

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In The Matter Of The Application Of

HAWAIIAN ELECTRIC COMPANY, INC.

DOCKET NO. 2008-0329

For Waiver of the Airport Dispatchable Standby Generation Project from the Competitive Bidding Framework, Approval of a Dispatchable Standby Generation Agreement with the State of Hawaii Department of Transportation, Approval of the Dispatchable Standby Generation Project Cost Accounting, Approval to Include the Project Fuel Costs in Hawaiian Electric Company, Inc.'s Energy Cost Adjustment Clause, and Approval to commit Funds in Excess of \$2,500,000.

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

STIPULATED PROCEDURAL ORDER

AND

CERTIFICATE OF SERVICE

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

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FILED

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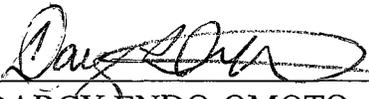
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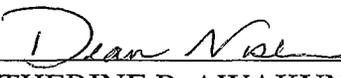
For Waiver of the Airport Dispatchable Standby Generation Project from the Competitive Bidding Framework, Approval of a Dispatchable Standby Generation Agreement with the State of Hawaii Department of Transportation, Approval of the Dispatchable Standby Generation Project Cost Accounting, Approval to Include the Project Fuel Costs in Hawaiian Electric Company, Inc.'s Energy Cost Adjustment Clause, and Approval to commit Funds in Excess of \$2,500,000.

STIPULATED PROCEDURAL ORDER

Applicant Hawaiian Electric Company, Inc. ("HECO") and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (the "Consumer Advocate") hereby stipulate that the attached Stipulated Procedural Order is mutually acceptable to each respective party.

DATED: Honolulu, Hawaii, February 23, 2009.


DARCY ENDO-OMOTO
Vice President
Government and Community Affairs
Hawaiian Electric Company, Inc.


for CATHERINE P. AWAKUNI
Executive Director
Division of Consumer Advocacy
Department of Commerce and Consumer Affairs

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STIPULATED PROCEDURAL ORDER

On December 31, 2008, Hawaiian Electric Company, Inc. ("HECO") filed an application requesting that the Commission: (1) waive the Honolulu International ("HNL") Distributed Standby Generation ("DSG") Project (the "Airport DSG Project") from the Competitive Bidding Framework under Parts II.A.3.b(i), b(iii), b(iv), c(iii) and d of the framework; (2) approve its DSG Agreement with the State of Hawaii, Department of Transportation, Airports Division, dated September 24, 2008; (3) approve the inclusion of HECO's DSG fuel costs, ground transportation, and related taxes in HECO's Energy Cost Adjustment Clause to the extent that the costs are not recovered in HECO's base rates; (4) approve the proposed accounting and ratemaking treatment for the DSG

Agreement; (5) approve the commitment of funds in excess of \$2,500,000 for the project (currently estimated at \$3,400,000; and (6) grant HECO such other and further relief as may be just and equitable in the premises. HECO served copies of the application on the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (the "Consumer Advocate").

By Order Instructing the Parties to Submit a Stipulated Procedural Schedule, filed January 13, 2009, the Commission ordered HECO and the Consumer Advocate to submit a stipulated procedural schedule for the Commission's review and consideration.¹

On January 20, 2009, Life of the Land ("LOL") filed a Motion to Intervene in the subject proceeding.

On January 27, 2009, HECO filed a memorandum in opposition to LOL's Motion to Intervene in the subject proceeding.

On February 10, 2009, the Commission issued an Order Denying Life of the Land's Motion to Intervene in the subject proceeding.

By letter dated February 11, 2009, the Commission counsel notified the Parties that the deadline to submit their stipulated procedural schedule with the Commission is February 23, 2009².

HECO and the Consumer Advocate have reached agreement on procedural matters and submit this Stipulated Procedural Order to the Commission, which is acceptable to

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

² Order instructing the Parties to Submit a Stipulated Procedural Schedule, filed on January 13, 2009 (within ten days from the filing of the commission's decision on a motion to intervene).

the parties.

ACCORDINGLY, IT IS ORDERED that the following Statement of the Issues, Schedule of Proceedings and procedures shall be utilized in this docket.

I.

STATEMENT OF THE ISSUES

The issues in this docket are:

1. Should the DSG Project be waived from the Competitive Bidding Framework under Parts II.A.3.b(i), b(iii), b(iv), c(iii), and d of such framework.
2. Whether the DSG Agreement between HECO and the State of Hawaii, Department of Transportation, Airports Division, dated September 24, 2008, should be approved.
 - a. Whether HECO should be allowed to include the DSG fuel costs, ground transportation, and related taxes in HECO's Energy Cost Adjustment Clause.
 - b. Whether the proposed accounting and ratemaking treatment for the DSG Agreement should be approved.
 - c. Whether HECO's proposed commitment of funds for the Airport DSG Project should be approved.

II.

SCHEDULE OF PROCEEDINGS

HECO Application for Approval of a DSG Agreement with the State of Hawaii	December 31, 2008
Consumer Advocate Information Requests (“IRs”) to HECO ³	March 6, 2009
HECO IR Responses to Consumer Advocate ³	March 20, 2009
Consumer Advocate Statement of Position (“SOP”)	April 13, 2009
HECO Reply SOP, if necessary*	April 24, 2009
* If the Consumer Advocate objects to approval of the application, or requests that approval be subject to conditions.	

If there are substantial disagreements following the filing of the SOPs, and the parties cannot resolve the differences by stipulation and the parties do not waive the right to a hearing, the parties shall propose a hearing schedule (including the filing of simultaneous post-hearing briefs) for Commission approval.

