

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
APOLLO ENERGY CORPORATION)
Pursuant to Section 6-74-15,)
Hawaii Administrative Rules.)
_____)

DOCKET NO. 00-0135

ORDER NO. 20892

RECEIVED
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DIR. OF CONSUMER AFFAIRS
DEPT. OF UTILITIES AND
CONSUMER AFFAIRS
STATE OF HAWAII

Filed April 8, 2004
At 2:30 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

II.

Discussion

Apollo seeks an expedited ruling that a three (3) - breaker switching station and system ("Three-Breaker System") is not required for Apollo to interconnect its wind farm with HELCO's system. Rather, Apollo contends that a single-breaker switching station and system ("Single-Breaker System") is all that is required to interconnect with HELCO's system. Apollo maintains that HELCO's requirement that Apollo install and pay for a Three-Breaker System is one of HELCO's "system betterment" and "system governance."

HELCO opposes Apollo's Motion. HELCO contends that: (1) a Single-Breaker System is inadequate to interconnect Apollo's wind farm with HELCO's system; and (2) without the Three-Breaker System, the interconnection of Apollo's wind farm will result in unnecessary underfrequency load shedding of HELCO's customers under certain circumstances.

HELCO also notes that: (1) the commission previously held an evidentiary hearing and issued its written decision on the issues in dispute;² and (2) Apollo now raises a new factual issue that cannot be decided by a Motion, unless the parties "are offered the opportunity for a further hearing regarding such matters, or the parties waive the right to a hearing." HELCO suggests that, as a next step, the commission proceed with oral argument, then provide the Parties the opportunity to file responsive statements, unless jointly waived. Under this

²See Decision and Order No. 18568, filed on May 30, 2001; and Order No. 18644, filed on June 27, 2001.

proposed procedure, HELCO "is willing to waive its right to an evidentiary hearing."

Single-line diagrams of HELCO's proposed Three-Breaker System and Apollo's proposed Single-Breaker System are attached as Exhibit A to Apollo's Motion. Apollo's estimated cost of a Three-Breaker System is \$2.9 million. HELCO's preliminary cost estimates are: (1) \$2.194 million for a Three-Breaker System; (2) \$2.175 million for a two (2)-breaker switching station and system; and (3) \$1.4 million for a Single-Breaker System.

Apollo seeks the commission's ruling on an expedited basis. In lieu of an expedited ruling, the commission will hold a conference with the **Parties' counsel** in April 2004 to formulate the issues and procedural schedule, including the Parties' willingness, if any, to voluntarily waive an evidentiary hearing, prior to the commission's issuance of its written decision on the disputed issues.

The Parties will be notified of the date, time, and location of the conference. At the conference, the merits of the disputed issues and the Parties' positions thereto will not be discussed. Concomitantly, the commission makes it clear that the Parties are not precluded from continuing their negotiations on a new or amended power purchase agreement.

Apollo's Motion is denied.

III.

Order

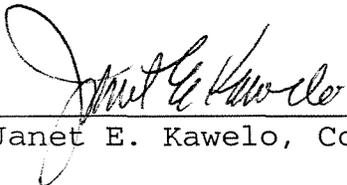
THE COMMISSION ORDERS that Apollo's motion for expedited resolution of a single issue, filed on March 18, 2004, is denied. Further commission action will follow.

DONE at Honolulu, Hawaii this 8th day of April, 2004.

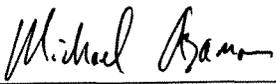
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Michael Azama
Commission Counsel

00-0135.sl1

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20892 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
P. O. Box 541
Honolulu, HI 96809

WARREN H. W. LEE, PRESIDENT
HAWAII ELECTRIC LIGHT COMPANY, INC.
P. O. Box 1027
Hilo, HI 96721-1027

WILLIAM A. BONNET
VICE PRESIDENT, GOVERNMENT AND COMMUNITY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P. O. Box 2750
Honolulu, HI 96840

THOMAS W. WILLIAMS, JR., ESQ.
PETER Y. KIKUTA, ESQ.
GOODSILL, ANDERSON, QUINN & STIFEL
1800 Alii Place
1099 Alakea Street
Honolulu, HI 96813

SHAH J. BENTO, ESQ.
126 Queen Street
Suite 301
Honolulu, HI 96813

CERTIFICATE OF SERVICE - Continued

ANTHONY B. PACE
PATRICK J. O'MALLEY
APOLLO ENERGY CORPORATION
551 Pilgrim Drive, Suite D
Foster City, CA 94404

Karen Higashi

Karen Higashi

DATED: April 8, 2004