BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of
HAWAIIAN ELECTRIC COMPANY, INC.,
HAWAI'I ELECTRIC LIGHT COMPANY, INC.,
and MAUI ELECTRIC COMPANY, LIMITED

For approval to defer certain computer software development costs and to commit funds in excess of $2,500,000 (excluding customer contributions) for Item P0001010, Human Resources Suite System, to accumulate an allowance for funds used during construction during the deferral period, to amortize the deferred costs, and to include the unamortized costs in rate base.

ORDER NO. 22258

Filed Feb. 1, 2006
At 1:55 o'clock P.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.,
HAWAI ELECTRIC LIGHT COMPANY, INC.,
and MAUI ELECTRIC COMPANY, LIMITED
Docket No. 06-0003
Order No. 22258

For approval to defer certain computer
software development costs and to
commit funds in excess of $2,500,000
(excluding customer contributions)
for Item P0001010, Human Resources
Suite System, to accumulate an
allowance for funds used during
construction during the deferral
period, to amortize the deferred
costs, and to include the unamortized
costs in rate base.

ORDER

By this Order, the commission instructs
HAWAIAN ELECTRIC COMPANY, INC., HAWAI ELECTRIC LIGHT COMPANY,
INC. ("HELCO"), MAUI ELECTRIC COMPANY, LIMITED (collectively,
"Applicants") and the Department of Commerce and Consumer
Affairs, Division of Consumer Advocacy ("Consumer Advocate"), to
submit a stipulated procedural schedule for the commission's
review and consideration within thirty (30) days of the date of
this Order. Alternatively, in the absence of a formal procedural
schedule, each Party shall submit a proposed procedural schedule
for the commission’s consideration by the same date.

'Applicants and the Consumer Advocate are collectively
referred to as the "Parties."
I. Background

On January 3, 2006, Applicants jointly filed an Application with the commission that seeks the commission's approval of various matters related to Item P0001010, the purchase and installation of a Human Resources Suite System ("HR Suite Project"). Applicants specifically request the commission's approval to: (1) defer certain computer software development costs and to commit funds in excess of $2,500,000 (excluding customer contributions) for the HR Suite Project; (2) accumulate during the deferral period an allowance for funds used during construction ("AFUDC"); (3) amortize the deferred costs, including AFUDC, over a twelve (12)-year period, or such other amortization period the commission finds reasonable; and (4) include the unamortized deferred costs, including AFUDC, in rate base.2

On January 19, 2006, the Consumer Advocate filed its Preliminary Statement of Position, based on its initial review of the Application. The Consumer Advocate identified certain questions and concerns, and stated its intent to participate in this docket, including the issuance of information requests and the filing of its Final Statement of Position, upon the completion of its investigation.3

2Applicants served copies of their Application upon the Consumer Advocate.

3No persons moved to intervene or participate in this docket.
Given that the commission's ruling in this docket may possibly affect HELCO's 2006 calendar test year rate case, the commission will instruct Applicants and the Consumer Advocate to submit a procedural schedule for the commission's review and consideration.

II. Order

THE COMMISSION ORDERS:

1. 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.

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'On December 13, 2005, in Docket No. 05-0315, HELCO filed a notice of intent to file an application for a general rate increase on or after March 15, 2006, but no later than June 30, 2006. HELCO simultaneously filed a motion to approve its use of a 2006 calendar test year in connection with its application, which was granted.'
DONE at Honolulu, Hawaii    FEB - 1 2006

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By Carlito P. Caliboso, Chairman

By (EXCUSED) Wayne H. Kimura, Commissioner

By Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Kaiulani E.S. Kidani
Commission Counsel

06-0003.6H
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 22258 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
HAWAIIAN ELECTRIC COMPANY, INC.
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DATED: FEB - 1 2006

Karen Higashi