BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC., )
MAUI ELECTRIC COMPANY, LIMITED, and) DOCKET NO. 03-0409
HAWAII ELECTRIC LIGHT COMPANY, INC.)
)
For the Approval of a Refinancing )
through the Sale of Cumulative )
Quarterly Income Preferred )
Securities and Related Junior )
Subordinated Deferrable Interest )
Debentures, Including Guarantees. )
)

ORDER NO. 20812

Filed Feb. 24, 2004
At 11:30 o’clock A.M.

Karen Higashi
Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of:

HAWAIIAN ELECTRIC COMPANY, INC.,
MAUI ELECTRIC COMPANY, LIMITED, and
HAWAII ELECTRIC LIGHT COMPANY, INC.)

For the Approval of a Refinancing through the Sale of Cumulative Quarterly Income Preferred Securities and Related Junior Subordinated Deferrable Interest Debentures, Including Guarantees.

Docket No. 03-0409
Order No. 20812

ORDER

The commission authorized HAWAIIAN ELECTRIC COMPANY, INC. ("HECO"), MAUI ELECTRIC COMPANY, LIMITED, and HAWAIIAN ELECTRIC COMPANY, INC. (collectively, "Applicants") to participate in up to two (2) sales of Cumulative Quarterly Income Preferred Securities ("QUIPS"), and the related issuance of their Junior Subordinated Deferrable Interest Debentures ("QUIDS"), within twelve (12) parameters described in Decision and Order No. 20803, filed on February 13, 2004, at pages 7 - 10.

Parameters 7 and 8 provide:

7. The liquidation preference of the QUIPS will be one hundred (100) per cent of the principal amount of the QUIDS.

8. The securities will be senior to all preferred and common stock of each Applicant, now existing or hereafter created, except pari passu ("on the same level as") with the 1997 QUIDS, the 1998 QUIDS, trade credit, other hybrid securities issued by HECO Capital Trust IV, if applicable, and other securities expressly declared to be pari passu.
Applicants seek to modify Decision and Order No. 20803 by replacing the current language of Parameters 7 and 8 with the following new language, in toto:

7. The price for the QUIPS will be one hundred (100) per cent of their liquidation preference and the price for the QUIDS will be one hundred (100) per cent of their principal amount.

8. The QUIDS of each Applicant will be senior to all preferred and common stock of such Applicant, and junior to all indebtedness of such Applicant now existing or hereafter created, except pari passu with ("on the same level as") the 1997 QUIDS, the 1998 QUIDS, trade credit, other hybrid securities issued by HECO Capital Trust IV, if applicable, and other securities expressly declared to be pari passu.

Applicants make their request by letter dated February 19, 2004, and pursuant to Hawaii Administrative Rules § 6-61-137. Applicants request expedited commission action "so that they may be in a position to complete the refinancings as early as the beginning of March 2004 if market conditions are favorable." The Division of Consumer Advocacy, following its review, does not object to Applicants' request.¹

The commission approves Applicants' request to modify the language of Decision and Order No. 20803, Parameters 7 and 8.

THE COMMISSION ORDERS:

1. Applicants' request to modify the language of Decision and Order No. 20803, Parameters 7 and 8, is approved.

2. Decision and Order No. 20803, Parameters 7 and 8, at pages 8 - 9, is modified to now read as follows:

7. The price for the QUIPS will be one hundred (100) per cent of their liquidation preference and the price for the QUIDS will be one hundred (100) per cent of their principal amount.

8. The QUIDS of each Applicant will be senior to all preferred and common stock of such Applicant, and junior to all indebtedness of such Applicant now existing or hereafter created, except pari passu with ("on the same level as") the 1997 QUIDS, the 1998 QUIDS, trade credit, other hybrid securities issued by HECO Capital Trust IV, if applicable, and other securities expressly declared to be pari passu.

In all other respects, Decision and Order No. 20803 remains unchanged.

DONE at Honolulu, Hawaii this 24th day of February, 2004.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By ________________________________
Carlito P. Caliboso, Chairman

By ________________________________
Wayne H. Kimura, Commissioner

By ________________________________
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

______________________________
Michael Azama
Commission Counsel
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20812 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

RICHARD A. VON GNECHTEN
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DATED: February 24, 2004