

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
 KAUAI ISLAND UTILITY COOPERATIVE)
)
 For Approval of changes to its)
 Tariff to reflect a 2004 Resource)
 Cost Adjustment (DSM & IRP))
 Surcharge)
 _____)

DOCKET NO. 03-0422

ORDER NO. 20960

Filed May 4, 2004
At 1:00 o'clock P .M.

Karon Higot.
Chief Clerk of the Commission

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

2004 MAY -4 P 4: 57

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II.

Discussion

Upon further review of KIUC's responses to the commission's information requests filed on March 30, 2004, the commission continues to have concerns about a cooperative collecting lost gross margins. However, we find it prudent to not modify the 2004 Surcharge at this time. In the alternative, we will evaluate KIUC's equity management plan and proposed Integrated Resource Plan Framework to be filed by December 2004 and make a determination whether modifications to the surcharge are necessary prior to KIUC's next request for approval of changes to its tariff to reflect a 2005 Resource Cost Adjustment Surcharge. Thus, for the same reason, articulated in Decision and Order No. 20793, we will allow KIUC's 2004 Surcharge to be effective for the full twelve month period (February 1, 2004 to January 31, 2005). In light of our approval to extend the 2004 Surcharge period from six to twelve months, we further conclude that Decision and Order No. 20793 should be amended consistent with the terms of this order. In all other respects, Decision and Order No. 20793 remains unchanged.

III.

Orders

THE COMMISSION ORDERS:

1. KIUC's 2004 Surcharge shall be allowed to be effective from February 1, 2004 through January 30, 2005.

2. KIUC shall file with the commission the appropriate tariff sheets, consistent with the terms of this decision and order.

3. Decision and Order No. 20793 is amended consistent with the terms of this Order. In all other respects, Decision and Order No. 20793 remains unchanged.

4. This docket is closed.

DONE at Honolulu, Hawaii this 4th day of May, 2004.

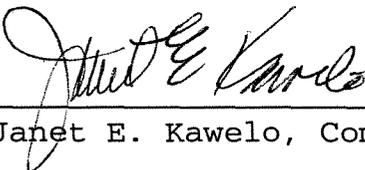
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 

Carlito P. Caliboso, Chairman

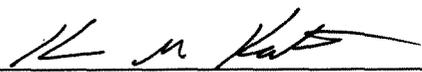
By 

Wayne H. Kimura, Commissioner

By 

Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:



Kevin M. Katsura
Commission Counsel

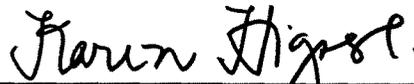
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20960 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: May 4, 2004