

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of )

PUBLIC UTILITIES COMMISSION )

) Docket No. 2006-0425

Instituting a Proceeding to Investigate the Issues )  
and Requirements Raised by, and Contained in, )  
Hawaii's Solar Water Heating Pay As You Save )  
Program, Act 240, Session Laws of Hawaii (2006). )  
\_\_\_\_\_ )

STIPULATED PROCEDURAL ORDER NO. 23158

Filed Dec. 21, 2006

At 11 o'clock A.M.

Karen Hignel.

Chief Clerk of the Commission

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

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STIPULATED PROCEDURAL ORDER

Hawaiian Electric Company, Inc. ("HECO"), Hawaii Electric Light Company, Inc. ("HELCO"), Maui Electric Company, Limited ("MECO"), Kauai Island Utility Cooperative ("KIUC"), the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (the "Consumer Advocate"), the Hawaii Solar Energy Association ("HSEA") and the Hawaii Renewable Energy Alliance ("HREA") hereby stipulate that the attached Stipulated Procedural Order is mutually acceptable to each respective party.

DATED: Honolulu, Hawaii, December 15, 2006.

*for*   
WILLIAM A. BONNET

Vice President

Hawaiian Electric Company, Inc.

Hawaii Electric Light Company, Inc.

Maui Electric Company, Limited

*for*   
CATHERINE P. AWAKUNI

Executive Director

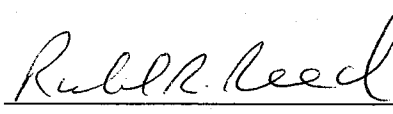
Division of Consumer Advocacy

Department of Commerce and Consumer Affairs

*for*   
KENT D. MORIHARA

Attorney for

Kauai Island Utility Cooperative

  
RICHARD R. REED

President

Hawaii Solar Energy Association

  
WARREN S. BOLLMEIER II

President

Hawaii Renewable Energy Alliance

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STIPULATED PROCEDURAL ORDER

By Order No. 22974, filed October 24, 2006, the Commission opened this investigation to examine the issues and requirements raised by, and contained in, Hawaii's Solar Water Heating Pay As You Save Program ("SWH Financing Program"), Act 240, Session Laws of Hawaii (2006) ("Act 240").<sup>1</sup> Specifically, the Commission initiated this investigation to, among other things: (1) determine the time frame of the SWH Financing Program; (2) gather and analyze information to evaluate the SWH Financing Program; (3) review and, if necessary, modify the proposed tariffs submitted by each electric utility to implement the SWH Financing Program; and (4) examine the issues and requirements necessary to implement the SWH Financing Program.

By said Order No. 22974, the Commission, sua sponte, designated HECO,

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<sup>1</sup> Section 13 of Act 240 authorized and directed the Commission to implement a pilot project to be called the "solar water heating pay as you save program", to determine the time frame of the pilot program, to gather and evaluate

HELCO, MECO, KIUC and the Consumer Advocate as parties to this investigative proceeding.

On November 13, 2006, HSEA filed a Motion to Intervene in the subject proceeding. Also on November 13, 2006, HREA filed a Motion to Intervene in the subject proceeding.

On November 24, 2006, the Commission issued Order No. 23073, granting HSEA's and HREA's Motions to Intervene, and in accordance with Order No. 22974, ordered the parties (i.e., HECO, HELCO, MECO, KIUC, the Consumer Advocate, HSEA and HREA) to determine the issues and procedural schedule to be set forth in a Stipulated Procedural Order to be submitted for Commission approval by December 8, 2006.

The parties have reached agreement on procedural matters and submit this Stipulated Procedural Order to the Commission, which is acceptable to the parties.

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

#### I.

#### ISSUES

The issues in this investigative proceeding are:

- (1) Whether the tariffs proposed by HECO, HELCO, MECO and KIUC, respectively, to comply with Act 240 are reasonable and should be approved or approved

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information to evaluate the pilot program, and to ensure that all reasonable costs incurred by electric utilities to start up and implement the "pay as you save model system" are recovered as part of the utility's revenue requirement.

with modifications?

(2) What is the appropriate time frame of the SWH Financing Program?

(3) What information, if any, should the electric utilities submit to the

Commission to enable the Commission to evaluate the tariffs and the SWH Financing Program?

