

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
HAWAIIAN ELECTRIC COMPANY, INC.) Docket No. 05-0145
)
For Approval to Commit Funds in Excess of)
\$2,500,000 (excluding customer contributions))
for the Purchase and Installation of Item Y-49000,)
Campbell Industrial Park Generating Station)
and Transmission Additions Project.)
_____)

STIPULATED PROCEDURAL ORDER NO. 22381

Filed April 12, 2006
At 1:30 o'clock P.M.

Karen Higrot.
Chief Clerk of the Commission

FILED
OFFICE OF THE CLERK
PUBLIC UTILITIES COMMISSION
HONOLULU, HAWAII

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STIPULATED PROCEDURAL ORDER

Applicant Hawaiian Electric Company, Inc., the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Life of the Land, and Southern Wine and Spirits of America, Inc. hereby stipulate that the attached Stipulated Procedural Order is mutually acceptable to each respective party and participant.

DATED: Honolulu, Hawaii, April 4, 2006.



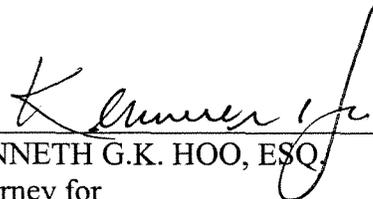
WILLIAM A. BONNET
Vice President, Government and
Community Affairs
Hawaiian Electric Company



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



HENRY Q. CURTIS
Vice President for Consumer Issues
Life of the Land



KENNETH G.K. HOO, ESQ.
Attorney for
Southern Wine and Spirits of America, Inc.

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STIPULATED PROCEDURAL ORDER

On June 17, 2005, Hawaiian Electric Company, Inc. (“HECO”) filed an application requesting the Public Utilities Commission’s of the State of Hawaii’s (“Commission”) approval to commit funds in excess of \$2,500,000 (estimated at \$134,310,260) for the purchase and installation of Item Y-49000, Campbell Industrial Park Generating Station and Transmission Additions Project (the “Project”). The Project involves HECO’s proposal to add approximately 76 megawatts (“MW”) to 107 MW of peaking generating capacity on HECO’s system consisting of (1) the construction of a new generating facility (including the acquisition of a simple-cycle combustion turbine generator and related equipment and auxiliary facilities), (2) the construction of a second 138 kV transmission line (approximately two (2) miles long) between the AES Substation and the Campbell Estate Industrial Park (“CEIP”) Substation, (3) the expansion of HECO’s existing Barbers Point Tank Farm site, and (4) the construction of substation upgrades

for the AES Substation, CEIP Substation and Kahe Substation, and auxiliary equipment and facilities related to the foregoing.

On July 7, 2005, the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (“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. HECO filed a response to the Consumer Advocate’s Preliminary Statement of Position on July 26, 2005.

On July 7, 2005, Life of the Land (“LOL”) filed a motion to intervene seeking to intervene in this docket.¹ HECO did not oppose LOL's intervention in this docket, provided that LOL’s participation is limited to the issues raised by the Application in this docket, LOL is not permitted to expand the scope of the proceeding or delay the proceeding, and LOL is required to comply with the Hawaii Administrative Rules, Title 6, Chapter 61, Rules of Practice and Procedure Before the Public Utilities Commission (“Commission's Rules”).

Southern Wine and Spirits of America, Inc.’s (“SWSA” or “participant”) also filed a motion to intervene or in the alternative participate (“SWSA’s Motion”) on July 7, 2005. HECO opposed SWSA’s Motion to intervene but did not oppose SWSA’s request to participate in this Docket provided that such participation is specifically limited to the health, environmental, traffic congestion and noise effects caused by the Project on the quality of SWSA’s products, employees, vendors, customers, and/or other visitors to SWSA’s warehouse in Campbell Industrial Park and the value of SWSA’s property next to the Project site and SWSA by its participation does not expand or delay the proceeding.

¹ The deadline for any interested person to file a motion to intervene or participate in this docket was July 7, 2005, pursuant to Hawaii Administrative Rules (“HAR”) § 6-61-57(3)(a).

By Order No. 22244, filed on January 26, 2006, the Commission granted LOL's motion to intervene provided that LOL's participation will not unduly broaden the issues or unduly delay the proceedings, and it follows all applicable rules of the Commission (HECO, the Consumer Advocate and LOL are collectively referred to as the "parties"). The Commission denied SWSA's motion to intervene, but granted SWSA's motion to participate provided, however, that (1) its participation will not broaden the issues or unduly delay the proceedings; (2) it follows all applicable rules of the Commission; and (3) its participation will be limited to the health, environmental, traffic congestion, and noise effects caused by the Proposed Project on SWSA's products, employees, vendors, customers, and other visitors to SWSA's warehouse adjacent to the site of the Proposed Project and the value of SWSA's property next to the site. The Commission instructed the parties and participant to file a stipulated procedural order for the Commission's review and consideration that identifies the issues, procedures, and schedule for this proceeding within forty-five (45) days from the date of the order. If the parties and participant are unable to stipulate to such an order, each party or participant shall submit its own proposed procedural order for the Commission's consideration within forty-five (45) days from the date of the order.

