

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
HAWAII ELECTRIC LIGHT COMPANY, INC.)
)
For Approval to Provide Renewable)
Resource Power to Support)
Technology Validation of a Hydrogen)
Fueling System by Hawaii Natural)
Energy Institute at the Hawaii)
Hydrogen Power Park in the Hawaii)
Gateway Energy Center Located at)
the Natural Energy Laboratory)
Hawaii Authority Campus.)
_____)

DOCKET NO. 2007-0014

ORDER NO. 23264

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

2007 FEB 16 A 8:17

RECEIVED

Filed Feb. 15, 2007
At 11 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.

Karen Higashi

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Docket No. 2007-0014

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ORDER

By this Order, the commission instructs HAWAII ELECTRIC LIGHT COMPANY, INC. ("HELCO") and the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate"), to submit a stipulated procedural schedule for the commission's review and consideration.¹ Alternatively, in the absence of a formal procedural schedule, the Parties shall, at a minimum, identify their agreed-upon deadlines for the Consumer Advocate and HELCO to file their position and rebuttal statements, respectively, and notify the commission accordingly.

¹The Consumer Advocate is an ex officio party to this proceeding, pursuant to Hawaii Revised Statutes ("HRS") § 269-51 and Hawaii Administrative Rules § 6-61-62(a). HELCO and the Consumer Advocate are collectively referred to as the "Parties."

HELCO filed its Application with the commission on January 16, 2007, and served a copy of its Application upon the Consumer Advocate. HELCO's Application; Verification; Attachments A and B; and Certificate of Service, filed on January 16, 2007 (collectively, "Application").

I.

Background

HELCO is the franchised provider of electric utility service on the island of Hawaii.

The Hawaii Hydrogen Power Park was established to support the United States Department of Energy's ("U.S. DOE") Technology Validation Program.² Specifically, the Hawaii Hydrogen Power Park "conducts engineering and economic valuation of pre-commercial hydrogen technologies in a real-world environment."³ The Hawaii Hydrogen Power Park is funded by the U.S. DOE through the State of Hawaii Energy Office, with the Hawaii Natural Energy Institute ("HNEI") as its implementing partner.

To expand the capabilities of the Hawaii Hydrogen Power Park, HNEI, in June 2006, leased new laboratory building and office space in the Hawaii Gateway Energy Center, located at the Natural Energy Laboratory of Hawaii Authority ("NELHA") campus on the island of Hawaii.⁴ HNEI intends to utilize the new hydrogen

²HELCO's Application, Attachment A, Statement of Work: Hawaii Hydrogen Power Park - Technology Validation of a Hydrogen Fueling System ("Attachment A"), at 1.

³HELCO's Application, Attachment A, at 1.

⁴HELCO's Application, Attachment A, at 1. NELHA is a State of Hawaii agency established to "facilitate research, development, and commercialization of natural energy resources and ocean-related research, technology, and industry in Hawaii and to engage in retail, commercial, or tourism activities that will financially support that research, development, and commercialization at a research and technology park in Hawaii." HRS § 227D-2(a).

fueling facility to: (1) test and validate distributed energy resource technologies; and (2) continue to validate hydrogen technologies under the continuation of the Hawaii Hydrogen Power Park project.⁵ HNEI's proposal, in essence, is described as "a technology validation of a hydrogen fueling system[,]"⁶ or HNEI's Technology Validation Project.

Subject to the commission's approval, HELCO has agreed to provide electricity to HNEI at a reduced rate, limited to electricity used by HNEI's electrolyzer and associated ancillary equipment, for a maximum period of four years, pursuant to a written agreement between HELCO and HNEI.⁷ HELCO represents that: (1) the primary source of renewable energy supplied by HELCO to HNEI will be the HELCO-owned photovoltaic facilities; (2) other sources of renewable energy will include geothermal energy and wind energy; (3) the use of renewable energy will benefit renewable energy producers to the extent that it reduces the curtailment of HELCO power purchases due to low load conditions; and (4) the reduced electric rate is in the public interest because it will support the research and development of a hydrogen fueling system.

HELCO seeks the commission's approval: (1) to provide renewable resource power at a reduced rate, for the four-year project term, to support technology validation of a hydrogen

⁵HELCO's Application, Attachment A, at 1.

⁶HELCO's Application, at 4.

⁷The written agreement is attached as Attachment B to HELCO's Application.

fueling system by HNEI at the Hawaii Hydrogen Power Park; and (2) of its written agreement with HNEI, which codifies the terms and conditions between HELCO and HNEI in supplying the renewable resource power at a reduced rate to HNEI.⁸ HELCO makes its requests pursuant to HRS § 269-16 and its Tariff Rule 4, governing service contracts.

The development of the hydrogen fueling system (design, permitting, site improvements, other tasks) is scheduled to commence in the fourth quarter of 2006.⁹ Under the circumstances, the commission finds it prudent and feasible to instruct the Parties to submit a stipulated procedural schedule for the commission's review and consideration.

II.

Orders

THE COMMISSION ORDERS:

1. Within thirty days from the date of this Order, the Parties shall submit to the commission a stipulated procedural schedule, incorporating their agreed-upon schedule with respect to this proceeding.

2. If the Parties are unable to stipulate to such a schedule, each party shall submit a proposed procedural schedule for the commission's consideration by the same date. Alternatively, in the absence of a formal procedural schedule,


⁸The written agreement is attached as Attachment B to HELCO's Application.

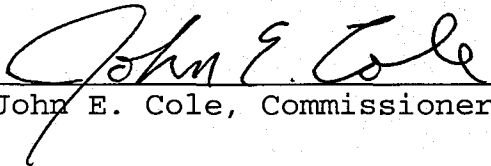
⁹HELCO's Application, Attachment A, at 5, Schedule.

the Parties shall, at a minimum, identify their agreed-upon deadlines for the Consumer Advocate and HELCO to file their position and rebuttal statements, respectively, and notify the commission accordingly.

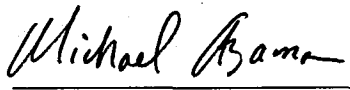
DONE at Honolulu, Hawaii FEB 15 2007.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
John E. Cole, Commissioner

APPROVED AS TO FORM:


Michael Azama
Commission Counsel

2007-0014.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 23264 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

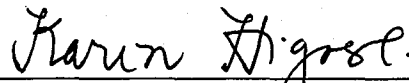
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Karen Higashi

DATED: FEB 15 2007