If HECO determines that a Reply SOP is unnecessary, HECO and the Consumer Advocate will notify the Commission that the proceeding is ready for decision making.

The 90 day deadline for the Commission to issue a decision and order regarding HECO’s application is March 31, 2009, pursuant to paragraph 2.3(g)(2) of General Order No. 7. Since the proposed schedule includes certain deadline dates that extend after

³ Whenever possible, parties will provide a copy of documents on diskette upon request.

March 31, 2009, HECO and the Consumer Advocate hereby waive the 90 day deadline for the Commission to issue a decision and order for the subject application.

III.

MISCELLANEOUS MATTERS TO FACILITATE AND EXPEDITE THE ORDERLY CONDUCT OF THESE PROCEEDINGS

A. Requests for Information

To the extent practical, HECO and the Consumer Advocate will cooperate (1) by exchanging information requests and responses as they become available, and (2) by resolving questions regarding information requests and responses informally to attempt to work out problems with respect to understanding the scope or meaning of information requests, or with respect to the availability of information. If a party is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring party as soon as possible. The parties shall then endeavor to agree upon a later date for submission of the requested information.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials, the documents or materials may be made available for reasonable inspection and copying at a mutually agreeable designated location and time. In the event such information is available on computer diskette or other readily usable electronic medium, the party responding to the information request may make the diskette or such electronic medium available to the other party and the Commission.

A party shall not be required, in a response to an information request, to provide

data that is/are already on file with the Commission or otherwise part of the public record, or that may be stipulated to pursuant to Part B, infra. The responding party shall, in lieu of production of a document in the public record, include in its response to the information request an identification of the document with reasonable specificity sufficient to enable the requesting party to locate and copy the document. In addition, a party shall not be required, in a response to an information request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

A party may object to responding to an information request that it deems to be irrelevant, immaterial, unduly burdensome, onerous or repetitious, or where the response contains information claimed to be privileged or subject to protection (confidential information). If a party claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the party shall: (1) provide information reasonably sufficient to identify the confidential information withheld from the response, without disclosing privileged or protected information; (2) state the basis for withholding the confidential information (including, but not limited to, the specific privilege applicable or protection claimed for the confidential information and the specific harm that would befall the party if the information were disclosed); and (3) state whether the party is willing to provide the confidential information pursuant to a protective order governing this docket.

A party seeking production of documents notwithstanding a party's claim of confidentiality, may file a motion to compel production with the Commission.

B. Matters of Public Record

In order to provide a means to reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record, such as reports that HECO has filed with the Commission, published decisions of this or other Commissions, published scientific or economic statistical data, material and textbooks, technical or industry journals relating to electric utility matters, and specified parts of the record in previous Commission dockets shall be admissible in this proceeding without the necessity of reproducing each document; provided that the document to be admitted is clearly identified by reference to the place of publication, file or docket number, and the identified document is available for inspection by the Commission and the parties; and further provided that any party has the right to explain, qualify or conduct examination with respect to the identified document. The Commission can rule on whether the identified document can be admitted into evidence when a party proffers such document for admission as evidence in this case.

From time to time, the parties may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

C. Copies of Filings, Information Requests, Responses to Information Requests, Statement of Position:

1. Filings:

Commission	Original + 8 copies
Consumer Advocate	2 copies
HECO	2 copies

2. All pleadings, and other documents required to be filed with the Commission shall comply with the formatting requirements prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-16 of the Commission's Rules of Practice and Procedure and shall be filed at the office of the Commission in Honolulu within the time limit prescribed pursuant to Chapter 61, subchapter 2, section 6-61-15 of the Commission's Rules of Practice and Procedure.

3. Copies of all filings, information requests and information request responses should be sent to the other parties by hand delivery or United States mail (first class, postage prepaid). In addition, if available, all parties shall provide copies of their filings, information requests and information request responses to the other parties via CD or e-mail in a standard electronic format that is readily available by the parties. The parties agree to use Word 97, Word 2000, or Word 2003 as the standard programming format for filings in this case. However, if workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a party shall not be required to convert such workpapers, documentation, or exhibits into an electronic format. Also, existing documents produced in response to requests need not be converted to Word 97/Word 2000/Word 2003 as long as the applicable format is identified. In the

event a copy of a filing, information request or information request response is delivered to a party via CD or e-mail, unless otherwise agreed to by such party, the same number of copies of such filing, information request or information request response must still be delivered to such party by hand delivery or United States mail (first class, postage prepaid) as provided above.

D. Communications

Chapter 61, subchapter 3, section 6-61-29 of the Commission's Rules of Practice and Procedure concerning ex parte communications is applicable to any communications between a party and the Commission. However, the parties may communicate with Commission counsel on matters of practice and procedure through their own counsel or designated official.

Communications between the parties should either be through counsel or through designated representatives. All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing party. All motions, supporting memoranda, and the like shall also be served on opposing counsel, if any.

E. General

These procedures are consistent with the orderly conduct of this docket. This Stipulated Procedural Order shall control the subsequent course of these proceedings, unless modified by the Parties in writing and approved by the Commission, or upon the Commission's own motion.

This Stipulated Procedural Order may be executed by the Parties in counterparts,

each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The parties may execute this Stipulated Procedural Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

APPROVED AND SO ORDERED THIS FEB 27 2009,

at Honolulu, Hawaii.

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:


Michael Azama
Commission Counsel

CERTIFICATE OF SERVICE

The foregoing Stipulated Procedural Order was served on the date of filing by
mail, postage prepaid and properly addressed to the following parties:

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