HECO, the Consumer Advocate, LOL and SWSA have reached agreement on the procedural matters and submit this Stipulated Procedural Order which is acceptable to all the parties and participant in this Docket.

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:²

1. Whether HECO's proposed Project will provide facilities which are reasonably required to meet HECO's probable future requirements for utility purposes.
 - a. Whether the location of the proposed generating unit is reasonable?
 - b. Whether the project is reasonable considering other feasible options?
2. Whether HECO's proposed combustion turbine is the appropriate type and size generating unit for HECO to meet its probable future requirements for utility purposes?
 - a. Is it reasonable to use naphtha, low sulfur diesel, biofuels or blends thereof in the proposed combustion turbine?
3. Whether the impact of the proposed capital expenditures on HECO's revenue requirements for ratemaking purposes is reasonable relative to the impact of HECO's other options?
4. Whether the projected consumer impacts (e.g., on rates and reliability) arising out of the approval of the proposed Project are reasonable.
5. Whether HECO's routing, location, configuration and method of construction for the transmission line additions are reasonable.
6. Pursuant to the requirements of HRS 269-27.6, whether all (as proposed by HECO) or part of the construction of a second 138 kV transmission line

² SWSA's participation on the issues and other substantive and procedural matters are permitted with regard to whether HECO's proposed Project will have any adverse health, environmental, traffic congestion, and/or noise effects on SWSA products, employees, vendors, customers, and/or other visitors to SWSA's warehouse adjacent to the site of the proposed Project, and whether HECO's proposed Project will have any adverse effect on the value of SWSA's property next to the proposed Project site.

(approximately two (2) miles long) between the AES Substation and the Campbell Estate Industrial Park (“CEIP”) Substation that is part of the Proposed Project should be placed, constructed, erected or built above the surface of the ground?

II. SCHEDULE OF PROCEEDINGS

The parties and participant 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 and participant shall have the right to amend the Stipulated Regulatory Schedule as may be mutually agreed to by the affected parties and/or participant 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 affected parties and/or participant 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 and participant 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 or participant to this proceeding may submit information requests to another party or participant within the time schedule specified in this Stipulated Procedural Order. To the extent practical, the parties and participant 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 or participant is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring party or participant as soon as possible. The parties shall then endeavor to agree upon a later date for submission of the requested information. If the parties and/or participant are unable to agree, the responding party or participant 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 or participant 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 or participant 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 or participant 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 D, infra. The responding party or participant 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 or participant to locate and copy the document.³ In addition, a party or participant shall not be required, in a response to an information request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

For each response to an information request, the responding party or participant should identify the witnesses who will be responsible for sponsoring the response should there be an evidentiary hearing.

A party or participant 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 or participant claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the party or participant 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

³ As practical, each party and participant 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 and/or participant, designated by the requesting parties and/or participant and/or making available one copy of the designated documents for loan for a reasonable period of time to be reproduced by the requesting party and/or participant.

applicable or protection claimed for the confidential information and the specific harm that would befall the party or participant if the information were disclosed); and (3) state whether the party or participant is willing to provide the confidential information to some or all representatives of the party or participant pursuant to a protective order governing this docket.

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

The responses of each party or participant 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.

B. Witnesses

Witnesses for the parties and participant shall follow the following procedures:

Pre-filed written testimonies and exhibits for witnesses scheduled to appear at the evidentiary hearing shall be filed in accordance with the Stipulated Regulatory Schedule attached hereto as Exhibit A, subject to such changes to the schedule as may be agreed upon by the parties and participant. Witnesses submitting written testimony and exhibits shall be made available for cross-examination at the evidentiary hearing. Witnesses should file the work papers used in preparing the evidence they sponsor at the time they submit their testimony and exhibits and have such work papers available at the evidentiary hearing. Witnesses will not be permitted to read prefiled written testimony at the evidentiary hearings.

In the presentation of the testimony, each witness may give a brief oral summary of the written testimony and exhibits and shall summarize the issues raised by such testimony. Each witness shall be subject to cross-examination for both direct and rebuttal testimony and exhibits.

The parties and participant shall cooperate to accommodate the schedules of mainland witnesses and will inform the Commission in advance of any scheduling difficulties with respect to such witnesses. If a party or participant has an objection to a timely request to schedule a mainland witness in advance of other witnesses, the party or participant shall make a timely objection to the Commission. The parties and participant will make their best effort to accommodate the schedules of mainland witnesses by coordinating their appearance at the evidentiary hearing.

C. Form of Prepared Testimony

All prepared testimony, including text and exhibits, shall be prepared in written form on 8-1/2" x 11" paper with line numbers and page numbers, and shall be served on the dates designated in the Stipulated Regulatory Schedule.

