THE GAS COMPANY )  
Regarding Integrated Resource )  
Planning. )  
\_\_\_\_\_ )

Docket No. 96-0265  
Order No. 19951

ORDER

I.

By Decision and Order No. 11523, filed on March 12, 1992, in Docket No. 6617 (as amended by Decision and Order No. 11630, filed on May 22, 1992, in Docket No. 6617), the commission established a framework for integrated resource planning (IRP framework), and ordered Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., Maui Electric Company, Limited, Kauai Electric Division of Citizens Communications Company, and Citizens Communications Company, dba THE GAS COMPANY (TGC) to develop an integrated resource plan in accordance with the IRP framework.

By Order No. 14863, filed on August 8, 1996, and in accordance with the IRP framework, the commission opened this docket to examine integrated resource planning by TGC, and directing TGC to submit its revised integrated resource plan

(2nd IRP)<sup>1</sup> for commission review and approval by March 1, 1997. The 2<sup>nd</sup> IRP filing deadline was subsequently extended to March 12, 1999.

On March 12, 1999, TGC filed its 1999 or 2<sup>nd</sup> IRP for commission review and approval. TGC served copies of its 2<sup>nd</sup> IRP on the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS (Consumer Advocate).

On March 17, 1999, a "Notice of Integrated Resource Plan Filing" (notice of filing TGC's 2<sup>nd</sup> IRP) was published in the Honolulu Star Bulletin, Honolulu Advertiser, and Maui News.<sup>2</sup> On March 18, 1999, the notice of filing TGC's 2<sup>nd</sup> IRP was published in the Garden Island. On March 19, 1999, the notice of TGC's 2<sup>nd</sup> IRP was published in the Hawaii Tribune Herald, and West Hawaii Today.

By Order No. 18040, filed on September 21, 2000, the commission granted HAWAIIAN ELECTRIC COMPANY, INC.'s (HECO) motion to intervene.

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<sup>1</sup>By Decision and Order No. 13925, filed on May 24, 1995, in Docket No. 7261, the commission approved the Limited Demand-Side Management Plan of TGC as the utility's first integrated resource plan (1<sup>st</sup> IRP).

<sup>2</sup>Section III.E.3.a. of the IRP framework provides:

Upon the filing of its integrated resource plan, the utility shall cause to be published in a newspaper of general circulation in the State a notice informing the general public that the utility has filed its proposed integrated resource plan with the commission for the commission's approval.

Moreover, section III.E.3.c. of the IRP framework requires any person who desires to intervene or participate in this docket to file a motion to intervene or participate not later than 20 days after publication by TGC of the notice of filing TGC's 2<sup>nd</sup> IRP.

By Stipulated Prehearing Order No. 18325, filed on January 23, 2001, the commission set forth, among other things, the filing dates in the "Schedule of Proceedings" for the above-referenced docket. In particular, the filing date for the parties' position statements was due on November 16, 2001.

On November 16, 2001, TGC filed its position statement. By letter, dated and filed on November 16, 2001, HECO informed the commission that it would not be filing a statement of position since it will not take a position in this proceeding. By letter, dated and filed on November 16, 2001, the Consumer Advocate also informed the commission that it would not be filing a statement of position, particularly in light of the its recommendation made in Docket No. 00-0309 to temporarily excuse TGC from preparing an IRP for commission review and approval.

## II.

In Docket No. 00-0309, TGC filed a general rate increase application, pursuant to Hawaii Revised Statutes § 269-16, on December 28, 2000, seeking commission approval to increase its gas utility rates and to restructure its rate schedules for all of its gas utility divisions statewide. Besides TGC, the only other party in this docket was the Consumer Advocate.

On September 21, 2001, the parties filed their Stipulation in Lieu of Hearing (Original Stipulation) memorializing "their proposed global resolution of all of the issues in this docket" including, without limitation, integrated resource planning (IRP)/demand-side management (DSM) issues. In particular, the

Original Stipulation memorialized the Consumer Advocate's initial recommendation and the subsequent parties' agreement that TGC should be excused from preparing future IRP plans until such time as TGC faces the need for additional Synthetic Natural Gas (SNG) capacity.

By Decision and Order No. 19386, filed on May 31, 2002, in Docket No. 00-0309, the commission approved and adopted the Original Stipulation in its entirety, and ordered that TGC's participation in future IRP filings is waived until TGC faces the need for additional SNG capacity. In light of Decision and Order No. 19386 and the parties' positions in this docket<sup>3</sup>, we conclude that our review and approval of TGC's 2<sup>nd</sup> IRP, pursuant to the IRP framework, is unnecessary at this juncture, and that TGC is hereinafter excused from developing and filing an IRP with the commission in accordance with the IRP framework, until otherwise ordered. We further conclude that this docket should be closed. However, should circumstances change pertaining to TGC's supply-side resources (i.e., TGC facing the need for additional SNG capacity), we expect TGC to immediately report in writing such change in circumstances to the commission and the parties.

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<sup>3</sup>Although HECO was neither a party nor a signatory to the Original Stipulation in Docket No. 00-0309, we note that HECO did not object to the Consumer Advocate's recommendation stated in its November 16, 2001 letter in this docket to temporarily excuse TGC from preparing an IRP for commission review and approval.

III.

THE COMMISSION ORDERS:

1. The commission's review and approval of TGC's 2<sup>nd</sup> IRP, pursuant to the IRP framework, is unnecessary at this juncture, and that TGC is hereinafter excused from developing and filing an IRP with the commission in accordance with the IRP framework, until otherwise ordered.

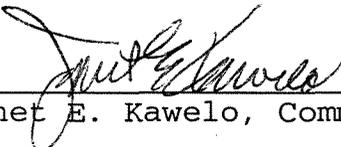
2. TGC shall immediately report in writing any change in circumstances, if any, (i.e., TGC facing the need for additional SNG capacity) and the reasons thereof, to the commission and the parties.

3. This docket is closed.

DONE at Honolulu, Hawaii this 8th day of January, 2003.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Wayne H. Kimura, Chairman

By   
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

By \_\_\_\_\_ (RECUSED)  
Gregg J. Kinkley, Commissioner

  
Kevin M. Katsura  
Commission Counsel

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 19951 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

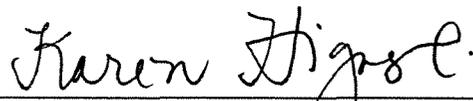
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
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\_\_\_\_\_  
Karen Higashi

DATED: January 8, 2003