

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting a Proceeding)
Related to a Competitive)
Bidding Process for Firm)
Generating Capacity on Maui.)
-----)

DOCKET NO. 2007-0403

ORDER CLOSING DOCKET

PUBLIC UTILITIES
COMMISSION

2009 NOV 25 P 1:01

FILED

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PUBLIC UTILITIES COMMISSION) Docket No. 2007-0403
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Instituting a Proceeding)
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Bidding Process for Firm)
Generating Capacity on Maui.)
_____)

ORDER CLOSING DOCKET

By this Order, the commission grants MAUI ELECTRIC COMPANY, LIMITED's ("MECO") request to close this proceeding without prejudice and terminate the contract of its Independent Observer ("IO"), Harold T. Judd of Accion Group, Inc.

This docket was opened at MECO's request on December 6, 2007, to receive filings, review approval requests, and resolve disputes, if necessary, related to MECO's plan to proceed with a competitive bidding process to acquire two separate increments of approximately 20 to 25 MW of firm generating capacity on the island of Maui in the 2011 and 2015 timeframes ("Competitive Bidding Process").¹ By letter filed on March 24, 2008, the commission approved Harold T. Judd as the IO for the Competitive Bidding Process.

By letter dated and filed on October 15, 2009, MECO asserts that the "need date for the next increment of firm capacity has been deferred from 2015 to 2021, primarily as a

¹Order No. 23872, filed on December 6, 2007.

result of the reduction in the forecast of peak demand," and requests that the commission close this proceeding and terminate the IO's contract, as "MECO does not foresee a need to continue with the current competitive bidding process for Maui."² MECO states that it "will request that a new proceeding for competitive bidding be opened at the appropriate time in order that firm capacity can be installed in a timely manner on the island of Maui."³ On November 9, 2009, the IO submitted his report stating that "[i]f the Company's projections are accepted by the Commission, and a new capacity resource is not required until the 2021 timeframe, we believe the Company's recommendations to terminate the RFP process and Accion's contract at this time are reasonable."⁴

Based on MECO's representations and the IO's report, the commission closes this docket without prejudice, and approves the termination of the IO's contract.

²Letter dated and filed October 15, 2009, from Edward Reinhardt to the commission, at 1.

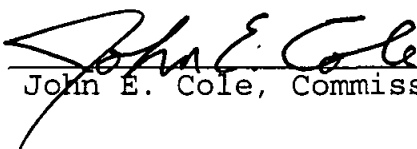
³Id.


⁴Report of the Independent Observer to the Hawaii Public Utilities Commission, Docket No. 2007-0403, MECO Firm Capacity Competitive Bidding Process, filed on November 9, 2009.

DONE at Honolulu, Hawaii NOV 25 2009


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

2007-0403.laa

CERTIFICATE OF SERVICE

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

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