

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC.)
For Approval to Commit Funds in)
Excess of \$500,000 for Item Y00021,)
New Kuahua Substation.)

DOCKET NO. 03-0260

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

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DECISION AND ORDER NO. 21003

Filed May 27, 2004
At 10:00 o'clock A .M.

Harun Hignot.
Chief Clerk of the Commission

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OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC.) Docket No. 03-0260
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Excess of \$500,000 for Item Y00021,)
New Kuahua Substation.)
_____)

DECISION AND ORDER

I.

Background

HAWAIIAN ELECTRIC COMPANY, INC. ("HECO") requests commission approval to commit an estimated \$7,312,075 for Item Y00021, its new Kuahua Substation ("Proposed Project"), through an application filed on September 17, 2003 ("Application"). HECO makes its request under Rule 2.3.g.2. of General Order No. 7, *Standards for Electric Utility Service in the State of Hawaii* ("Rule 2.3.g.2."),¹ and Hawaii Revised Statutes ("HRS") § 269-27.6(a).

HECO served the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate") with copies of the Application. The commission required HECO and the Consumer Advocate (collectively, the "Parties") to file a stipulated procedural order or separate procedural orders, if unable to stipulate, for our review and

¹For the purposes of this order, "Rule" and "Paragraph" are synonymous.

approval in Order No. 20597, filed on October 28, 2003.² The Parties were required to make their filing within twenty (20) days of the date of the order. HECO, on behalf of the Parties, requested that the deadline to file the stipulated procedural order, or proposed orders, be extended from November 17, 2003, to December 3, 2003, in a letter dated and filed on November 14, 2003 ("Extension Request"). The commission approved the Extension Request by Order No. 20657, filed on November 20, 2003.

On December 3, 2003, the Parties filed their stipulated procedural order to govern the proceedings in this docket, which included an extension of the 90-day review period for the commission to act, under Rule 2.3.g.2., set to expire on December 16, 2003, "until [twenty] 20 days after HECO provides notice that the proceeding is ready of decision making (and HECO does not file a Reply SOP [Statement of Position]) or [twenty] 20 days after HECO files its Reply SOP."³ The commission issued Stipulated Procedural Order No. 20714 on December 15, 2003, approving the Parties' proposed stipulated procedural order.

The Consumer Advocate served HECO with information requests ("IRs") on November 4, 2003, and January 5, 2004.⁴ HECO filed responses to these IRs on December 15, 2003, and on January 21 and 22, 2004.

²No persons moved to intervene in this proceeding.

³See, Stipulated Procedural Order No. 20714, filed on December 15, 2003, at 3.

⁴The Parties filed their proposed stipulated protective order for the commission's review and approval on January 12, 2004. The commission issued Protective Order No. 20763 on January 15, 2004.

The Consumer Advocate filed a letter on February 10, 2004, requesting an amendment to the procedural schedule of this proceeding, and informed us that HECO had no objections to this request. The commission issued Order No. 20806 on February 19, 2004, approving the Consumer Advocate's request. HECO then filed additional IR responses on March 17, 2004, in response to further IRs posed by the Consumer Advocate.

On March 19, 2004, the Parties filed a proposed stipulated procedural order to further amend the filing schedule. Upon review, the commission issued Stipulated Procedural Order No. 20863 on March 24, 2004. The Consumer Advocate filed its SOP on April 8, 2004, in compliance with Stipulated Procedural Order No. 20863.

Subsequently, the Parties filed another proposed stipulated procedural order on April 19, 2004, to provide HECO with additional time to file its Reply SOP. The commission issued Stipulated Procedural Order No. 20930 on April 29, 2004, approving the Parties' proposal. HECO filed its Reply SOP on May 10, 2004, in response to the Consumer Advocate's SOP, pursuant to Stipulated Procedural Order No. 20930.⁵

⁵In a filing made on April 1, 2004, HECO informs us that the project proposed in this docket is consistent with its Integrated Resource Plan.

II.

HECO's Application

A.

