

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
HAWAIIAN ELECTRIC COMPANY, INC.) Docket No. 2006-0003
HAWAII ELECTRIC LIGHT COMPANY, INC.)
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 deferred costs in rate base)
_____)

STIPULATED PROCEDURAL ORDER NO. 22358

Filed March 29, 2006

At 10:30 o'clock A.M.

Karen Hignett

Chief Clerk of the Commission

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

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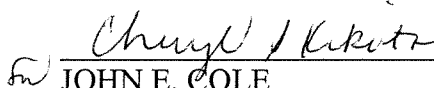
STIPULATED PROCEDURAL ORDER

Applicants Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs hereby stipulate that the attached Stipulated Procedural Order is mutually acceptable to each respective party.

DATED: Honolulu, Hawaii, March 17, 2006.



WILLIAM A. BONNET
Vice President
Hawaiian Electric Company, Inc.
Hawaii Electric Light Company, Inc.
Maui Electric Company, Limited



JOHN E. COLE
Executive Director
Division of Consumer Advocacy
Department of Commerce and Consumer Affairs

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STIPULATED PROCEDURAL ORDER

On January 3, 2006, Hawaiian Electric Company, Inc. ("HECO"), Hawaii Electric Light Company, Inc. ("HELCO") and Maui Electric Company, Limited ("MECO"), collectively referred to herein as "Hawaiian Electric" or the "Companies", filed an application for the Public Utilities Commission's ("Commission") authorization to commit funds in excess of \$2,500,000 (currently estimated at \$4,166,000¹) for the purchase and installation of Project P0001010, Human Resources Suite System (the "HR Suite Project" or the "Project"), to defer certain computer software development costs (e.g., the costs of acquiring, designing, installing and testing the computer software), to apply an allowance for funds used during construction ("AFUDC") during the deferral period, to amortize the deferred costs (including AFUDC) over a twelve-year period (or such other amortization period as the Commission finds to be reasonable),

¹ In addition, the Companies will incur expenses of \$1,490,000 which will not be deferred or amortized. The estimated total capital expenditure and expense amount for this project is \$5,656,000.

and to include the unamortized deferred costs (including AFUDC) in rate base. Hawaiian Electric served copies of the application on the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (the "Consumer Advocate").

On January 19, 2006, the Consumer Advocate filed a Preliminary Statement of Position stating that it intends to participate in the instant proceeding but that it was unable to state its position on the request set forth in the Application.

By Order No. 22258, filed February 1, 2006, the Commission directed Hawaiian Electric and the Consumer Advocate to submit a stipulated procedural schedule for the Commission's consideration and approval within thirty (30) days from the date of Order No. 22258.

By letter dated March 9, 2006, the Commission approved the Companies' request for a two-week extension, until March 17, 2006, for the parties to file a stipulated procedural schedule.

Hawaiian Electric and the Consumer Advocate have reached agreement on the procedural matters and submit this Stipulated Procedural Order which is acceptable to both parties.

ACCORDINGLY, IT IS ORDERED that the following Statement of the Issues, Schedule of Proceedings, and procedures shall be utilized in this docket.

I. STATEMENT OF THE ISSUES

The issues in this case are:

1. Is Hawaiian Electric's proposed action to implement the HR Suite Project reasonable?
2. Whether the proposed HR Suite Project, in accordance with Paragraph 2.3(g)(2) of General Order No. 7, will provide facilities which are reasonably required to meet Hawaiian Electric's probable future requirements for utility purposes.
3. Is the proposed accounting treatment of the HR Suite Project costs reasonable?

II. SCHEDULE OF PROCEEDINGS

The parties shall adhere to the schedule of proceedings set forth in the Stipulated Regulatory Schedule attached hereto as Exhibit "A".

Notwithstanding anything to the contrary contained herein, the parties shall have the right to amend the Stipulated Regulatory Schedule as may be mutually agreed to by the parties in writing from time to time. Such mutual agreement to amend the Stipulated Regulatory Schedule shall be set forth in and by letter filed with the Commission and the parties may mutually agree to revise any scheduled matter set forth therein except for the date of the Evidentiary Hearing, if any. Such letter shall constitute an amendment to this Stipulated Procedural Order upon filing with the Commission unless otherwise ordered by the Commission.

