BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
)
APOLLO ENERGY CORPORATION ) DOCKET NO. 00-0135
)
Pursuant to Section 6-74-15, )
Hawaii Administrative Rules. )

ORDER NO. 20892

Filed April 8, 2004
At 2:30 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.
BEFORE THE PUBLIC UTILITIES COMMISSION
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APOLLO ENERGY CORPORATION ) Docket No. 00-0135
Pursuant to Section 6-74-15, ) Order No. 20892
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ORDER

I.

Introduction

On March 18, 2004, APOLLO ENERGY CORPORATION ("Apollo") filed a motion for expedited resolution of a single issue ("Motion"), pursuant to Hawaii Administrative Rules ("HAR") § 6-61-41. On March 25, 2004, HAWAII ELECTRIC LIGHT COMPANY, INC. ("HELCO") responded in opposition to Apollo's Motion. Thereafter, HELCO and Apollo (collectively, the "Parties") filed their status reports on March 29 and 31, 2004, respectively.¹

Apollo does not request a hearing on its motion.

¹The Parties filed their status reports pursuant to Order No. 20818, filed on February 26, 2004. Apollo transmitted its status report with a motion for enlargement of time ("Motion for Enlargement"), seeking the commission's approval to extend the deadline to file the status report, from March 29 to 31, 2004. Apollo's Motion for Enlargement is filed pursuant to HAR § 6-61-23(a)(2). HELCO's deadline to file an opposition thereto, if any, is April 7, 2004, pursuant to HAR §§ 6-61-22 and 6-61-41(c).
II. Discussion

Apollo seeks an expedited ruling that a three (3) - breaker switching station and system ("Three-Breaker System") is not required for Apollo to interconnect its wind farm with HELCO's system. Rather, Apollo contends that a single-breaker switching station and system ("Single-Breaker System") is all that is required to interconnect with HELCO's system. Apollo maintains that HELCO's requirement that Apollo install and pay for a Three-Breaker System is one of HELCO's "system betterment" and "system governance."

HELCO opposes Apollo's Motion. HELCO contends that:

(1) a Single-Breaker System is inadequate to interconnect Apollo's wind farm with HELCO's system; and (2) without the Three-Breaker System, the interconnection of Apollo's wind farm will result in unnecessary underfrequency load shedding of HELCO's customers under certain circumstances.

HELCO also notes that: (1) the commission previously held an evidentiary hearing and issued its written decision on the issues in dispute;\(^2\) and (2) Apollo now raises a new factual issue that cannot be decided by a Motion, unless the parties "are offered the opportunity for a further hearing regarding such matters, or the parties waive the right to a hearing." HELCO suggests that, as a next step, the commission proceed with oral argument, then provide the Parties the opportunity to file responsive statements, unless jointly waived. Under this

\(^2\)See Decision and Order No. 18568, filed on May 30, 2001; and Order No. 18644, filed on June 27, 2001.
proposed procedure, HELCO "is willing to waive its right to an evidentiary hearing."

Single-line diagrams of HELCO's proposed Three-Breaker System and Apollo's proposed Single-Breaker System are attached as Exhibit A to Apollo's Motion. Apollo's estimated cost of a Three-Breaker System is $2.9 million. HELCO's preliminary cost estimates are: (1) $2.194 million for a Three-Breaker System; (2) $2.175 million for a two (2)-breaker switching station and system; and (3) $1.4 million for a Single-Breaker System.

Apollo seeks the commission's ruling on an expedited basis. In lieu of an expedited ruling, the commission will hold a conference with the Parties' counsel in April 2004 to formulate the issues and procedural schedule, including the Parties' willingness, if any, to voluntary waive an evidentiary hearing, prior to the commission's issuance of its written decision on the disputed issues.

The Parties will be notified of the date, time, and location of the conference. At the conference, the merits of the disputed issues and the Parties' positions thereto will not be discussed. Concomitantly, the commission makes it clear that the Parties are not precluded from continuing their negotiations on a new or amended power purchase agreement.

Apollo's Motion is denied.
III.

Order

THE COMMISSION ORDERS that Apollo's motion for expedited resolution of a single issue, filed on March 18, 2004, is denied. Further commission action will follow.

DONE at Honolulu, Hawaii this 8th day of April, 2004.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By

Carlito P. Caliboso, Chairman

Wayne H. Kimura, Commissioner

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. 20892 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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DATED: April 8, 2004

Karen Higashi