Project Justification

HECO is proposing to replace its existing Kuahua Substation with a new substation in this Proposed Project. The existing Kuahua Substation is one of two (2) substations that currently serve the Pearl Harbor Naval Base ("Base"). HECO represents that the existing Kuahua Substation was built in the 1960's, and that, aside from the 20/33 MVA transformer, the equipment in the substation is old (ranging from 30 to 60 years old) and deteriorated. HECO states that the substation's equipment cannot be maintained since spare parts are not available or are no longer being manufactured. While alternatives were considered,⁶ HECO and the Navy determined that the best-long term solution was to build a new substation to replace the existing one. HECO provides the following justifications for this decision:

1. Providing reliable power to the Base serves national security interests. The Kuahua Substation serves sensitive loads that are vital to the mission and operations of the Base.

⁶The first alternative was to construct a new substation to replace the existing substation (the Proposed Project). The second alternative was to partially renovate the existing substation, while the third alternative was to continue operating the existing substation in its current configuration and make repairs on an as-needed basis.

2. Most of the existing equipment in the existing substation is deteriorating and the lack of sufficient replacement parts for the equipment poses significant risk for outages.
3. The new substation will be constructed with a ring bus configuration for greater switching and maintenance flexibility. The current main-tie-main configuration has limited flexibility and failure of a single piece of equipment in this type of configuration can lead to a complete shut down of the substation.
4. Construction of the new substation will minimize service interruptions to the Base.
5. The new substation will have oil containment facilities since the substation is relatively close (less than 2,000 feet) to navigable waters. The current substation does not have oil containment facilities due to space limitations.
6. The new substation has enough space to accommodate the installation of a third 20/33 MVA transformer for future electrical load growth on the Base. The existing substation does not have the necessary space to accommodate additional equipment for future service needs.

B.

Project Description

HECO represents that the scope of the Proposed Project includes the construction of a new dedicated substation, the installation of new fiber optic lines, and relay projection and 46kV underground work.⁷ The Proposed Project consists of various smaller projects, including:

1. P0000277 - New Kuahua Substation: This portion of the Proposed Project involves the construction of the new dedicated substation on the Base at the corner of Nimitz and Pierce Streets. The site of the new substation is being offered to HECO by the Navy at no cost. HECO represents that it will install and construct, among other things:
 - (a) two (2) 46-11.5kV, 20/33 MVA, low-sound transformers with 2.5 ohm neutral reactors;
 - (b) two (2) sets of primary and backup microprocessor-based transformer protection relaying with associated current potential transformers;
 - (c) two (2) sets of primary and backup microprocessor-based line protection relaying and associated current and potential transformers;
 - (d) supervisory control and data

⁷While removal of the existing Kuahua Substation is part of the overall project, the cost of the removal (which includes the removal of all equipment, structures, foundations, and ductwork) is not part of HECO's Application.

acquisition/remote terminal unit equipment;
(e) associated electrical cables and wiring;
(f) two (2) 30' x 25' concrete pads for the transformers; (g) one (1) 95' x 22' concrete pad for the switchgear; and (h) foundations and steel structures to support bus conductors, disconnect switches, insulators, and terminators. A complete list of the proposed work for this portion of the Proposed Project is listed in HECO's Application at pages 6 and 7.

2. P0000278 - Makalapa Substation Protection: This aspect of the Proposed Project involves the installation of three (3) sets of primary and backup line protection relaying along the new line potential transformers, and associated electrical equipment and wiring at the Makalapa Substation. HECO states that the new state-of-the-art microprocessor-based relays will replace the existing and out-dated electro-mechanical relays that currently protect Makalapa 41, 43, and 45 46kV lines. The lines will be cut and reconnected underground to serve the new Kuahua Substation.
3. P0000279 - Puuloa Substation Protection: This portion of the Proposed Project involves the installation of two (2) sets of primary and backup line protection relaying, and associated electrical equipment and wiring at

the Puuloa Substation which is located on and serves the Base. The new state-of-the-art microprocessor-based relays will replace the existing out-dated electro-mechanical relays protecting the Makalapa 43 and 45 46kV lines.

