

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----In the Matter of----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting a Proceeding to)
Investigate Competitive Bidding)
for New Generating Capacity in)
Hawaii.)
_____)

DOCKET NO. 03-0372

ORDER NO. 22249

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2006 JAN 30 A 8:30
DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

Filed Jan. 27, 2006
At 11:35 o'clock A .M.

Karen Higashi
Chief Clerk of the Commission

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-----)
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PUBLIC UTILITIES COMMISSION) Docket No. 03-0372
)
Instituting a Proceeding to) Order No. 22249
Investigate Competitive Bidding)
for New Generating Capacity in)
Hawaii.)
_____)

ORDER

By this Order, the commission amends the Regulatory Schedule set forth in Exhibit A of Order No. 21575, filed on January 28, 2005, consistent with the Parties' intent to file with the commission by March 31, 2006, a Joint Submission setting forth the Parties' areas of agreement and disagreement relating to the commission's Outline of Post-Hearing Questions, dated December 30, 2005 ("Joint Submission").¹ In particular, the commission sets the following deadlines:

Parties' Joint Submission	March 31, 2006
Opening Briefs	April 17, 2006
Reply Briefs	May 1, 2006
Oral Argument	May 2, 2006, 9:00 a.m.

¹The Parties are HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED (collectively, the "HECO Utilities"), KAUAI ISLAND UTILITY COOPERATIVE, HAWAII RENEWABLE ENERGY ALLIANCE ("HREA"), and the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate").

I.

Background

On December 12 - 16, 2005, the commission held a Panel Hearing to discuss the issues related to competitive bidding in the local electric utility industry, as set forth in the commission's Outline of Panel Topics for Discussion, dated December 2, 2005. As a result of the Consumer Advocate's efforts at the hearing held on December 16, 2005, the Parties proposed to file with the commission: (1) a Joint Submission outlining their areas of agreement and disagreement; and (2) their Post-Hearing Briefs discussing the Parties' respective positions on their areas of disagreement. The Parties also agreed to defer oral arguments to a later date, following the filing of the Parties' Post-Hearing Briefs.²

To assist the Parties' efforts in this regard, the commission, on December 30, 2005, distributed to the Parties an Outline of Post-Hearing Questions "the Parties should address in their [forthcoming Joint Submission] and Post-Hearing Briefs[," with a request that the "Parties address each question in their Post-Hearing Briefs, even if the issue is ultimately settled by the Parties."³

²On December 16, 2005, HREA presented oral argument, with the Parties agreeing to allow HREA to participate in oral arguments anew. The hearing is presently in recess, pending the completion of oral arguments.

³Commission letter, dated December 30, 2005, at 1. "At the December 16, 2005 hearing, the Outline of Post-Hearing Questions was referred to as a 'Table of Contents.'" Id. at 1 n.1.

II.

Amendment of the Regulatory Schedule

The Regulatory Schedule, as amended, presently provides that the Parties shall simultaneously file their: (1) Post-Hearing Opening Briefs within four (4) weeks after the hearing transcript is completed and filed with the commission; and (2) Post-Hearing Reply Briefs within three (3) weeks after the filing of the Opening Briefs.⁴

By letter dated January 9, 2006, the Parties, through the Consumer Advocate, propose to amend the Regulatory Schedule by: (1) filing their Joint Submission by March 31, 2006; and (2) designating new deadline dates, to be determined later, for the filing of their respective Post-Hearing Opening and Reply Briefs thereafter. As explained by the Parties:

The [P]arties respectfully inform the Commission of their proposal to hold working sessions through either meetings or conference calls every two weeks at mutually acceptable times and locations, starting with the week of January 23, 2006 to discuss a competitive bidding framework for the Commission's consideration in the above docketed matter. At this time, the [P]arties prefer to have the flexibility to set the specific dates for the meetings based on existing work and availability. It is the [P]arties' expectation that a joint submission setting forth those areas of agreement/disagreement can be submitted by March 31, 2006.

Consumer Advocate's letter, dated January 9, 2006, at 1 (emphasis added).

⁴See Order No. 21575, Exhibit A, Regulatory Schedule; and Order No. 22153, filed on December 1, 2005.

Having considered the Parties' proposal and the time constraints articulated by the commission at the Panel Hearing, the commission hereby amends the Regulatory Schedule by setting (1) March 31, 2006, as the deadline for the Parties to file their Joint Submission with the commission, identifying their areas of agreement and disagreement for the commission's review and consideration; (2) April 17, 2006, as the deadline for the Parties to file their Opening Briefs; (3) May 1, 2006, as the deadline for the Parties to file their Reply Briefs; and (4) May 2, 2006, 9:00 a.m., as the date and time for the oral argument hearing, at the commission's hearing room (465 S. King Street, Room B-3).

The Parties' Joint Submission shall: (1) identify their areas of agreement and disagreement for each issue identified in the Outline of Post-Hearing Questions, dated December 30, 2005; and (2) be consistent with the public interest and applicable law.

The Parties' Opening Briefs shall: (1) address each and every issue identified in the Outline of Post-Hearing Questions, dated December 30, 2005, "even if the issue is ultimately settled by the Parties[;]"⁵ and (2) fully discuss the party's analysis and rationale, with supporting references to the docket record.

The commission emphasizes that its resolution of the competitive bidding process (tariffs, rulemaking, an Integrated Resource Planning-type framework, or other options) shall be

⁵Commission's letter, dated December 30, 2005, at 1.

consistent with the public interest and applicable law. Thus, the commission, as the ultimate decision-making body, will determine whether any of the Parties' agreements are consistent thereto, and are fully supported by sound analysis, rationale, and evidence. The commission makes it clear that it is not necessarily bound by any of the agreements reached between the Parties.

III.

Orders

THE COMMISSION ORDERS:

1. The Regulatory Schedule set forth in Exhibit A of Order No. 21575, filed on January 28, 2005, is amended by setting: (A) March 31, 2006, as the deadline for the Parties to file their Joint Submission with the commission, identifying their areas of agreement and disagreement for the commission's review and consideration; (B) April 17, 2006, as the deadline for the Parties to file their Opening Briefs; (C) May 1, 2006, as the deadline for the Parties to file their Reply Briefs; and (D) May 2, 2006, 9:00 a.m., as the date and time for the oral argument hearing, at the commission's hearing room (465 S. King Street, Room B-3).

2. The Parties' Joint Submission shall: (A) identify their areas of agreement and disagreement for each issue identified in the Outline of Post-Hearing Questions, dated December 30, 2005; (B) be consistent with the public interest and applicable law.

3. The Parties' Opening Briefs shall: (A) address each and every issue identified in the Outline of Post-Hearing Questions, dated December 30, 2005, even if the issue is ultimately settled by the Parties; and (B) fully discuss the party's analysis and rationale, with supporting references to the docket record.

4. Further commission action will follow.

DONE at Honolulu, Hawaii JAN 27 2006.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By *Carlito P. Caliboso*
Carlito P. Caliboso, Chairman

(EXCUSED)
By _____
Wayne H. Kimura, Commissioner

By *Janet E. Kawelo*
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Michael Azama
Michael Azama
Commission Counsel

03-0372.cs

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 22249 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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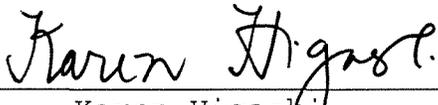
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Karen Higashi

DATED: JAN 27 2006