

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAII ELECTRIC LIGHT COMPANY, INC.)
For Approval of Rate Increases and)
Revised Rate Schedules.)
_____)

DOCKET NO. 99-0207

ORDER NO. 20151

Filed April 24, 2003
At 9:30 o'clock A.M.

Karen Higashi
Chief Clerk of the Commission

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

2003 APR 24 P 4:16

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

K. Higashi

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In the Matter of the Application of)
HAWAII ELECTRIC LIGHT COMPANY, INC.)
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Docket No. 99-0207

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ORDER

I.

By Decision and Order No. 18575, filed on June 1, 2001, the commission approved the standby service rider (aka Rider A) agreed upon between HAWAII ELECTRIC LIGHT COMPANY, INC. (HELCO) and the Division of Consumer Advocacy (Consumer Advocate), subject to certain reporting requirements. Specifically, at page 8 of its decision and order, the commission stated:

Accordingly, HELCO shall, by July 31, 2002, submit to the commission and Consumer Advocate a report detailing, at a minimum: (1) the number of customers on Rider A and the terms and form of each customer's standby service; (2) the number of customers that have opted to leave HELCO's system *in toto* in lieu of standby service; (3) the amount of kWh reduction due to customers leaving HELCO's system or who opt for standby service; (4) the corresponding amount of revenue loss due to the reduction in kWh sales and demand consumption; (5) the impact to HELCO's rate of return as a result of this revenue loss; (6) each standby customer's peak load and generating capacity installed; and (7) how the customer is base loading its own generating units.

This report, the commission envisions, will provide the historical data and information needed to evaluate the impact to HELCO's revenue requirement resulting from customers who choose to leave the utility system either partially or

in toto. Any adjustments to the rider, if necessary, can then be made.

On August 7, 2002, HELCO submitted its standby service report, in compliance with Decision and Order No. 18575 and Order No. 19493.¹ On December 26, 2002, a response by Hess Microgen, LLC to HELCO's standby service report was submitted to the commission.²

II.

Upon review, the commission finds it prudent and consistent with the public interest for HELCO to file additional, annual status reports on its standby service rider. Furthermore, in addition to the information and data set forth at page 8 of Decision and Order No. 18575, the commission will revise the scope of paragraph (4), governing HELCO's loss revenues, on a going-forward basis. Specifically, the commission will require that the corresponding amount of revenue loss due to the reduction in kWh sales and demand consumption be broken down by its various components. This should enable the commission and Consumer Advocate to better determine whether HELCO's Rider A is a deterrent for cogeneration and other non-utility generation.

¹By Order No. 19493, filed on July 31, 2002, the commission granted HELCO an extension of time, until August 7, 2002, to submit its standby service report.

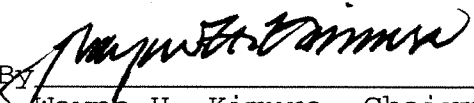
²See Order No. 19825, filed on November 27, 2002.

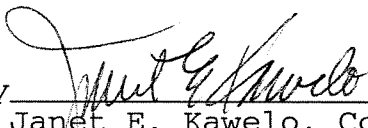
III.

THE COMMISSION ORDERS that, unless ordered or directed otherwise, HELCO shall continue to file, by August 7th of each year, its annual standby service report, consistent with the terms of this order.

DONE at Honolulu, Hawaii this 24th day of April, 2003.


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Wayne H. Kimura, Chairman

By 
Janet E. Kawelo, Commissioner

By (RECUSED)
Gregg J. Kinkley, Commissioner

APPROVED AS TO FORM:


Michael Azama
Commission Counsel

99-0207O15B.sl

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20151 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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CERTIFICATE OF SERVICE - Continued

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Karen Higashi

DATED: April 24, 2003