4. P0000280 - Makalapa-Kuahua Fiber Optic Line: This part of the Proposed Project involves the installation of approximately 6,850 feet of Optical Ground Wire, a shield wire combined with a fiber optic cable, and 2,000 feet of All-Dielectric Self-Supporting ("ADSS") fiber optic cable between the Makalapa Substation and the new Kuahua Substation, including two (2) sets of optical termination equipment. This fiber optic line will provide a direct connection between the new relays being installed in each of the substations. HECO provides a detailed description of the work involved in this portion of the Proposed Project in its Application at pages 8-10.
5. P0000281 - Makalapa-Puuloa Fiber Optic Line: This segment of the Proposed Project involves the installation of approximately 15,000 feet of ADSS fiber optic cable between the Makalapa Substation and the Puuloa Substation, including two (2) sets of optical termination equipment. This fiber optic line will be used to provide a direct

connection between the new relays being installed at each of the substations. The work involved in this portion of the Proposed Project is detailed in HECO's Application at pages 10-12.

6. P0000282 - 46kV UG Reconnection: This aspect of the Proposed Project involves the disconnection of the existing overhead spans of the Makalapa 41 and 43 46kV lines crossing North Road in the Base from the existing Kuahua Substation. The circuits will be reconnected to the new Kuahua Substation with new underground 46kV lines. The work on this portion of the Proposed Project includes the installation of approximately 2,000 feet of 1-conductor, 750 KCM copper 46kV cable, four (4) sets of 46kV terminators, 300 feet of 10-5" underground ducts, two (2) manholes, and two (2) 55-foot tall wood poles.⁸

C.

New 46kV Lines

The new 46kV line reconnections for the new Kuahua Substation is being placed underground at the request of the U.S. Navy and pursuant to the application of HECO's "Policy on Underground Lines" ("Policy"). Under the Policy, new sub-transmission lines may be constructed underground when the

⁸The poles are needed to transition the exiting 46kV overhead lines to the new 46kV underground lines.

cost to do so is comparable to overhead line construction. HECO states that the Policy was developed in response to community concerns regarding the construction of overhead lines. HECO represents that the estimated cost of installing the 46kV line reconnections underground for the Proposed Project is about \$544,151; while the estimated cost to install the 46kV reconnections above ground is approximately \$395,485. HECO states that it will bear the full cost to underground the 46kV line reconnections since placing the line underground is comparable to placing it above ground.

III.

Parties' Positions

A.

Consumer Advocate's Position

The Consumer Advocate does not object to the approval of HECO's application in this docket, subject to certain recommendations. The Consumer Advocate states that a new substation appears to be needed, thus, it will not object to the approval to commit funds for the construction of the new Kuahua Substation and related work, as proposed in this docket. This decision is based on the Consumer Advocate's recognition that the problems and concerns raised by HECO regarding the existing substation cannot be resolved. The Consumer Advocate's conclusion is also based on the understanding that the installation of new microprocessor-based relays and fiber optic communication links are consistent with HECO's current standards

and that such equipment will improve overall service reliability on the Base. Nonetheless, the Consumer Advocate has concerns about how the total cost of the Proposed Project may impact HECO's rates.

1.

Undergrounding Related Concerns

The Consumer Advocate has questions regarding the implementation of HECO's policy to install new transmission, sub-transmission, and distribution lines underground when the cost to do so is comparable to the cost of overhead placement, and the precedent the implementation of this Policy will set. While the Consumer Advocate recognizes that the additional costs for placing the line underground as opposed to overhead may be insignificant in light of HECO's total plant in service balance, it is concerned: (1) that HECO has not determined how implementation of the Policy will impact rates; (2) about the cumulative and long-term impacts of the Policy on HECO's future rate base and the rates that will result; and (3) that HECO does not have specific criteria to use when determining the comparability of the costs to place the lines in underground versus overhead facilities. The Consumer Advocate contends that HECO should clearly set forth the criteria that it must use to implement the Policy to avoid any claims of preferential treatment and assess the future impacts of implementing the Policy before being allowed to implement it on a large scale basis.

Furthermore, the Consumer Advocate does not agree with HECO's assessment that the facts and circumstances of the underground construction of the 46kV reconnection lines satisfies the HRS § 269-27.6 requirements without a contribution from the Navy, the cost-causer. However, the Consumer Advocate states that it will not recommend a disallowance of all or part of the additional costs incurred to construct this aspect of the Proposed Project since the Navy is a large power customer with electrical loads that contribute to national security. The Consumer Advocate mentions that it is not opposed to the concept of placing utility facilities underground, as it supports such efforts; however, it believes that policies for the placement of facilities underground should be transparent and applied in a non-discriminatory manner.

