BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

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In the Matter of the Application of)

HAWAIIAN ELECTRIC COMPANY, INC.

DOCKET NO. 05-0196

- . J

For Approval to Commit Funds in Excess of \$2.5 Million for Item P7590000, the Waiau 7 Boiler Control System Upgrade Project.

ORDER NO. _22009



<u>September 7</u>, 2005 ______ O'clock _ A____.M. Filed At

moler K. Kune for Chief Clerk of the Commission

ATTEST: A True Copy BROOKE K. KANE Administrative Director Public Utilities Commission State of Hawaii ev Ane

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Docket No. 05-0196 Order No. 22009

<u>ORDER</u>

I.

Background

The commission instructs HAWAIIAN ELECTRIC COMPANY, INC. ("HECO") and the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate") (collectively, the "Parties") to submit a stipulated procedural schedule for the commission's review and consideration.

HECO requests the commission's approval to commit approximately \$3,356,714 for Item P7590000, the Waiau Unit 7 Boiler Control System Upgrade Project (the "Project").¹ HECO makes its request pursuant to Section 2.3.g.2 of General Order No. 7 ("G.O. No. 7"), Standards for Electric Utility Service in

¹HECO's Application, Verification, Exhibits I – III, and Certificate of Service, filed on August 9, 2005 (collectively, the "Application").

the State of Hawaii, as modified by Decision and Order No. 21002, filed on May 27, 2004, in Docket No. 03-0257.²

HECO served copies of its Application upon the Consumer Advocate.

II.

The Project

HECO's Waiau Unit 7 is an 81.6 megawatt steam unit that was commissioned in December 1966. The Project's scope of work will consist of modernizing Waiau Unit 7's pneumatic controls and instrumentation, including: (1) installing cathode ray tube ("CRT") based operator interfaces; (2) upgrading power conditioning and control equipment; (3) displaying unit data trends and annunciation on the CRT interfaces; (4) installing historical archiving within the distributed control system ("DCS"); (5) replacing existing obsolete DCS system components; (6) installing redundant transmitters for critical control loops; and (7) incorporating the boiler control logic into the DCS.

III.

Procedural Schedule

The Project "is scheduled to be completed during the unit overhaul that begins in October 2006 and ends in

2

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.

January 2007."³ In addition, the deadline for commission action on the merits of HECO's Application is on or about November 7, 2005. Accordingly, the commission will instruct the Parties to submit a stipulated procedural schedule for the commission's review and consideration.⁴

IV.

<u>Order</u>

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.

3

³HECO's Application, at 3.

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

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

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Caliboso, Chairman Carlito P.

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Wayne H. Kimura, Commissioner

By

Ε. Kawelo, Commissioner Janet

APPROVED AS TO FORM:

Michael Azama Commission Counsel

05-0196.cs

I hereby certify that I have this date served a copy of the foregoing <u>Order No. 22009</u> 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 VICE PRESIDENT, GOVERNMENT AND COMMUNITY AFFAIRS HAWAIIAN ELECTRIC COMPANY, INC. P. O. Box 2750 Honolulu, HI 96840-0001

DEAN MATSUURA DIRECTOR, REGULATORY AFFAIRS HAWAIIAN ELECTRIC COMPANY, INC. P. O. Box 2750 Honolulu, HI 96840-0001

Karen Higashi

DATED: September 7, 2005