(4) How will each utility capture and account for the costs incurred to start up and implement the SWH Financing Program?

(5) How will each utility determine the start-up and implementation costs that are not recovered via participating residential consumers' SWH Financing Program bill payments or existing base rates?

(6) What is the mechanism for the electric utilities to recover the incremental start-up and implementation costs that are not recovered via participating residential consumers' SWH Financing Program bill payments or existing base rates?

## II.

### SCHEDULE OF PROCEEDINGS

Submittal of Proposed Tariffs and  
Tariff Transmittals by  
HECO, HELCO, MECO and KIUC

December 29, 2006

Technical Consultant Meeting<sup>2</sup>

January 26, 2007

Information Requests to  
HECO/HELCO/MECO and KIUC

February 9, 2007

HECO/HELCO/MECO and KIUC  
Responses to Information Requests

March 2, 2007

Consumer Advocate, HSEA and HREA  
Statements of Position ("SOPs") on  
HECO, HELCO, MECO and KIUC  
Proposed Tariffs

April 6, 2007

HECO, HELCO, MECO and KIUC Reply /  
Response SOPs to the Consumer Advocate,  
HSEA and HREA SOPs

April 27, 2007

Following the filing of HECO, HELCO, MECO and KIUC's respective Reply / Response SOPs, the parties will meet informally to attempt to reach a stipulation on issues where there is agreement and/or partial agreement, and/or establish additional procedural steps, as required. The establishment of additional procedural steps will be subject to Commission approval. If the Commission determines that an evidentiary hearing should be conducted to resolve the parties' differences on the issues to be addressed in this proceeding, the parties will designate witnesses that shall (1) be responsible for sponsoring the information contained in each section of their respective SOPs, and (2) be available for cross-examination. Matters related to Witnesses and Order of Examination at the Evidentiary Hearing will be established at a later date, if applicable.

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<sup>2</sup> The intent of the Technical Consultant Meeting is for the parties to discuss the respective tariffs submitted by the electric utilities, and also for the parties to seek clarification regarding the proposed tariffs to help facilitate and streamline the discovery process.

### 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, the parties will cooperate 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 inquiring party to act.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials, 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 may 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 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. In addition, a party 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.

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 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 to the attached responsive document, indicating the name of the respondent for each response.

B. Matters of Public Record

In order to provide a means to reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record, such as reports that a party 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 Filings and Information Requests.

1. Filings:

Commission	Original + 8 copies
Consumer Advocate	3 copies
HECO/HELCO/MECO	3 copies
KIUC, HSEA and HREA	2 copies each

2. Information Requests and Responses:

Commission	Original + 8 copies
Consumer Advocate	3 copies
HECO/HELCO/MECO	3 copies
KIUC, HSEA and HREA	2 copies each

3. All pleadings, 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.

4. 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 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 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 in Parts C.1 and C.2 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.

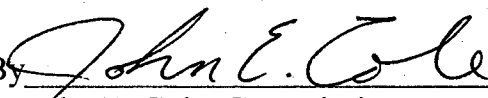
This Stipulated Procedural Order shall control the subsequent courses of the proceedings, unless modified by the Parties in writing and approved by the Commission or upon the Commission's own motion..

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.

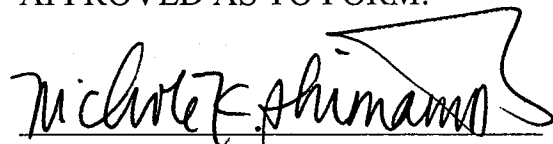
DONE at Honolulu, Hawaii, this 21<sup>st</sup> day of December, 2006.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By   
John E. Cole, Commissioner

APPROVED AS TO FORM:

  
Nichole K. Shimamoto  
Commission Counsel

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Stipulated  
Procedural Order No. 23158 upon the following parties and participant, by causing a  
copy hereof to be mailed, postage prepaid, and properly addressed to each such party or  
participant.

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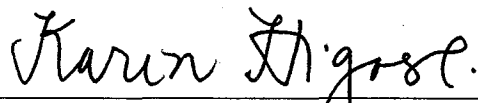
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\_\_\_\_\_  
Karen Higashi

DATED: DEC 21 2006