Accordingly, the Consumer Advocate recommends that the commission require the following:

1. HECO should provide written guidelines for its underground policies that clearly identify the critical issues and what is evaluated.
2. If not identified in the guidelines provided in point 1, above, HECO should provide the criteria and ranges considered when determining whether the underground costs are "comparable" to overhead costs.
3. HECO should provide copies of any analysis that illustrates the possible cost impacts of the program on ratepayers.

4. The requirements set forth above in the immediately preceding paragraphs 1 to 3 should be completed within six (6) months of the commission's decision and order in this proceeding to allow the commission and the Consumer Advocate an opportunity to comment, if necessary.
5. All future projects involving underground facilities shall comply with the adopted guidelines.⁹

2.

Additional Concerns

The Consumer Advocate also expresses concerns with HECO's proposal to install a second transformer and 46kV reconnection line at no additional cost to the Navy. The Consumer Advocate asserts that the installation of the second transformer and 46kV line are "special facilities" requiring a customer contribution in accordance to HECO's rules.¹⁰ The Consumer Advocate disagrees with HECO's contention that the installation of the second transformer and reconnection line are not "special facilities" since the Navy did not specifically make a request for them. The Consumer Advocate speculates that HECO

⁹See, Consumer Advocate's SOP at 15.

¹⁰The Consumer Advocate cites HECO's Tariff Rule No. 13.D.5., as follows: "Where the applicant requests facilities which are acceptable to the Company but are in addition to, or in substitution for, the standard facilities which the Company would normally install, the applicant shall make a contribution of the estimated extra cost thereof." See, Consumer Advocate's SOP at 17.

provided these "special facilities" to the existing Kuahua Substation in an effort to retain or add to the Navy's electric load as a HECO customer and contends that since HECO offered to provide these additions, the Navy was not required, nor did they have the opportunity to make a special request for them. The Consumer Advocate further contends that HECO should have taken the opportunity in 1989 to inform the Navy that the existing Kuahua Substation contains "special facilities" which would require a contribution from the Navy to maintain in a new substation.

The Consumer Advocate states that HECO's policy to replace existing equipment may be beneficial for customers served by dedicated substations but that this policy is not in the best interest of the general ratepayers and suggests that this policy should be reviewed. It further contends that HECO's decision to not seek a contribution from the Navy to defray the cost of the Proposed Project appears to be unreasonable. However, it will not recommend a disallowance of the incremental cost of the additional facilities since, as stated before, the Navy is a large customer with significant electrical loads that contribute to national security. Prospectively, however, the Consumer Advocate recommends that the commission require HECO to:

1. Review all of its existing rules, policies, and procedures regarding the provision of service through either a dedicated or system substation. New rules, policies, and procedures should be developed to allow customers, regulators, and

company personnel to determine what would be provisioned as "standard" service as compared to a dedicated infrastructure with or without additional facilities.

2. Review all of its existing rules, policies, and procedures regarding the determination of when contributions are required from a customer or group of customers when a new service is being provided and when replacement equipment or plant is required. New rules, policies, and procedures should be developed to easily determine when a contribution is or is not required. This effort should include all possible applications of the guidelines such as line extensions, dedicated substations, etc. In developing these new guidelines, special care should be taken to avoid ambiguities or to create unnecessary opportunities for possible claims of discrimination.
3. Complete the requirements set forth in points 1 and 2, above, within six (6) months, subject to comments from the Consumer Advocate and the commission regarding the reasonableness of the new guidelines to be adopted.
4. Comply with the newly adopted guidelines.¹¹

¹¹See, Consumer Advocate's SOP at 20.

B.

HECO's Position

In response, HECO states that the Consumer Advocate's requirements and recommendations are unnecessary. First, HECO contends that nothing about the Proposed Project necessitates a review of its policy concerning the replacement of existing equipment at dedicated substations. With regards to this matter, HECO asserts that the Consumer Advocate is thirty (30) years "too late" to question whether or not a customer contribution for the second transformer bank and 46kV line connection was required. HECO contends that it agreed to supply power to the Base through two substations, at Puuloa and Kuahua, with two circuits at each substation. In return, the Navy agreed to increase the amount of power that it would use by limiting the output from its own generating unit. HECO states that these types of arrangements were considered beneficial to all customers since, in this case, additional sales to the Navy would contribute to HECO's fixed costs, thus reducing costs to other ratepayers.

