

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting a Proceeding to)
Investigate Competitive Bidding)
for New Generating Capacity in)
Hawaii.)
_____)

DOCKET NO. 03-0372

ORDER NO. 23865

Filed Dec. 3, 2007

At 1 o'clock P.M.

Karen Higashi.
Chief Clerk of the Commission

RECEIVED

2007 DEC -5 A 8:27

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

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

Karen Higashi.

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Docket No. 03-0372

Order No. 23865

ORDER

By this Order, the commission closes this docket.¹

I.

Background

This proceeding arises out the commission's investigation and evaluation of competitive bidding as a mechanism for acquiring or building new generation capacity in the State of Hawaii ("State").²

On June 30, 2006, the commission issued Decision and Order No. 22588, which set forth a proposed Framework for

¹The Parties are HAWAIIAN ELECTRIC COMPANY, INC. ("HECO"), HAWAII ELECTRIC LIGHT COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED (collectively, the "HECO Companies"), KAUAI ISLAND UTILITY COOPERATIVE ("KIUC"), HAWAII RENEWABLE ENERGY ALLIANCE, and the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY, an ex officio party to this proceeding, pursuant to Hawaii Revised Statutes § 269-51 and Hawaii Administrative Rules § 6-61-62(a).

²Order No. 20583, filed on October 21, 2003.

Competitive Bidding, for the Parties' review and comment.³ Following the commission's review of the comments submitted by the Parties, the commission, on December 8, 2006, issued Decision and Order No. 23121 in which it adopted a Framework for Competitive Bidding as a mechanism for acquiring or building new energy generation in the State ("CB Framework").⁴ Specifically, the CB Framework outlines a comprehensive mechanism for the electric utilities to acquire a future generation resource or a block of generation resources under the competitive bidding process.

On March 14, 2007, the commission granted KIUC's Motion for Exemption from the CB Framework, pursuant to Part II.A.5 of the CB Framework.⁵

For purposes of implementing the CB Framework, the commission: (1) on June 22, 2007, approved the list of qualified candidates for the Independent Observer position submitted by the HECO Companies;⁶ (2) on August 28, 2007, approved the Code of Conduct Pertaining to the Implementation of a Competitive Bidding Process for New Power Supplies submitted by the HECO Companies;⁷ and (3) on November 5, 2007, approved the proposed tariffs for

³Decision and Order No. 22588, filed on June 30, 2006.

⁴Decision and Order No. 23121, filed on December 8, 2006, with the Framework for Competitive Bidding, dated December 8, 2006, attached.

⁵Order No. 23298, filed on March 14, 2007.

⁶Decision and Order No. 23503, filed on June 22, 2007.

⁷Decision and Order No. 23614, filed on August 28, 2007.

interconnection and transmission upgrades submitted by the HECO Companies.⁸

II.

Discussion

On October 9, 2007, the commission opened In re Public Util. Comm'n, Docket No. 2007-0331, "to receive filings, review approval requests, and resolve disputes, if necessary, related to HECO's proposal to proceed with a competitive bidding process to acquire approximately 100 [megawatts] of non-firm renewable energy for the Island of Oahu."⁹ In Docket No. 2007-0331, the commission indicated its intent to close Docket No. 03-0372, "[o]nce the remaining issue in that docket related to [the] approval of [the HECO Companies'] interconnection and transmission tariffs is resolved[.]"¹⁰

On November 5, 2007, the commission issued Decision and Order No. 23799, its final, remaining decision to implement the CB Framework and the competitive bidding process in general. The deadline for filing a Motion to Reconsider Decision and Order No. 23799 was November 19, 2007, with no such motions filed. Accordingly, the commission hereby closes Docket No. 03-0372.

⁸Decision and Order No. 23799, filed on November 5, 2007.

⁹Docket No. 2007-0331, Order No. 23699, Ordering ¶ No. 1, at 18.

¹⁰Docket No. 2007-0331, Order No. 23699, at 6.

II.

Orders

THE COMMISSION ORDERS:

This docket is closed unless ordered otherwise by the
commission.

DONE at Honolulu, Hawaii DEC - 3 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:

Michael Azama
Michael Azama
Commission Counsel

03-0372.cp

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 23865 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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Certificate of Service
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Karen Higashi

DATED: DEC - 3 2007