

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of)
)
HAWAIIAN ELECTRIC COMPANY, INC.)
)
For Approval and/or Modification of)
Demand-Side and Load Management)
Programs and Recovery of Program)
Costs and DSM Utility Incentives.)
_____)

DOCKET NO. 05-0069

ORDER NO. 21749

Filed April 14, 2005
At 11 o'clock A.M.

Karen Higashi
Chief Clerk of the Commission

RECEIVED
2005 APR 19 A 8:07
DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

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

In the Matter of)	
)	
HAWAIIAN ELECTRIC COMPANY, INC.)	Docket No.05-0069
)	
For Approval and/or Modification of)		Order No. 21749
Demand-Side and Load Management)	
Programs and Recovery of Program)	
Costs and DSM Utility Incentives.)	
<hr/>		

ORDER

By this Order, the commission grants the DEPARTMENT OF THE NAVY, ON BEHALF OF THE DEPARTMENT OF DEFENSE ("DoD"), HAWAII SOLAR ENERGY ASSOCIATION ("HSEA"), and HAWAII RENEWABLE ENERGY ALLIANCE ("HREA") intervention in this docket.

I.

Introduction

By Order No. 21698 ("Order No. 21698"), filed on March 16, 2005, in Docket Nos. 04-0113 and 05-0069, the commission: (1) separated HAWAIIAN ELECTRIC COMPANY, INC.'s ("HECO") requests for approval and/or modification of demand-side and load management programs and recovery of program costs and demand-side management ("DSM") utility incentives (collectively referred to as the "Proposed DSM Programs") from Docket No. 04-0113 (the "Rate Case Docket"), and opened the instant docket (the "Energy Efficiency Docket") in which to consider these matters, among other things, and (2) determined

the parties and participants for the Rate Case Docket and the newly formed Energy Efficiency Docket to address and examine the Proposed DSM Programs.¹

On March 21, 2005, DoD filed a Motion for Clarification of Order No. 21698, or in the Alternative, Motion to Intervene and Become a Party, and Certificate of Service ("DoD's Motion"). On March 29, 2005, HECO filed a letter stating that it does not oppose the DoD's Motion, provided that DoD does not broaden the issues or delay the proceedings.

On April 4, 2005, HSEA filed a Motion to Intervene and Become a Party ("HSEA's Motion to Intervene"). That same day, HREA also requested to intervene and become a party ("HREA's Motion to Intervene").²

II.

Discussion

Hawaii Administrative Rules ("HAR") § 6-61-55, which governs intervention in our proceedings, requires, among other things, the movant to state the facts and reasons for the proposed intervention, and its position and interest thereto. Furthermore, HAR § 6-61-55(d) states that "[i]ntervention shall not be granted except on allegations which are reasonably

¹The commission noted that the deadline by which all motions to intervene in this docket was twenty (20) days from the date of Order No. 21698, or April 5, 2005.

²Motion to Intervene of Hawaii Renewable Energy Alliance and Certificate of Service, filed on April 4, 2005.

pertinent to and do not unreasonably broaden the issues already presented."

A.

DoD

DoD maintains numerous military installations within the State of Hawaii ("State") that obtain and use electric services from HECO. In its Motion, DoD states that its Motion to Intervene filed in Docket No. 04-0113 ("Rate Case Docket Motion") addressed both the rate increases proposed by HECO as well as HECO's Proposed DSM Programs. It further states that Order No. 21698 was ambiguous as to whether DoD's Motion to Intervene was being granted only to Docket No. 04-0113 or as to both Docket Nos. 04-0113 and 05-0069, since Order No. 21698 stated at ordering paragraph number 3 that "DoD's Motion to Intervene is granted," while concluding at page 14 that "DoD's Motion to Intervene in the Rate Case Docket should be granted." We disagree as we found DoD's Rate Case Docket Motion provided information demonstrating DoD's interests in only the Rate Case Docket. Accordingly, we clarify that in issuing Order No. 21698, the commission intended to grant DoD intervenor status solely in the Rate Case Docket.

In support of its alternate request to intervene in the Energy Efficiency Docket, DoD states, among other things, that it is "not unlikely that [its] positions may be different from those advocated by HECO, the Consumer Advocate, Life of the Land, Rocky Mountain Institute, the County of Maui, or any other party

to the proceeding." In addition, it states that the "matters which are the subject of this docket could have a substantial impact on the Movant."

Upon our review, we find that HECO's Proposed DSM Programs have the potential to have great impact to DoD, "one of the largest purchasers of electric services in the State...." Therefore, we find that DoD has substantial interests that are reasonably pertinent to the matters raised in the Energy Efficiency Docket and that its participation will not broaden the issues or unduly delay the proceedings. Accordingly, we conclude that DoD should be granted intervention in the Energy Efficiency Docket.

B.

HSEA

HSEA, a non-profit trade association, was incorporated in the State in 1977, and was granted an exemption from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986 ("I.R.C."). HSEA declares its organizational purposes as "to promote the utilization and commercialization of renewable energy resources in the State of Hawaii, to advance consumer education and understanding of solar energy technologies, and to develop sound trade and technical practices among its member companies."