Moreover, HECO contends that even if the Navy had contributed to the cost of the second transformer bank and 46kV line for the existing substation, the Navy would not be responsible for the cost to replace them for the new substation. HECO argues that Tariff Rule No. 13.D.5. does not require customers to make additional contributions when the extra facilities have to be replaced. It also disputes the Consumer Advocate's contention that HECO should have informed the Navy about the need to possibly contribute for these facilities

in response to a 1989 letter from the Navy inquiring about any upgrades or replacement plans for the substation by stating that its decision to replace the substation is due to the substation's deteriorated equipment and conditions and not in response to the Navy's 1989 letter.

Second, with regards to the Consumer Advocate's concerns regarding HECO's Policy on underground facilities, HECO alleges that the Consumer Advocate's requirements should not be adopted. HECO contends that the reasons for undergrounding the two line segments in the Proposed Project are relatively clear and that this matter can be resolved without the development of further criteria. HECO maintains that it decided to underground the two segments of the line that connects the existing 46kV overhead line to the new Kuahua Substation since: (1) the Navy is requiring that the connections be placed underground; and (2) the cost differential between undergrounding the two segments as opposed to placing them overhead is relatively small, which is consistent with HECO's Policy. HECO reiterates that the Navy is providing the location for the new substation to HECO at no cost.

While HECO acknowledges that its Policy does not contain specific criteria, it maintains that developing guidelines to encompass all situations may be difficult since every project and the various factors involved are unique. Rather than developing specific criteria at this time, it recommends that further discussions and efforts be taken to

address overall policy with regards to this issue.¹² HECO further contends that application of its Policy on a case-by-case-basis is the prudent course of action until an overall policy on underground facilities can be developed to address the concerns of all stakeholders.

IV.

Findings and Conclusions

Upon review of the record of this docket, the commission will approve the expenditure of funds for the Proposed Project. There appears to be a need to replace the existing Kuahua Substation with a new substation. Our decision in this case is based on, among other things, HECO's representation that the existing facilities and equipment are old and difficult to maintain, and that replacement of the substation will address certain reliability concerns. The new substation should improve HECO's ability to provide power to the Base and help meet any increased power needs in the future. Moreover, we recognize that the new substation will power sensitive operations of the Navy that are important to national security.

¹²HECO suggests that the study recently conducted by the American Institute of Architects (i.e., the "Oahu Utilities Under-Grounding and Visual Impact Mitigation Studies") would be a good starting point for these discussions.

We also find that placing the new 46kV line reconnections into the new substation below the surface of the ground is appropriate, in this case, under HRS § 269-27.6(a).¹³ First, there may be a benefit that outweighs the cost of placing the new 46kV reconnection line underground. In this case, the estimated costs of constructing the line underground as opposed to overhead appears to be fairly comparable (\$544,151 as opposed to \$395,485, respectfully, representing an incremental cost of placing the facilities underground of \$148,666, or approximately 37.6 per cent). In addition, HECO is implementing its Policy on Underground Lines, which was developed in response to public concerns about overhead lines. Second, while there does not appear to be any governmental policy requiring the placement of these facilities underground or any governmental agency or party willing to pay for the additional costs of undergrounding, the Navy appears to be barring overhead placement of the facilities for the Proposed Project. Third, while the Consumer Advocate noted concerns with HECO's proposal to place the 46kV reconnection lines underground, it did not recommend a

¹³In making our determination under HRS § 269-27.6(a), the commission is required to consider: "(1) Whether a benefit exists that outweighs the costs of placing the electric transmission system underground; (2) Whether there is a governmental public policy requiring the electric transmission system to be placed, constructed, erected, or built underground, and the governmental agency establishing the policy commits funds for the additional costs of undergrounding; (3) Whether any governmental agency or other parties are willing to pay for the additional costs of undergrounding; (4) The recommendation of the division of consumer advocacy of the department of commerce and consumer affairs, which shall be based on an evaluation of the factors set forth under this subsection; and (5) Any other relevant factors."

disallowing this aspect of the Proposed Project. Finally, among other things, there may be national security reasons for the Navy's requirement against overhead construction for the Proposed Project, and we note that while the Navy did not commit any funds for placing these lines underground, it did provide the site of the substation to HECO, free of charge.

