

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

----- In the Matter of ----- )  
 )  
 HAWAII ELECTRIC LIGHT )  
 COMPANY, INC. )  
 )  
 Regarding Integrated Resource )  
 Planning. )  
 \_\_\_\_\_ )

DOCKET NO. 04-0046

ORDER NO. 20821

RECEIVED  
2004 FEB 27 A 8:04  
DIV. OF CONSUMER ADVOCACY  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
STATE OF HAWAII

Filed Feb. 26, 2004  
At 10:00 o'clock A.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

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HAWAII ELECTRIC LIGHT ) Docket No. 04-0046  
COMPANY, INC. )  
 ) Order No. 20821  
Regarding Integrated Resource )  
Planning. )  
\_\_\_\_\_ )

ORDER

I.

Background

On March 12, 1992, the commission established a framework for integrated resource planning ("IRP Framework"), and ordered HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT COMPANY, INC. ("HELCO"), MAUI ELECTRIC COMPANY, LIMITED, KAUAI ISLAND UTILITY COOPERATIVE (fka, KAUAI ELECTRIC DIVISION OF CITIZENS COMMUNICATIONS COMPANY), and THE GAS COMPANY, LLC (fka, CITIZENS COMMUNICATIONS COMPANY, dba THE GAS COMPANY) ("TGC") to, among other things, submit their integrated resource plans and program implementation schedules for commission approval in accordance with the IRP Framework.<sup>1</sup>

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<sup>1</sup>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).

On May 29, 1996, the commission approved HELCO's 1<sup>st</sup> integrated resource plan ("IRP") and program implementation schedule ("Action Plans").<sup>2</sup>

On February 4, 2004, the commission approved HELCO's and the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS' ("Consumer Advocate") "Stipulation Regarding Proceeding" ("January 9, 2004 Stipulation") resolving all of the issues posed in Docket No. 97-0349 relating to HELCO's 2<sup>nd</sup> IRP and Action Plans.<sup>3</sup> The January 9, 2004 Stipulation provides, among other things, the following agreements and conditions:

1. HELCO and the Consumer Advocate do not request additional procedural steps or an evidentiary hearing in this proceeding, and request that the docket be closed;
2. HELCO and the Consumer Advocate agree that the concerns raised by the parties with respect to supply-side resources and/or HELCO's supply side Action Plan can be more appropriately addressed in HELCO's upcoming 3<sup>rd</sup> IRP cycle;
3. HELCO and the Consumer Advocate agree that concerns raised by the parties with respect to demand-side management ("DSM") resources and/or HELCO's DSM Action Plan can be more appropriately addressed in HELCO's upcoming 3<sup>rd</sup> IRP cycle and/or at the conclusion of HELCO's DSM Temporary Continuation Period approved in Amended Order No. 19094, filed on December 11, 2001, in Docket Nos. 95-0173, 95-0174, 95-0175 and 95-0176 (consolidated);

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<sup>2</sup>Decision and Order No. 14708, filed on May 29, 1996, in Docket No. 7259.

<sup>3</sup>Order No. 20792, filed on February 4, 2004, in Docket No. 97-0349.

4. HELCO and the Consumer Advocate agree that concerns raised with respect to the Hawaii Externalities Workbook, filed on July 22, 1997, ("Externalities Workbook") can be appropriately addressed in HELCO's upcoming 3<sup>rd</sup> IRP cycle;
5. As a result, HELCO and the Consumer Advocate agree that the filing of (a) HELCO's 2<sup>nd</sup> IRP and Action Plans are sufficient to meet HELCO's responsibilities under Sections II.C.1. and II.C.2. of the IRP Framework, and (b) it is not necessary under the circumstances for the commission to issue a final decision and order under Section II.D.2. of the IRP Framework;
6. HELCO and the Consumer Advocate further agree that, although HELCO's 2<sup>nd</sup> IRP and Action Plans will have the status of plans filed with, but not approved by, the commission;
7. HELCO and the Consumer Advocate agree that (a) HELCO has sufficiently complied with the requirement that it submit its externalities findings and recommendations to the commission by submitting its Externalities Workbook, (b) the Externalities Workbook may be used by HELCO in subsequent IRP filings, and (c) nothing herein shall be construed to prohibit HELCO or another party from presenting or using other qualitative or quantitative externality values and/or methodologies in future IRP proceedings;
8. Pursuant to Section III.D.3. of the IRP Framework, HELCO will submit an Evaluation Report of its 2<sup>nd</sup> IRP and Action Plans no later than March 31, 2004 (although HELCO will target to file the Evaluation Report by February 27, 2004), unless the commission sets or approves a different date for such submission; and
9. Pursuant to Section III.B.2. of the IRP Framework, HELCO will submit a revised (i.e., 3<sup>rd</sup>) IRP Plan and Action Plans no later than October 31, 2005, unless the commission sets or approves a different date for such submission.

## II.

### Discussion

Section III.C.1. of the IRP Framework provides that "[e]ach planning cycle for a utility will commence with the issuance of an order by the commission opening a docket for [IRP]." Thus, pursuant to Section III.C.1. of the IRP Framework, the commission finds and concludes that a docket should be opened to commence the next IRP cycle for HELCO, and to examine HELCO's 3<sup>rd</sup> IRP to be submitted no later than October 31, 2005. Furthermore, in accordance with Section III.C.3. of the IRP Framework, the commission also finds and concludes that HELCO should prepare, in consultation with the Consumer Advocate, and file with the commission within thirty (30) days after the date of this order, a schedule that it intends to follow in the development of its 3<sup>rd</sup> IRP. Unless ordered otherwise, the schedule should also be consistent with the IRP Framework and the terms and conditions of the January 9, 2004 Stipulation approved by the commission in Order No. 20792, filed on February 4, 2004, in Docket No. 97-0349.

## III.

### Orders

#### THE COMMISSION ORDERS:

1. Pursuant to Section III.C.1. of the IRP Framework, this docket is opened to commence the next IRP cycle for HELCO, and to examine HELCO's 3<sup>rd</sup> IRP to be submitted no later than October 31, 2005.

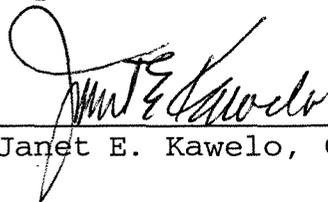
2. HELCO shall prepare, in consultation with the Consumer Advocate, and file with the commission within thirty (30) days after the date of this order, a schedule that it intends to follow in the development of its 3<sup>rd</sup> IRP. Unless ordered otherwise, the schedule shall also be consistent with the IRP Framework and the terms and conditions of the January 9, 2004 Stipulation approved by the commission in Order No. 20792, filed on February 4, 2004, in Docket No. 97-0349.

DONE at Honolulu, Hawaii this 26th day of February 2004.

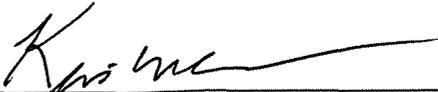
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By   
Wayne H. Kimura, Commissioner

By   
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

  
Kris N. Nakagawa  
Commission Counsel  
helcoirpopenocket.ac

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20821 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  
DIVISION OF CONSUMER ADVOCACY  
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Hilo, HI 96720

WILLIAM A. BONNET  
VICE PRESIDENT - GOVERNMENT AND COMMUNITY AFFAIRS  
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Honolulu, HI 96813

  
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Karen Higashi

DATED: February 26, 2004