In support of its Motion to Intervene, HSEA lists a number of HECO's dockets to which it has been granted intervention, including Docket No. 00-0209, which also examined

HECO's DSM programs. It further states that solar water heating technology is a major component of HECO's Proposed DSM Programs to be reviewed in the Energy Efficiency Docket. HSEA advises that it "represents the majority of the solar manufacturers, suppliers and contractors participating in HECO's existing DSM programs, and very likely will represent the manufacturers, suppliers and contractors participating in the Proposed DSM Programs."

Upon review, we find that HSEA's interests are reasonably pertinent to HECO's Proposed DSM Programs and that its participation will not broaden the issues or unduly delay the proceedings. Accordingly, we conclude that HSEA's Motion to Intervene in the Energy Efficiency Docket should be granted.

C.

HREA

HREA is a Hawaii-based, private, non-profit corporation, exempt from federal income tax under I.R.C. Section 501(c)(6). It is composed of developers, manufacturers, distributors, scientists, engineers, and advocates of renewable energy.

HREA similarly lists numerous commission dockets in which it or its members have been allowed to intervene or participate, and states that it has a "substantial and continuing interest in the subject of renewable energy and energy efficiency policy and implementation in the electric utility sector." HREA states that its member organizations and individuals are

owners, employees, consultants, or agents involved in and/or considering demand-side and load management programs, and are concerned about the structure of these programs, access to the market, and other issues.

Upon review, the commission finds that HREA's interests are reasonably pertinent to HECO's Proposed DSM Programs and that its participation will not broaden the issues or unduly delay the proceedings. Therefore, the commission will grant it intervention in the Energy Efficiency Docket.

To assist in the efficient disposition of the instant proceeding, we find it necessary to establish procedures and a schedule. Thus, we conclude that HECO, THE DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), and the persons allowed to intervene or participate in this docket should meet informally to determine the issues, procedures, and schedule with respect to this proceeding, to be set forth in a stipulated procedural order that shall be submitted for commission approval within thirty (30) days from the date of this order. In the alternative, if the parties are unable to stipulate to such an order, we conclude that each party shall submit a proposed procedural order for the commission's consideration within thirty (30) days from the date of this order.

III.

Orders

THE COMMISSION ORDERS:

1. DoD's Motion to Intervene in the Energy Efficiency Docket is granted.

2. HSEA's Motion to Intervene in the Energy Efficiency Docket is granted.

3. HREA's Motion to Intervene in the Energy Efficiency Docket is granted.

4. HECO, the Consumer Advocate, and the persons granted intervention or participation in this docket shall meet informally to determine the issues, procedures, and schedule with respect to the instant docket, to be set forth in a stipulated procedural order. The stipulated procedural order shall be submitted for commission approval within thirty (30) days from the date of this order. If the parties are unable to stipulate to such an order, each party shall submit its own proposed procedural order for the commission's consideration within thirty (30) days from the date of this order.

DONE at Honolulu, Hawaii APR 14 2005.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By Carlito P. Caliboso
Carlito P. Caliboso, Chairman

By Wayne H. Kimura
Wayne H. Kimura, Commissioner

By Janet E. Kawelo
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Catherine P. Awakuni
Catherine P. Awakuni
Commission Counsel

05-0069.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21749 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

WILLIAM A. BONNET
VICE PRESIDENT - GOVERNMENT AND COMMUNITY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P. O. Box 2750
Honolulu, HI 96840-0001

PATSY H. NANBU
CONTROLLER
HAWAIIAN ELECTRIC COMPANY, INC.
P. O. Box 2750
Honolulu, HI 96840-0001

DARCY ENDO-OMOTO
INTERIM DIRECTOR - REGULATORY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P. O. Box 2750
Honolulu, HI 96840-0001

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

DR. KAY DAVOODI
UTILITIES RATES AND STUDIES OFFICE
NAVFAC WASHINGTON
1314 Harwood Street, S.E.
Washington Navy Yard, DC 20374-5018

Certificate of Service

Page 2

RANDALL Y.K. YOUNG, ESQ.
NAVAL FACILITIES ENGINEERING COMMAND PACIFIC
258 Makalapa Drive, Suite 100
Pearl Harbor, HI 96860-3134


E. KYLE DATTA
ROCKY MOUNTAIN INSTITUTE
P. O. Box 390303
Keauhou, HI 96739

HENRY Q CURTIS
VICE PRESIDENT FOR CONSUMER ISSUES
LIFE OF THE LAND
76 North King Street, Suite 203
Honolulu, HI 96817

BRIAN T. MOTO, ESQ.
CINDY Y. YOUNG, ESQ.
DEPARTMENT OF THE CORPORATION COUNSEL
COUNTY OF MAUI
200 South High Street
Wailuku, HI 96793

RICHARD R. REED
PRESIDENT
HAWAII SOLAR ENERGY ASSOCIATION
P. O. Box 37070
Honolulu, HI 96837

WARREN S. BOLLMEIER, II
PRESIDENT
HAWAII RENEWABLE ENERGY ALLIANCE
46-040 Konane Place, #3816
Kaneohe, HI 96744



Karen Higashi

DATED: APR 14 2005