BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

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In the Matter of the Application of)

HAWAIIAN ELECTRIC COMPANY, INC.

To Modify its Rule 14 to Establish) Interconnection Standards and to) Require an Interconnection) Agreement for Distributed) Generating Facilities.) Transmittal No. 02-01.)

In the Matter of the Application of)

HAWAII ELECTRIC LIGHT COMPANY, INC.)

To Modify its Rule 14 to Establish Interconnection Standards and to Require an Interconnection Agreement for Distributed Generating Facilities. Transmittal No. 02-02H.

In the Matter of the Application of)

MAUI ELECTRIC COMPANY, LIMITED

To Modify its Rule 14 to Establish Interconnection Standards and to Require an Interconnection Agreement for Distributed Generating Facilities. Transmittal No. 02-01M. ATTEST: A True Copy KAREN HIGASHI Chief Clerk, Public Utilities Commrssion, State of Hawaii.

<u>ORDER NO. 20572</u>

Filed Oct. 14 2003 At 10:00 o'clock A .М. Chief Clerk of the Commission

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DIV. OF CONSUMER ADVOCACY DEPT. OF COMMERCE AND CONSUMER AFFAIRS STATE OF HAWAU DOCKET NO. 02-0051

(CONSOLIDATED)

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Application of) HAWAIIAN ELECTRIC COMPANY, INC.) To Modify its Rule 14 to Establish) Interconnection Standards and to) Require an Interconnection) Agreement for Distributed) Generating Facilities.) Transmittal No. 02-01.)

In the Matter of the Application of))

HAWAII ELECTRIC LIGHT COMPANY, INC.)

To Modify its Rule 14 to Establish) Interconnection Standards and to) Require an Interconnection) Agreement for Distributed) Generating Facilities.) Transmittal No. 02-02H.)

In the Matter of the Application of) MAUI ELECTRIC COMPANY, LIMITED) To Modify its Rule 14 to Establish)

Interconnection Standards and to Require an Interconnection Agreement for Distributed Generating Facilities. Transmittal No. 02-01M.

<u>ORDER</u>

I.

HAWAII ELECTRIC LIGHT COMPANY, INC. ("HELCO") is currently negotiating a standard interconnection agreement with The Fairmont Orchid, a Kohala Coast hotel, in accordance with

Docket No. 02-0051

(Consolidated)

Order No. 20572

HELCO's tariff Rule 14(H).¹ The Fairmont Orchid operates an eight-hundred (800) kilowatt ("kw") cogeneration unit, used to provide heat and power for its hot water and space cooling loads.²

HELCO'S Rule 14(H)(2)(a) provides that customers operating distributed generating facilities in parallel with HELCO's system as of March 21, 2003, shall complete and execute a standard interconnection agreement within one-hundred fifty (150) days, provided that customers shall have thirty (30) days thereafter "to file a request for an extension of such . . . period with the Commission for good cause shown."

The Fairmont Orchid seeks an extension of time, until December 31, 2003, to execute a standard interconnection agreement with HELCO.³ The Fairmont Orchid explains that Hess Microgen LLC "needs additional time to provide an alternative solution to a direct transfer trip system requested by HELCO, to comply with HELCO's Rule 14H interconnection technical requirements." HELCO does not object to The Fairmont Orchid's request for an extension of time.⁴

The commission finds good cause to approve The Fairmont Orchid's request.

¹HELCO's Quarterly Report, dated July 31, 2003, at pages 4 - 6.

²Specifically, four Hess Microgen LLC Model HM200I, 200 kw units. <u>Id</u>.

³The Fairmont Orchid's letter, dated September 15, 2003, filed on September 17, 2003.

⁴HELCO's letter, dated September 19, 2003.

02-0051

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THE COMMISSION ORDERS that The Fairmont Orchid's request for an extension of time, until December 31, 2003, to execute a standard interconnection agreement with HELCO, is approved.

DONE at Honolulu, Hawaii this 14th day of October, 2003.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

Bv

Carlito P. Caliboso, Chairman

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ayne H. Kimura, Commissioner

By

Janet/E. Kawelo, Commissioner

APPROVED AS TO FORM:

Michael Azama Commission Counsel

I hereby certify that I have this date served a copy of the foregoing Order No. 20572 upon the following parties, by causing copy hereof to be mailed, postage prepaid, and properly а addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

WILLIAM A. BONNET VICE PRESIDENT, GOVERNMENT AND COMMUNITY AFFAIRS HAWAIIAN ELECTRIC COMPANY, INC. P. O. Box 2750 Honolulu, HI 96840

WARREN H. W. LEE, PRESIDENT HAWAII ELECTRIC LIGHT COMPANY, INC. P. O. Box 1027 Hilo, HI 96721-1027

EDWARD L. REINHARDT, PRESIDENT MAUI ELECTRIC COMPANY, LIMITED P.O. Box 398 Kahului, HI 96733-6898

THOMAS W. WILLIAMS, JR., ESQ. GOODSILL, ANDERSON, QUINN & STIFEL 1800 Alii Place 1099 Alakea Street Honolulu, HI 96813

Attorney for HECO, HELCO and MECO

DAVID ROBERTS VICE PRESIDENT AND GENERAL MANAGER THE FAIRMONT ORCHID One North Kaniku Drive Kohala Coast, HI 96743

Karen Higashi

DATED: October 14, 2003