BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAI'I

In the Matter of the Application of

HAWAII ELECTRIC LIGHT COMPANY, INC.

DOCKET NO. 2007-0124

For Approval to Construct an Overhead 69 kV Transmission Line Pursuant to HRS § 269-27.6(a) for Item H0001047, Waimea-Kawaihae Reconductor 7300 Line

INTERIM ORDER NO. 23544

Filed

July 13, 2007

At 12 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

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INTERIM ORDER

By this Interim Order, the commission approves HAWAII ELECTRIC LIGHT COMPANY, INC.'s ("HELCO") request for interim approval to permit HELCO to commit funds and, if necessary, to start installation in connection with the Waimea-Kawaihae Reconductor 7300 Line project, Item H0001047 Project ("Project").

I.

Background

On May 11, 2007, HELCO filed an Application for commission approval to construct an overhead 69 kilovolt ("kV") transmission line, pursuant to Hawaii Revised Statutes ("HRS") § 269-27.6(a).¹ Specifically, HELCO seeks a commission determination that the reconducted and reinforced 69 kV

¹HELCO served a copy of the Application on the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"), an ex officio party to this docket pursuant to HRS § 269-51 and Hawaii Administrative Rules § 6-61-62. HELCO and the Consumer Advocate will be referred to herein as "the Parties."
transmission line for the Project be constructed above the surface of the ground, pursuant to HRS § 269-27.6(a). HELCO also requests that the commission conduct a public hearing, as required by HRS § 269-27.5.²

II.

Request For Interim Approval

In the Application, HELCO requests interim approval "immediately after the commission holds the public hearing for the 7300 line project to permit HELCO to commit funds and, if necessary, to start the installation for [the Project] prior to receiving a commission determination that the reconducted and reinforced 69 kV transmission line be constructed above the surface of the ground pursuant to HRS § 269-27.6(a)."³ According to HELCO, "[n]ormally, [it] would wait for a commission decision pursuant to HRS § 269-27.5 and HRS § 269-27.6 before ordering materials or starting construction for a 69 kV overhead line project. However, . . . there is a system need to complete the 7300 Line project as soon as possible."⁴

²In its Application, HELCO states that a public hearing is required under HRS § 269-27.5 because "[t]here are residential homes along State Highway 19 that are in proximity to the proposed 69kV line reconductoring and reinforcement work . . . . Of the 5.4 miles of transmission line in the project area, approximately 2.1 miles pass residentially zoned properties (from approximately P.7 to P30X, P.37X to P.38, and P.42 to P.44X)." Application at 15.

³Application at 15-16.

⁴Id.
In support of its request for interim relief, HELCO represents:

1. The Waimea-Keamuku (7200) and Waimea-Ouli (7300) 69kV Transmission Overload Study, Final Report, dated July 2006 (the "Study"), found that "[b]oth the 7200 and 7300 lines are presently at risk for overloads of about 20% of their emergency ratings."^5

2. "Since both transmission lines are presently at risk for overload conditions, and because the addition of ST-7 at Keahole does not resolve these risks, there are both immediate and long term needs for eliminating the overload risks on the 7200 and 7300 lines."^6

3. The Study's recommended solution is to reconductor both the 7200 and 7300 lines immediately. "Since normal power flow on the 7300 line is approaching the line's continuous rating, priority should be given to completing the 7300 line reconductoring first."^7

4. Reconductoring both the 7200 and 7300 lines "will also allow for increased acceptance of power from the as-available renewable energy resource Hawi Renewable Development ("HRD") and from the firm resource provider Hamakua Energy Partners, L.P. ("HEP")."^8

^ Application at 3
^ Application at 4.
^ Application at 4.
^ Id. at 5.
^ Application at 6.
5. The long lead time for the Project is due to the fact that it takes a long time to order wood poles. The pole manufacturer informed HELCO that the normal lead time to order wood poles is approximately 16 weeks.\footnote{See Application at 16.} The reconductoring and reinforcement of the line is expected to take approximately three months after receipt of the poles.\footnote{Id.} "Receipt of [c]ommission interim approval by late June 2007 will allow HELCO to order the wood poles and complete the 69kV line work by approximately December 2007."\footnote{Id.}

6. HELCO states that it "understands that it is ordering the wood poles and other materials, and possibly starting construction, at its own risk, if the [c]ommission does not approve HELCO's request for the overhead 69kV line reconductoring and reinforcement. HELCO also understands that a [c]ommission interim approval will not affect the [c]ommission's final decision on this project."\footnote{Id.}

7. The Consumer Advocate does not object to the request for interim approval but reserves its right to state its position with respect to HELCO's Application.

By letter dated and filed on June 26, 2007, HELCO notified the commission that since the public hearing will be held on July 30, 2007, "HELCO desires interim approval in late June 2007 prior to the public hearing so that it can order the
poles and materials at that time . . . [which] will allow [HELCO] to stay on schedule and complete construction by approximately December 2007." ¹⁴ According to HELCO, the Consumer Advocate does not object to the commission granting interim approval, but reserves the right to state its position on the Application at a later time in the proceeding.

Based on HELCO's representations, the commission finds HELCO's request for interim approval to permit HELCO to commit funds and, if necessary, to start installation for the proposed Project, to be reasonable and in the public interest. Thus, the commission concludes that HELCO's request should be approved. Such approval, however, is conditioned upon HELCO's compliance with all applicable laws, rules and regulations relating to the Project and any other terms, conditions, and requirements imposed subsequent to the commission's and the Consumer Advocate's respective reviews of the merits of HELCO's Application.

III.

Orders

THE COMMISSION ORDERS:

1. HELCO's request for interim approval to commit funds to order materials for the Project and, if necessary, to commence construction, is approved.

¹⁴See Letter dated and filed on June 26, 2007, from HELCO to the commission.
2. HELCO shall comply with all applicable laws, rules and regulations relating to the Project and any other terms, conditions, and requirements imposed subsequent to the commission’s and the Consumer Advocate’s respective reviews of the merits of HELCO’s Application.

3. In the event the commission ultimately does not approve HELCO’s Application on the merits, HELCO shall not seek to recover its share of the costs for the Project from its ratepayers.

DONE at Honolulu, Hawaii

JUL 13 2007

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By ____________________

Carlito P. Caliboso, Chairman

By ____________________

John E. Cole, Commissioner

By ____________________

Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

Jodi C. K. Wi
Commission Counsel

2007-0124
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Interim Order No. 23544 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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Dated: JUL 13 2007

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