The intent of the parties in agreeing to a schedule at this time is to promote the efficient and cost-effective allocation of resources. Therefore, any changes to the schedule should be proposed only when there is an urgency or substantial competing need that cannot be reasonably accommodated without a change.

III. MISCELLANEOUS MATTERS TO FACILITATE AND EXPEDITE THE ORDERLY CONDUCT OF THESE PROCEEDINGS

A. Requests for Information

A party to this proceeding may submit information requests to another party within the time schedule specified in this Stipulated Procedural Order. To the extent practical, Hawaiian Electric and the Consumer Advocate will cooperate (1) by exchanging information requests and responses as they become available, and (2) by resolving questions regarding information requests and responses informally to attempt to work out problems with respect to understanding the scope or meaning of information requests, or with respect to the availability of information.

If a party is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring party as soon as possible. The parties shall then endeavor to agree upon a later date for submission of the requested information. If the parties are unable to agree, the responding party may seek approval for the late submission from the Commission upon a showing of good cause. It is then within the Commission's discretion to approve or disapprove such late filings and take any additional action that may be appropriate, such as extending the date for the party to respond.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials (e.g., documents over 50 pages), the documents or materials may be made available for reasonable inspection and copying at a mutually agreeable designated location and time. In the event such information is available on computer diskette or other readily usable electronic medium, the party responding to the information request shall make the diskette or such electronic medium available to the other parties and the Commission. Subject to objections that may be raised and to the extent practicable, the electronic files for spreadsheets will contain all formulae intact, and will not be entirely converted to values prior to submission.

A party shall not be required, in a response to an information request, to provide data that is/are already on file with the Commission or otherwise part of the public record, or that may be stipulated to pursuant to Part B, infra. The responding party shall, in lieu of production of a document in the public record, include in its response to the information request an identification of the document with reasonable specificity sufficient to enable the requesting party to locate and copy the document.² In addition, a party shall not be required, in a response to an information

² As practical, each party will cooperate in making available documents that are already on file with the Commission or otherwise part of the public record and in reproducing (at reasonable charges), such public record documents as well as voluminous material referenced by such parties, designated by the requesting parties and/or making available one copy of the designated documents for loan for a reasonable period of

request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

A party may object to responding to an information request that it deems to be irrelevant, immaterial, unduly burdensome, onerous or repetitious, or where the response contains information claimed to be privileged or subject to protection (confidential information). If a party claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the party shall: (1) provide information reasonably sufficient to identify the confidential information withheld from the response, without disclosing privileged or protected information; (2) state the basis for withholding the confidential information (including, but not limited to, the specific privilege applicable or protection claimed for the confidential information and the specific harm that would befall the party if the information were disclosed); and (3) state whether the party is willing to provide the confidential information to some or all representatives of the party pursuant to a protective order governing this docket.

A party seeking production of documents notwithstanding a party's claim of confidentiality, may file a motion to compel production with the Commission.

The responses of each party to information requests shall adhere to a uniform system of numbering agreed upon by the parties. For example, the first information request submitted by the Consumer Advocate in this docket shall be referred to and designated as "CA-IR-1," and a response to this information request shall be referred to and designated as "Response to CA-IR-1."

Each response shall be provided on a separate page and shall recite the entire question asked and set forth the response and/or reference the attached responsive document.

time to be reproduced by the requesting party.

Generally, exhibits should include appropriate footnotes, or narratives inserted in the related testimony, setting forth the sources of the information used and explaining the methods employed in making statistical compilations or estimates.

B. Matters of Public Record

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record, such as reports that Hawaiian Electric has filed with the Commission, published decisions of this or other Commissions, published scientific or economic statistical data, material and textbooks, technical or industry journals relating to electric utility matters, and specified parts of the record in previous Commission dockets shall be admissible in this proceeding without the necessity of reproducing each document; provided that the document to be admitted is clearly identified by reference to the place of publication, file or docket number, and the identified document is available for inspection by the Commission and the parties; and further provided that any party has the right to explain, qualify or conduct examination with respect to the identified document. The Commission can rule on whether the identified document can be admitted into evidence when a party proffers such document for admission as evidence in this case.

