

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

-----In the Matter of-----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting a Proceeding Under)
Hawaii's Net Energy Metering)
Law, Hawaii Revised Statutes)
§§ 269-101 - 269-111, to)
Investigate Increasing: (1) the)
Maximum Capacity of Eligible)
Customer-Generators to More Than)
Fifty Kilowatts; and (2) the)
Total Rated Generating Capacity)
Produced by Eligible Customer-)
Generators to an Amount Above)
0.5 Percent of Peak Demand)
_____)

DOCKET NO. 2006-0084

ORDER NO. 23618

Filed August 30, 2007
At 9 o'clock A.M.

Karen Higashi
Chief Clerk of the Commission

RECEIVED

2007 AUG 31 A 8:47

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

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.

Karen Higashi

-----In the Matter of-----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting a Proceeding Under)
Hawaii's Net Energy Metering)
Law, Hawaii Revised Statutes)
§§ 269-101 - 269-111, to)
Investigate Increasing: (1) the)
Maximum Capacity of Eligible)
Customer-Generators to More Than)
Fifty Kilowatts; and (2) the)
Total Rated Generating Capacity)
Produced by Eligible Customer-)
Generators to an Amount Above)
0.5 Percent of Peak Demand)
)

Docket No. 2006-0084
Order No. 23618

By this Order, the commission approves the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY's ("Consumer Advocate") request, on behalf of the Parties in this docket,¹ to amend the Revised Stipulated Regulatory Schedule governing this proceeding.

1The commission named, as original parties to this proceeding, HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED, KAUAI ISLAND UTILITY COOPERATIVE, and the Consumer Advocate. See Order No. 22380, filed on April 10, 2006. By Order No. 22535, filed June 15, 2006, the commission granted intervention to HAWAII RENEWABLE ENERGY ALLIANCE ("HREA") and HAWAII SOLAR ENERGY ASSOCIATION ("HSEA"), and participation without intervention to ZERO EMISSIONS LEASING LLC ("Zero Emissions"). The original parties, as well as HREA and HSEA, are hereinafter referred to as the "Parties," and Zero Emissions is referred to as the "Participant."

I.

Request to Amend Revised Stipulated Regulatory Schedule

By Order No. 23441, filed on May 17, 2007, the commission approved the Parties' and Participant's Revised Stipulated Regulatory Schedule. Thereafter, the Consumer Advocate, on behalf of the Parties, requested two extensions of time to file Statements of Position, Simultaneous Information Requests to the Parties on their Statements of Position, and Simultaneous Responses to Information Requests filed by the Parties on their Statements of Position. The extension requests were based on the Parties' and Participant's stated desire to hold a collective settlement discussion to attempt to reach agreement and resolve all or as many of the issues in this proceeding as possible. Both extension requests were approved by the commission in Order Nos. 23524 and 23553,² filed on June 29, 2007 and July 20, 2007, respectively.

By letter dated and filed on August 13, 2007, the Consumer Advocate, on behalf of the Parties, represented that, "[i]n light of the productive technical and settlement meetings attended by the Parties and Participant, which facilitated further understanding of each other's positions, discovery is now unnecessary."³ Accordingly, the Consumer Advocate requested that

²In Order No. 23553, the commission granted the Parties' extension request and also established a deadline of October 1, 2007 for the Parties to submit a joint settlement letter to the commission, if any.

³Letter dated and filed August 13, 2007, from the Consumer Advocate to the commission, at 2.

the following procedural steps be removed from the Revised Stipulated Regulatory Schedule:

| PROCEDURAL STEPS TO BE REMOVED | DATE |
|--|--------------------|
| Simultaneous Replies to Statements of Position | August 13, 2007 |
| Simultaneous Information Requests to the Replies to the Statements of Position | August 20, 2007 |
| Simultaneous Responses to Information Requests filed by the Parties on the Replies to their Statements of Position | August 31, 2007 |
| Simultaneous Information Requests to the Parties on their Statements of Position | September 27, 2007 |
| Simultaneous Responses to the Information Requests filed by the Parties on their Statements of Position | October 22, 2007 |

In addition, the Consumer Advocate requested that the Parties be allowed to file: (1) either a stipulated settlement letter or a statement of position on the deadline established for the filing of statements of position (i.e., September 17, 2007); and (2) final and/or reply statements of position (by the Parties and Participant) on October 1, 2007.

By letter dated and filed on August 20, 2007, Participant objected to the Parties' August 13, 2007 extension request. Participant argued that granting the extension and eliminating the discovery deadlines from the procedural schedule would deprive the commission of a complete factual record. Participant also objected to the Parties' alleged failure to

provide notice to Participant of the extension request and obtain Participant's agreement in such extension request.⁴

The commission will treat the Consumer Advocate's August 13, 2007 letter as a motion for an extension of time ("Motion") under Hawaii Administrative Rules ("HAR") §§ 6-61-23 and 6-61-41. HAR § 6-61-23(a)(1) allows the commission to enlarge a period by which a required act must be completed upon a showing of good cause provided that a written request is made before the expiration of the period originally prescribed.

After reviewing the entire record, and based on the representations in the Consumer Advocate's letter, the commission finds the proposed revisions to the Revised Stipulated Regulatory Schedule to be reasonable. The commission notes the Participant's objections to the Motion, but finds that the commission would not be deprived of a complete factual record by granting the Motion, and indeed, may issue information requests to the Parties and Participant if it determines the record to be incomplete.⁵ In addition, the commission finds that Participant will not be prejudiced since the commission's granting of the Motion will not result in the extension of any deadlines, but rather, the removal of certain procedural steps in which

⁴Pursuant to Order No. 22884, filed on September 21, 2006, "the agreement of the Participant shall only be required when the filing dates for the Preliminary Statements of Position, Statements of Position, and Replies to Statements of Position are amended."

