

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
 HAWAII ELECTRIC LIGHT COMPANY, INC.)
)
 For Approval to Commit Funds in)
 Excess of \$500,000 for Item P0000863,)
 the Hill 5 Generator Stator Rewind)
 Project.)
)
 _____)

DOCKET NO. 04-0015

ORDER NO. 20779

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

2004 JAN 30 A 9:12

RECEIVED

Filed Jan. 29, 2004
At 3:00 o'clock P .M.

Karen Higashi
Chief Clerk of the Commission

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

K. Higashi

will allow it to commit funds for the Project earlier than sixty (60) days after the filing of its application.

HELCO served copies of its application upon the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate").

II.

Hill Unit No. 5

Commissioned in 1965, Hill Unit No. 5 ("Hill 5") is a fossil-fueled, base-loaded unit, located at HELCO's Kanoelehua Baseyard in Hilo. Hill 5 consists of: (1) a 14.1 megawatt Westinghouse steam-turbine generating set, rated at 15,625 volt-amperes, 13,800 volts, 3-phase, 3600 revolutions-per-minute, 60 hertz; and (2) a combustion engineering Model VU-60, No. 6 oil fired boiler, rated at 145,000 pounds per hour of steam.

On December 20, 2003, Hill 5 suddenly and unexpectedly tripped off-line. HELCO isolated the problem to Hill 5's generator stator winding.

HELCO's independent contractor: (1) finds that the insulation system on the stator winding has reached the end of its reliable service life; and (2) recommends that the stator winding be completely replaced to "as new" condition. HELCO concurs that a full rewind of Hill 5 is the "most desirable option."

During Hill 5's out-of-service time, HELCO plans to schedule "either the Shipman Units or Puna CT-3 to operate more

shifts using overtime labor." In addition, "the 2004 overhaul schedule will likely have two large units out for planned maintenance throughout the first half of the year, which may have an impact on system reliability."

HELCO states that it is important to expedite the repairs to Hill 5 "to minimize potential negative impacts to [its] customers." HELCO states that a waiver of the sixty (60)-day requirement will allow it to: (1) order the pertinent materials that require a long lead-time; and (2) repair the stator and have Hill 5 back in service before the fall season, when system loads are expected to increase.

III.

Waiver

The Consumer Advocate does not object to the request for waiver, but reserves the right to state its position on the merits of HELCO's application upon the completion of its investigation.

The commission finds good cause to approve HELCO's request for waiver. HELCO, thus, is permitted to commit funds for the Project earlier than sixty (60) days following the filing of its application.

Concomitantly, the commission notes that this order does not constitute a decision on the merits of HELCO's application. HELCO acknowledges that if the commission does not approve the application, HELCO "will have the burden of proof to

justify the reasonableness of the capital expenditures in its next rate case."


IV.

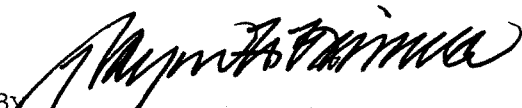
Order

THE COMMISSION ORDERS that HELCO's request for a waiver of the Section 2.3.g.2 requirement to file its application at least sixty (60) days prior to the commencement of construction or commitment for expenditure of funds, filed on January 20, 2004, is approved.


DONE at Honolulu, Hawaii this 29th day of January, 2004.

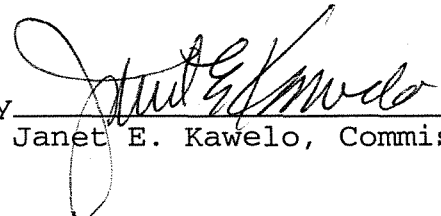
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:


Michael Azama
Commission Counsel

By 
Janet E. Kawelo, Commissioner

04-0015.sl1

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20779 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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

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

PATSY H. NANBU
DIRECTOR, REGULATORY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P. O. Box 2750
Honolulu, HI 96840



Karen Higashi

DATED: January 29, 2004