BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC. )
DOCKET NO. 04-0278
For Approval to: (1) Commit Funds 
for Item Y00040, the Ford Island 
Substation Project; and 
(2) Construct 46 kV Subtransmission) 
Lines Above and Below the Surface 
of the Ground.

ORDER NO. 21392
Filed Oct. 1, 2004
At 2 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.

A. Higashi
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ORDER

HAwAIIAN ELECTRIC COMPANY, INC. ("HECO") requests the
commission's approval to: (1) commit approximately $9,108,719 for
Item Y00040, the Ford Island Substation Project ("Project"); and
(2) construct 46 kilovolt ("kV") subtransmission lines above and
below the surface of the ground.¹ HECO makes its requests
pursuant to: (1) Section 2.3.g.2 of General Order
No. 7 ("G.O. No. 7"), Standards for Electric Utility Service in
the State of Hawaii, as modified by Decision and Order No. 21002,
filed on May 27, 2004, in Docket No. 03-0257;² and (2) Hawaii
Revised Statutes ("HRS") § 269-27.6(a).

¹HECO's application, filed on September 21, 2004. The total
estimated capital cost of the Project is $21,554,719, which
includes contributions-in-aid-of-construction from the
United States ("U.S.") Navy of $12,446,000.

²In Docket No. 03-0257, the commission increased the
monetary threshold governing the filing of capital expenditure
applications by HECO, from $500,000 to $2.5 million, exclusive of
customer contributions, effective from July 1, 2004.
HECO also requests that the commission conduct a public hearing on its proposed construction of a 46 kV overhead subtransmission line through a residential area, as part of the Project, in accordance with HRS § 269-27.5.

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

The Project arises out of the U.S. Navy's need for additional load due to its plan "to develop Ford Island into a showplace with new housing and tourist developments."³

In general, the Project will involve: (1) the construction of a new dedicated distribution substation on Ford Island; (2) the installation of a new 46 kV breaker and protective relays at the Makalapa substation; (3) 46 kV overhead and underground subtransmission line work; and (4) the installation of fiber optic lines. The Project's geographical scope will encompass Ford Island, the Pearl Harbor Naval Base, Kamehameha Highway, Radford Drive, Bougainville Drive, Lawehana Street, Malaai Street, and Salt Lake Boulevard.

The deadline governing commission action on the merits of HECO's application is on or about December 17, 2004, pursuant to Section 2.3.g.2 of G.O. No. 7, as modified by Decision and Order No. 21002. In addition, HECO represents that it will need to commence construction of the Project by December 2004 in order to meet the U.S. Navy's requested in-service date of December 2005 for the new Ford Island Substation.

³HECO's application, at 12.
Given the need for a public hearing, the Project's timetable, and the impending deadline for commission action on HECO's application, the commission will instruct HECO and the Consumer Advocate (collectively, the "Parties") to submit a stipulated procedural schedule for the commission's review and consideration.4

THE COMMISSION ORDERS that within thirty (30) days from the date of this Order, the Parties shall submit to the commission a stipulated procedural schedule, incorporating their agreed upon schedule with respect to this proceeding. If they are unable to stipulate to such a schedule, each Party shall submit a proposed procedural schedule for the commission's consideration by the same date.

DONE at Honolulu, Hawaii OCT 1 2004.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By Carlito P. Caliboso, Chairman

By Wayne H. Kimura, Commissioner

Michael Azama
Commission Counsel

APPROVED AS TO FORM:

By Janet E. Kawelo, Commissioner

4In the event intervenor or participant status is later granted to any interested person, the commission will amend the procedural schedule accordingly, if necessary.

04-0278
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21392 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

WILLIAM A. BONNET
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PATSY H. NANBU
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DATED: OCT 1 2004

Karen Higashi