

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Request of)
)
 HAWAIIAN ELECTRIC COMPANY, INC.)
)
 For Expedited Approval of a)
 Temporary Waiver of Certain)
 Provisions of Its Rider M Contract)
 With Hawaii Metal Recycling.)
 _____)

DOCKET NO. 05-0163

DECISION AND ORDER NO. 21907

Filed July 5, 2005
At 2:45 o'clock P.M.

Karen Higashi
Chief Clerk of the Commission

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

2005 JUL -6 A 7:56

RECEIVED

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

K. Higashi

1. "HMR is a Schedule P customer with Rider I and Rider M, Option B, Curtailable Service. (This requires HMR to curtail its electric service during fixed on-peak hours, otherwise, it would [be] subject to loss of the Rider M, Option B [kilowatt] demand reduction benefit, and would revert back to the 'normal' Schedule P rates.)" HECO Letter at 1.

2. On June 16, 2005, during an inspection of the HMR Substation,² HECO discovered that a CEIP #1 50 Megavolt Ampere 138/46 kilovolt transformer was leaking oil at several joints and needed to be taken off-line for several days to be repaired. *Id.*

3. HMR agreed to an outage during the week of June 27, 2005 through July 1, 2005 ("Outage Period") to allow the repair to be completed, and to receive and stockpile the scrap metal that would continue to arrive at its facility during that period.³ *Id.*

4. HECO arranged for HMR to be served by an alternate circuit during the Outage Period. While the alternate circuit had enough additional capacity to allow HMR to operate at low loads, it did not have enough capacity to allow HMR to operate its metal shredder. *Id.*

5. When HECO and HMR were discussing the repairs, HMR advised HECO that based on the amount of material it expected to be received during the Outage Period, it did not believe that it

²The HMR Substation is a dedicated substation that only serves HMR. HECO Letter at 1.

³HECO states that HMR's voluntary reduction in operations resulted in a negative financial impact for HMR. HECO's Letter at 1.

would need to operate during the 5:00 p.m. to 9:00 p.m. period following the completion of the transformer repair. *Id.* at 2.

6. On July 1, 2005, after reassessing the situation, HMR contacted HECO and requested that it be allowed to operate during the 5:00 p.m. to 9:00 p.m. period from July 5, 2005 through July 8, 2005 in order to catch up with shredding operations it curtailed during the Outage Period. HECO Letter at 2.

HECO filed a copy of its Letter with the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate").⁴

II.

Discussion

HECO's tariff on file with the commission states that "[t]he rules and rate schedules set forth [therein] have been fixed by order of the [commission] and may not be abandoned, changed, modified, or departed from without the prior approval of the [c]ommission."

In light of HECO's representations, we find HECO's request for expedited approval to temporarily waive certain provisions of its Rider M contract with HMR to be reasonable and in the public interest. Thus, we conclude that HECO's July 5, 2005

⁴After a review of HECO's Letter, the Consumer Advocate stated verbally to the commission that it does not object to HECO's request in this instance. The Consumer Advocate further stated that its position is limited to the facts set forth in HECO's Letter and should not be construed by any utility, as a basis for not filing an application involving similar circumstances.

request for expedited approval to temporarily waive certain provisions of its Rider M contract with HMR should be approved.⁵

III.

Order

THE COMMISSION ORDERS that HECO's July 5, 2005 request for expedited approval to temporarily waive certain provisions of its Rider M contract with HMR is approved.

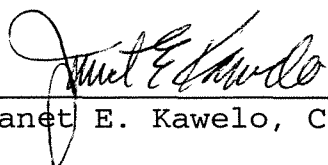
DONE at Honolulu, Hawaii JUL - 5 2005.


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By (EXCUSED)
Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:

By 
Janet E. Kawelo, Commissioner


Catherine P. Awakuni
Commission Counsel

05-0163.eh

⁵The commission will continue to examine a utility's application on a case-by-case basis to determine whether the commission's laws, rules, or orders or any other related provision governing utility transactions requires review. The commission's decision in this instance shall not be construed by any utility as a basis for not filing an application involving similar circumstances.

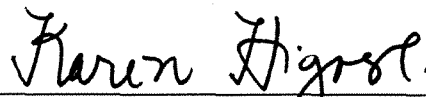
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 21907 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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Karen Higashi

DATED: JUL - 5 2005