From time to time, the parties may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

C. Copies of Testimony, Exhibits and Information Requests

1. Copies of Filings, Information Requests, Responses to Information Requests, Statement of Position:

Commission	Original + 11 copies
Hawaiian Electric	3 copies
Consumer Advocate	3 copies

2. All pleadings, briefs and other documents required to be filed with the Commission shall comply with the formatting requirements prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-16 of the Commission's Rules of Practice and Procedure and shall be filed at the office of the Commission in Honolulu within the time limit prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-15 of the Commission's Rules of Practice and Procedure.

3. Copies of all filings, information requests and information request responses should be sent to the other parties by hand delivery or United States mail (first class, postage prepaid). In addition, if available, all parties shall provide copies of their filings, information requests and information request responses to the other parties via diskette, CD or e-mail in a standard electronic format that is readily available by the parties. The parties agree to use Word 97, Word 2000 or Word 2003 as the standard programming format for filings in this case. However, if workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a party shall not be required to convert such workpapers, documentation, or exhibits into an electronic format. Also, existing documents produced in response to requests need not be converted to Word 97/Word 2000/Word 2003 as long as the applicable format is identified. In the event a copy of a filing, information request or information request response is delivered to a party via diskette, CD or e-mail, unless otherwise agreed to by such party, the same number of copies of such filing, information request or information request response must still be delivered to such party by hand delivery or United States mail (first class, postage prepaid) as provided above.

D. Communications

Chapter 61, Subchapter 3, Section 6-61-29 of the Commission's Rules of Practice and Procedure concerning ex parte communications is applicable to any communications between a party and the Commission. However, the parties may communicate with Commission counsel on matters of practice and procedure through their own counsel or designated official.

Communications between the parties should either be through counsel or through designated representatives. All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing party. All motions, supporting memoranda, and the like shall also be served on opposing counsel.


E. General

These procedures are consistent with the orderly conduct of this docket. Pursuant to Chapter 61, Subchapter 3, Section 6-61-37 of the Commission's Rules of Practice and Procedure, this Stipulated Procedural Order shall control the subsequent courses of the proceedings, unless modified at or prior to the hearing to prevent manifest injustice.

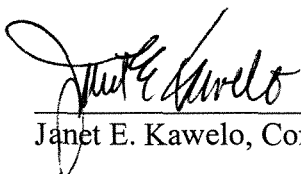
This Stipulated Procedural Order may be executed by the parties in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The parties may execute this Stipulated Procedural Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

DONE at Honolulu, Hawaii, this 29th day of March, 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:


By 
Kaiulani E.S. Kidani
Commission Counsel

EXHIBIT A

Stipulated Regulatory Schedule

Hawaiian Electric Application for HR Suite Project	January 3, 2006
Consumer Advocate's Information Requests to Hawaiian Electric	February 7, 2006
Hawaiian Electric Responses to Consumer Advocate Information Requests	March 3, 2006
Consumer Advocate's Supplemental Information Requests to Hawaiian Electric	March 29, 2006 (26 days)
Hawaiian Electric Responses to Consumer Advocate Supplemental Information Requests	April 20, 2006 (22 days)
Consumer Advocate Statement of Position	May 16, 2006 (26 days)
Hawaiian Electric Statement of Position, if necessary*	June 8, 2006 (23 days)

* If the Consumer Advocate objects to the approval of the Application, or requests that approval be subject to conditions.

If there are substantial disagreements following the filing of the Statements of Positions, and the parties cannot resolve the differences by stipulation, the parties shall propose a hearing schedule (including the filing of simultaneous post-hearing briefs) for Commission approval.

If Hawaiian Electric determines that a Reply Statement of Position is unnecessary, Hawaiian Electric and the Consumer Advocate will notify the Commission that the proceeding is ready for decision making.

CERTIFICATE OF SERVICE

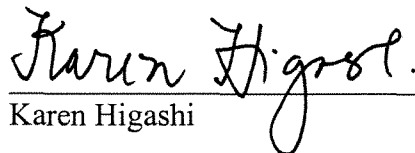
I hereby certify that I have this date served a copy of the foregoing Stipulated Procedural
Order No. 22358 upon the following parties, by causing a copy hereof to be mailed,
postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
335 Merchant Street, Room 326
Honolulu, Hawaii 96813

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CRAIG I. NAKANISHI
RUSH MOORE LLP
737 Bishop Street, Suite 2400
Honolulu, Hawaii 96813



Karen Higashi

DATED: MAR 29 2006