Each party or participant shall be permitted to follow its own numbering system for written testimony and exhibits, provided that the numbering system utilized is consistent and is clearly understandable. Each party or participant shall prepare a list of its exhibits by exhibit numbers and titles.

The parties and participant shall be permitted to make revisions to exhibits after the designated dates appearing in the Schedule of Proceedings. Revisions shall bear appropriate revision dates. However, revisions or additions that do more than correct typographical errors, update facts, or give numerical comparisons of the positions taken by the parties, shall not be submitted except with the approval of the Commission.

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.

D. Matters of Public Record

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record, such as reports that HECO 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 or participant 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 or participant 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.

E. Copies of Testimony, Exhibits and Information Requests

1. Testimony, Exhibits, Workpapers, Information Requests, Responses to Information Requests, Briefs:

Commission	Original + 11 copies
HECO	3 copies
Consumer Advocate	3 copies

LOL
SWSA

3 copies
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 or participant 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 or participant via diskette, CD or e-mail, unless otherwise agreed to by such party or participant, the same number of copies of such filing, information request or information request response must still be delivered to such party or participant by hand delivery or United States mail (first class, postage prepaid) as provided in Part E, above.

F. Order of Examination at the Evidentiary Hearing

The following shall apply:

Pursuant to Chapter 61, Subchapter 3, Section 6-61-31, of the Commission's Rules of Practice and Procedure, HECO's witnesses shall open with its direct case. The Consumer Advocate's direct case shall be presented after HECO's direct case, followed by LOL, followed by SWSA. HECO shall close with its rebuttal case.

Examination of any witness shall be limited to one attorney or representative for a party or participant. The parties shall avoid duplicative or repetitious cross-examination. Friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse to the party or participant desiring to cross-examine. Recross-examination shall be limited to the extent of material covered in redirect examination unless otherwise permitted by the Commission.

G. 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 or the participant, and the Commission. However, the parties and the participant may communicate with Commission counsel on matters of practice and procedure through their own counsel or designated official.

Communications between the parties and participant and among the parties themselves 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 and participant. All motions, supporting memoranda, and the like shall also be served on opposing counsel.

H. 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 and participant 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 and participant 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, APR 12 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 
Catherine P. Awakuni
Commission Counsel

EXHIBIT A

Stipulated Regulatory Schedule

HECO Application	June 17, 2005
HECO Written Direct Testimonies and Exhibits	April 18, 2006
Other Parties'/Participant's ¹ Round 1 Information Requests to HECO ²	May 4, 2006
HECO Responses to Round 1 Information Requests	May 30, 2006
Other Parties'/Participant's Round 2 Information Requests to HECO	June 15, 2006
HECO Responses to Round 2 Information Requests	July 6, 2006
Other Parties'/Participant's Round 3 Information Requests to HECO	July 20, 2006
HECO Responses to Round 3 Information Requests	August 3, 2006
Written Testimonies, Exhibits, and Workpapers of Other Parties and Participant	August 17, 2006
Parties'/Participant's Information Requests to Other Parties/Participant	August 31, 2006
Other Parties'/Participant's Responses to Parties'/Participant's Information Requests	September 14, 2006
HECO Written Rebuttal Testimonies, Exhibits, and Workpapers; Other Parties'/Participant's Cross-Rebuttal Testimonies, Exhibits and Workpapers ³	September 28, 2006
Other Parties'/Participant's Rebuttal Information Requests to HECO	October 12, 2006

¹ The Participant's testimony, opening brief, reply brief and information requests will be limited to issues relating to health, environmental, traffic congestion, and noise effects caused by the Proposed Project on SWSA's products, employees, vendors, customers, and visitors to SWSA's warehouse that is adjacent to the site for the Proposed Project and to the value of SWSA's property next to the Proposed Project's site.

² "Other Parties" means the Consumer Advocate and LOL.

³ Other Parties'/Participant's Cross-Rebuttal Testimonies will be limited to addressing the Written Testimonies, Exhibits, Workpapers and IR responses of the Consumer Advocate, LOL and SWSA only. Other Parties'/Participant's Cross-Rebuttal Testimonies will not address the HECO testimonies, exhibits, workpapers or IR responses.

HECO Responses to Rebuttal Information Requests	November 2, 2006
Prehearing Conference	November 16, 2006
Evidentiary Hearing	Week of December 11, 2006
Simultaneous Briefs by Parties/Participant	3 weeks after transcripts
Simultaneous Reply Briefs by Parties/Participant	2 weeks after Opening Briefs

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Stipulated Procedural Order No. 22381 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

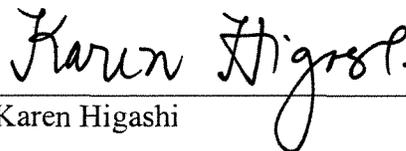
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Karen Higashi

DATED: APR 12 2006