However, the various policy concerns raised by the Consumer Advocate appear to have merit. HECO's Policy should be clarified and specific criteria on what constitutes "comparable" costs with regards to the issue of placing facilities underground as opposed to overhead should be established. Additionally, while certain unique circumstances of this case makes HECO's decision to not seek contributions to defray the costs of the Proposed Project from the cost-causer understandable, HECO's policy on contributions should be as clear as possible to ensure that it is being applied in a non-discriminatory manner. We believe that it would be more efficient if the Consumer Advocate participated in the further development and refinement of HECO's policies at the outset, as opposed to six (6) months into the process. Accordingly, we find it reasonable and appropriate to require HECO and the Consumer Advocate to meet to discuss and assess HECO's current rules, policies, and procedures and develop new ones as necessary to address the concerns raised in this docket related to undergrounding of lines and contributions for improvements. The recommendations proposed by the Consumer Advocate in Sections II.B. and II.C. of the Consumer Advocate's SOP; and reiterated in Sections III.A.1. and

III.A.2. of this decision and order should guide the discussions regarding HECO's rules, policies, and procedures. These discussions should be flexible; thus, HECO and the Consumer Advocate may agree to amend certain aspects of the "requirements" set forth in those sections. Nonetheless, within six (6) months of the date of this decision and order, HECO and the Consumer Advocate shall submit a stipulated filing clarifying and revising HECO's policies, rules, and procedures resulting from their discussions for our review and approval. In the alternative, if the Parties are unable to arrive at an agreement, HECO and the Consumer Advocate shall file separate proposals for the commission's review and consideration within the time allowed for the filing the stipulation.

Based on the above, the commission concludes that HECO's application, filed on September 17, 2003, to expend approximately \$7,312,075 for Item Y00021, its new Kuahua Substation, should be approved. We also determine that the new 46kV line reconnections for the new substation should be placed below the surface of the ground. Moreover, we conclude that HECO and the Consumer Advocate should be required to submit a stipulated filing (or in the alternative, separate proposals) to address the concerns raised in this docket, pursuant the parameters set forth above.

V.

Orders

THE COMMISSION ORDERS:

1. HECO's request to expend approximately \$7,312,075 for Item Y00021, its new Kuahua Substation, as described in its Application, is approved; provided that no part of the project may be included in HECO's rate base unless and until the project is in fact installed, and is used and useful for utility purposes.

2. HECO's proposal to place the new 46kV line reconnections into the new Kuahua Substation below the surface of the ground is approved, under HRS § 269-27.6(a).

3. Within sixty (60) days of the completion of the Proposed Project, HECO shall submit an accounting report with an explanation of any deviation of ten (10) per cent or more of the projected costs for the Proposed Project. Failure to submit the report, as required in this decision and order, constitutes cause to limit the total cost of the Proposed Project for ratemaking purposes to that estimated in HECO's Application.

4. Within six (6) months of the date of this decision and order, the Parties shall submit a stipulated filing addressing the concerns raised in this docket regarding HECO's policies on underground lines and requiring contributions, pursuant to the parameters set forth in Section IV. of this decision and order, for the commission's review and approval. If the Parties are unable to arrive at an agreement, they then shall

each file separate proposals within the same time for our view and consideration.

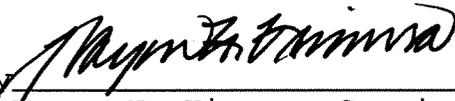
5. HECO shall conform to all of the commission's orders, set forth above. Failure to adhere to our orders constitutes cause for the commission to void this decision and order, and may result in further regulatory actions as authorized by law.

DONE at Honolulu, Hawaii this 27th day of May, 2004.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 

Carlito P. Caliboso, Chairman

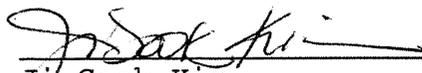
By 

Wayne H. Kimura, Commissioner

By 

Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:



Ji Sook Kim
Commission Counsel

03-0260.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 21003 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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DIVISION OF CONSUMER ADVOCACY
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Karen Higashi

DATED: May 27, 2004