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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. 21020

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

Filed June 2, 2004
At 11:00 o'clock A .M.

Karen Higdon
Chief Clerk of the Commission

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
APOLLO ENERGY CORPORATION) Docket No. 00-0135
Pursuant to Section 6-74-15,) Order No. 21020
Hawaii Administrative Rules.)

ORDER

I.

The recent activity generated in this docket arises out of APOLLO ENERGY CORPORATION's ("Apollo") motion for expedited ruling. Since then, the commission has issued numerous orders and held two (2) conferences with counsel for HAWAII ELECTRIC LIGHT COMPANY INC. ("HELCO") and Apollo (collectively, the "Parties", individually, the "Party").¹ Most recently, on May 26, 2004, the Parties filed their final draft agreements, with explanation.

The disputed issues, in the commission's view, are:

1. Whether a three (3) 69 kilovolt ("kV") circuit breaker switching station ("3-breaker system") or a one (1) 69 kV circuit breaker switching station ("one-breaker system") is necessary to permit interconnected operations of

¹See Order No. 20892, filed on April 8, 2004; Order No. 20900, filed on April 16, 2004; Order No. 20919, filed on April 22, 2004; Order No. 20946, filed on April 30, 2004; and Order No. 20995, filed on May 21, 2004. Chairman Carlito P. Caliboso presided over two (2) conferences with the Parties' counsel, held on April 28 and May 19, 2004, respectively.

Apollo's repowered and expanded wind farm facility with HELCO's system? Also, who should construct and own the switching station?

2. Under either scenario, to what extent is each Party responsible for the costs of the: (A) switching station; (B) control building; and (C) operations and maintenance (aka O&M) of the switching station?

3. If the commission determines that only a one-breaker system is necessary and HELCO proposes to install a 3-breaker system, what will HELCO's share of the cost of the switching station be, if constructed by Apollo, and what will Apollo's share be, if constructed by HELCO?

4. Whether a load tap changer is necessary to permit interconnected operations of Apollo's repowered and expanded wind farm facility with HELCO's system? If so, who is responsible for such costs?

Apollo's motion initially sought an expedited ruling on the merits. The commission denied Apollo's request. Presently, Apollo proposes an in-person, technical presentation by the Parties' witnesses, with no cross-examination by the opposing Party's counsel. HELCO, conversely, suggests an oral argument, with the opportunity to submit post-oral argument briefs.

The commission finds that, as a next step, it should proceed with, either: (1) an evidentiary hearing, *including* the opportunity for the opposing Party to cross-examine adverse witnesses; (2) oral argument in lieu of an evidentiary hearing; or (3) decision-making based on the current record, if the Parties waive an evidentiary hearing and oral argument. Under

each scenario, the Parties will have the opportunity to file simultaneous briefs, following the evidentiary hearing, oral argument, or by a specific date if the third option is chosen.

Currently, the commission's schedule is such that it is available to hold an evidentiary hearing (estimated three (3) days) or one (1)-day oral argument on the following days:

June 29 - July 2, 2004
July 6 - July 8, 2004
August 3 - 5, 2004

If a Party or the Parties opt for an evidentiary hearing, the commission intends to proceed accordingly. The commission issues this order forthwith, consistent with the issues and statements noted above.

II.

Orders

THE COMMISSION ORDERS:

1. By June 9, 2004, the Parties shall inform the commission, in writing: (A) on whether it chooses an evidentiary hearing, oral argument, or the waiver of both; (B) if waived, the due date for the filing of the Parties' simultaneous briefs in lieu of evidentiary hearing and oral argument; or, in the alternative (C) an agreed upon date or dates to hold the evidentiary hearing or oral argument, and the due date for the filing of the Parties' simultaneous briefs thereto.

2. If the Parties do not agree on how to proceed or on the dates of an evidentiary hearing or oral argument, the

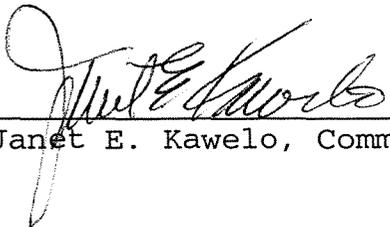
commission shall decide these matters; provided that if a Party opts for an evidentiary hearing, the commission intends to proceed accordingly.

DONE at Honolulu, Hawaii this 2nd day of June, 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.s19

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21020 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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DATED: June 2, 2004