

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of)  
HAWAIIAN ELECTRIC COMPANY, INC. )  
For Approval of a Commercial and )  
Industrial New Construction )  
Program, Recovery of Program Costs )  
and Lost Revenues, and )  
Consideration for Shareholder )  
Incentives. )

DOCKET NO. 94-0010

In the Matter of the Application of)  
HAWAIIAN ELECTRIC COMPANY, INC. )  
For Approval of a Commercial and )  
Industrial Customized Rebate )  
Program, Recovery of Program Costs )  
and Lost Revenues, and )  
Consideration for Shareholder )  
Incentives. )

DOCKET NO. 94-0011

In the Matter of the Application of)  
HAWAIIAN ELECTRIC COMPANY, INC. )  
For Approval of a Commercial and )  
Industrial Efficiency Program, )  
Recovery of Program Costs and Lost )  
Revenues, and Consideration for )  
Shareholder Incentives. )

DOCKET NO. 94-0012

(CONSOLIDATED)

DECISION AND ORDER NO. 23947

Filed December 31, 2007

At 10 o'clock A.M.

*for* Stan A. D.  
Chief Clerk of the Commission

ATTEST: A True Copy  
KAREN HIGASHI  
Chief Clerk, Public Utilities  
Commission, State of Hawaii.

*for* Charles R. Iui

RECEIVED

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DIV. OF CONSUMER SERVICES  
PUBLIC UTILITIES COMMISSION  
STATE OF HAWAII

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of )  
HAWAIIAN ELECTRIC COMPANY, INC. ) Docket No. 94-0010  
For Approval of a Commercial and )  
Industrial New Construction )  
Program, Recovery of Program Costs )  
and Lost Revenues, and )  
Consideration for Shareholder )  
Incentives. )

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In the Matter of the Application of )  
HAWAIIAN ELECTRIC COMPANY, INC. ) Docket No. 94-0011  
For Approval of a Commercial and )  
Industrial Customized Rebate )  
Program, Recovery of Program Costs )  
and Lost Revenues, and )  
Consideration for Shareholder )  
Incentives. )

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In the Matter of the Application of )  
HAWAIIAN ELECTRIC COMPANY, INC. ) Docket No. 94-0012  
For Approval of a Commercial and ) (Consolidated)  
Industrial Efficiency Program, )  
Recovery of Program Costs and Lost ) Decision and Order No. 23947  
Revenues, and Consideration for )  
Shareholder Incentives. )

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DECISION AND ORDER

By this Decision and Order, the commission approves HAWAIIAN ELECTRIC COMPANY, INC.'s ("HECO") request to reduce the customer incentive levels for compact fluorescent lamps ("CFLs") for its Commercial and Industrial New Construction ("CINC") and

Commercial Industrial Energy Efficiency ("CIEE") Programs, as described below.

I.

Request to Reduce Customer Incentive Levels

By letter dated and filed on August 29, 2007,<sup>1</sup> HECO requests commission approval to reduce the customer incentive levels for CFLs for its CINC and CIEE Programs, as follows:

CINC Program

	Current Incentive	Proposed Incentive
CFL - Screw In	\$2.50	\$1.25
CFL - Reflector	\$5.00	\$2.50
CFL - Dimmable	\$5.00	\$2.50
CFL - Cold Cathode	\$5.00	\$2.50
CFL - Pin Mount	\$5.00	\$2.50

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<sup>1</sup>HECO filed its request in this docket and in Docket No. 05-0069. To ensure the completeness of the commission's records, the commission will also file a copy of this Decision and Order in Docket No. 05-0069.

CIEE Program

	Current Incentive	Proposed Incentive
CFL - Screw In	\$5.00	\$2.50
CFL - Reflector	\$10.00	\$5.00
CFL - Dimmable	\$10.00	\$5.00
CFL - Cold Cathode	\$10.00	\$5.00
CFL - Pin Mount	\$10.00	\$5.00

According to HECO, the current customer incentives for CFLs approved in Decision and Order No. 23258 filed on February 13, 2007, in Docket No. 05-0069, were based on an estimated installed cost of \$20 - \$40 per CFL in commercial applications. HECO asserts that the availability of CFLs in the marketplace has significantly increased thereby driving costs down, which has resulted in installed costs of CFLs, including labor, to be \$10 - \$15 per CFL.<sup>2</sup> As such, "HECO maintains that a reduction in the customer incentive level is warranted, and that the reduced customer incentive level should be sufficient to drive the continued adoption by commercial customers of this

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<sup>2</sup>HECO's Response to PUC-IR-1.

energy efficiency measure."<sup>3</sup> The DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate")<sup>4</sup> does not object to HECO's request.

Here, given the reduction in the installed costs of CFLs, it is appropriate to reduce the customer incentive levels. As noted by HECO, "[r]atepayer funded [demand-side management ("DSM")] programs need to strike a balance between offering customer incentives to motivate customers to install energy efficient measures and/or adopt new technologies versus overpaying incentives and/or providing incentives to customers who would have installed the energy efficiency measure even without a utility DSM program."<sup>5</sup> Accordingly, the commission approves HECO's request to reduce the customer incentive levels for CFLs for its CINC and CIEE Programs, as described herein.

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<sup>3</sup>Letter dated and filed August 29, 2007, from William A. Bonnet, Vice President of Government & Community Affairs, HECO, to the commission, at 2.

<sup>4</sup>By letter dated and filed on December 3, 2007, the Consumer Advocate informed the commission that it does not object to commission approval of HECO's request to reduce the CFL customer incentive levels. The Consumer Advocate is an ex officio party to this docket, pursuant to Hawaii Revised Statutes § 269-51 and Hawaii Administrative Rules § 6-61-62.

<sup>5</sup>HECO's Response to PUC-IR-1.

II.

Order

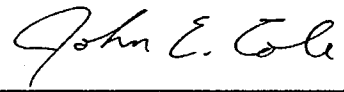
THE COMMISSION ORDERS:


HECO's request to reduce the customer incentive levels for CFLs for its CINC and CIEE Programs, as described herein, is approved.

DONE at Honolulu, Hawaii DEC 31 2007.

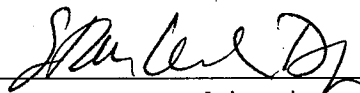
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By:   
Carlito P. Caliboso, Chairman

By:   
John E. Cole, Commissioner

By:   
Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

  
Stacey Kawasaki Djou  
Commission Counsel

94-0010, et al.1aa

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 23947 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

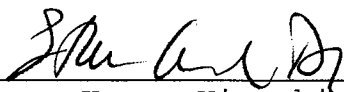
CATHERINE P. AWAKUNI  
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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
P. O. Box 541  
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Counsel for HECO

  
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for Karen Higashi

DATED: DEC 31 2007