⁵The Parties are nevertheless reminded that, if a settlement is reached, they should provide the commission with sufficient information regarding the basis of the settlement so that the commission can adequately assess the reasonableness and fairness of the settlement.

Participant has no right to participate. Participant has, moreover, already filed its Preliminary Statement of Position and Statement of Position, and will still have an opportunity to file a Reply Statement of Position on October 1, 2007.

Accordingly, the commission grants the Motion and approves the Parties' request to remove the procedural steps noted above from the procedural schedule in this docket, leaving the following remaining procedural steps in this docket:

| REMAINING PROCEDURAL STEPS | DATE |
|--|--|
| Statements of Position or Stipulated Settlement Letter | September 17, 2007 |
| Final and/or Reply Statements of Position by Parties and Participant | October 1, 2007 |
| Prehearing Conference | October 15, 2007 |
| Panel Hearing | Week of October 22, 2007 |
| Simultaneous Post-Hearing Opening Briefs | 4 weeks after transcript completed and filed with the commission |
| Simultaneous Post-Hearing Reply Briefs | 3 weeks after the filing of Opening Briefs |

II.

Orders

THE COMMISSION ORDERS:

1. The Consumer Advocate's Motion, on behalf of the Parties, to amend the Revised Stipulated Regulatory Schedule, is approved.

2. The following procedural steps are removed from the Revised Stipulated Regulatory Schedule:

| PROCEDURAL STEPS TO BE REMOVED | DATE |
|--|--------------------|
| Simultaneous Replies to Statements of Position | August 13, 2007 |
| Simultaneous Information Requests to the Replies to the Statements of Position | August 20, 2007 |
| Simultaneous Responses to Information Requests filed by the Parties on the Replies to their Statements of Position | August 31, 2007 |
| Simultaneous Information Requests to the Parties on their Statements of Position | September 27, 2007 |
| Simultaneous Responses to the Information Requests filed by the Parties on their Statements of Position | October 22, 2007 |

3. The following procedural steps shall govern the remainder of this proceeding:

| REMAINING PROCEDURAL STEPS | DATE |
|--|--|
| Statements of Position or Stipulated Settlement Letter | September 17, 2007 |
| Final and/or Reply Statements of Position by Parties and Participant | October 1, 2007 |
| Prehearing Conference | October 15, 2007 |
| Panel Hearing | Week of October 22, 2007 |
| Simultaneous Post-Hearing Opening Briefs | 4 weeks after transcript completed and filed with the commission |
| Simultaneous Post-Hearing Reply Briefs | 3 weeks after the filing of Opening Briefs |

DONE at Honolulu, Hawaii AUG 30 2007.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By Carlito P. Caliboso
Carlito P. Caliboso, Chairman

By John E. Cole
John E. Cole, Commissioner

By Leslie H. Kondo
Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

Kaiulani Kidani Shinsato
Kaiulani Kidani Shinsato
Commission Counsel

2006-0084.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 23618 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

CATHERINE P. AWAKUNI
EXECUTIVE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, HI 96809

WILLIAM A. BONNETT
VICE PRESIDENT
GOVERNMENT & COMMUNITY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

DEAN MATSUURA
DIRECTOR, REGULATORY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

WARREN H.W. LEE
PRESIDENT
HAWAII ELECTRIC LIGHT COMPANY, INC.
P.O. Box 1027
Hilo, HI 96721-1027

EDWARD L. REINHARDT
PRESIDENT
MAUI ELECTRIC COMPANY, LIMITED
P.O. Box 398
Kahului, HI 96733-6898

Certificate of Service
Page 2

THOMAS W. WILLIAMS, JR., ESQ.
PETER Y. KIKUTA, ESQ.
GOODSILL ANDERSON QUINN & STIFEL LLLC
1099 Alakea Street, Suite 1800
Honolulu, HI 96813

Attorneys for HAWAIIAN ELECTRIC COMPANY, INC.,
HAWAII ELECTRIC LIGHT COMPANY, INC.,
and MAUI ELECTRIC COMPANY, LIMITED

RANDALL J. HEE, P.E.
PRESIDENT AND CHIEF EXECUTIVE OFFICER
KAUAI ISLAND UTILITY COOPERATIVE
4463 Pahe'e Street, Suite 1
Lihue, Kauai, HI 96766-2000

TIMOTHY BLUME
MICHAEL YAMANE
KAUAI ISLAND UTILITY COOPERATIVE
4463 Pahe'e Street, Suite 1
Lihue, Kauai, HI 96766-2000

KENT D. MORIHARA, ESQ.
KRIS N. NAKAGAWA, ESQ.
RHONDA L. CHING, ESQ.
MORIHARA LAU & FONG LLP
841 Bishop Street, Suite 400
Honolulu, HI 96813

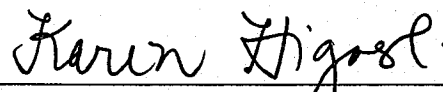
Attorneys for KAUAI ISLAND UTILITY COOPERATIVE

WARREN S. BOLLMEIER II
PRESIDENT
HAWAII RENEWABLE ENERGY ALLIANCE
46-040 Konane Place #3816
Kaneohe, HI 96744

RICHARD R. REED
PRESIDENT
HAWAII SOLAR ENERGY ASSOCIATION
c/o INTER-ISLAND SOLAR SUPPLY
761 Ahua Street
Honolulu, HI 96819

Certificate of Service
Page 3

ERIK W. KVAM
CHIEF EXECUTIVE OFFICER
ZERO EMISSIONS LEASING LLC
2800 Woodlawn Drive, Suite 131
Honolulu, HI 96822



Karen Higashi

DATED: AUG 30 2007