BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
HAWAIIAN ELECTRIC COMPANY, INC. ) DOCKET NO. 94-0010
)
For Approval of a Commercial and
Industrial New Construction
Program, Recovery of Program Costs
and Lost Revenues, and
Consideration for Shareholder
Incentives.
)

In the Matter of the Application of)
)
HAWAIIAN ELECTRIC COMPANY, INC. ) DOCKET NO. 94-0011
)
For Approval of a Commercial and
Industrial Customized Rebate
Program, Recovery of Program Costs
and Lost Revenues, and
Consideration for Shareholder
Incentives.
)

In the Matter of the Application of)
)
HAWAIIAN ELECTRIC COMPANY, INC. ) DOCKET NO. 94-0012
)
For Approval of a Commercial and
Industrial Efficiency Program,
Recovery of Program Costs and Lost
Revenues, and Consideration for
Shareholder Incentives.
)

DECISION AND ORDER NO. 23947

Filed December 31, 2007
At 10 o'clock A.M.

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC. ) Docket No. 94-0010
)
For Approval of a Commercial and )
Industrial New Construction )
Program, Recovery of Program Costs )
and Lost Revenues, and )
Consideration for Shareholder )
Incentives. )

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC. ) Docket No. 94-0011
For Approval of a Commercial and )
Industrial Customized Rebate )
Program, Recovery of Program Costs )
and Lost Revenues, and )
Consideration for Shareholder )
Incentives. )

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC. ) Docket No. 94-0012
(Consolidated) )
For Approval of a Commercial and )
Industrial Efficiency Program, )
Recovery of Program Costs and Lost )
Revenues, and Consideration for )
Shareholder Incentives. )

DECISION AND ORDER

By this Decision and Order, the commission approves
HAWAIIAN ELECTRIC COMPANY, INC.'s ("HECO") request to reduce the
customer incentive levels for compact fluorescent lamps ("CFLs")
for its Commercial and Industrial New Construction ("CINC") and
Commercial Industrial Energy Efficiency ("CIEE") Programs, as described below.

I. Request to Reduce Customer Incentive Levels

By letter dated and filed on August 29, 2007, HECO requests commission approval to reduce the customer incentive levels for CFLs for its CINC and CIEE Programs, as follows:

### CINC Program

<table>
<thead>
<tr>
<th>CFL Type</th>
<th>Current Incentive</th>
<th>Proposed Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFL - Screw In</td>
<td>$2.50</td>
<td>$1.25</td>
</tr>
<tr>
<td>CFL - Reflector</td>
<td>$5.00</td>
<td>$2.50</td>
</tr>
<tr>
<td>CFL - Dimmable</td>
<td>$5.00</td>
<td>$2.50</td>
</tr>
<tr>
<td>CFL - Cold Cathode</td>
<td>$5.00</td>
<td>$2.50</td>
</tr>
<tr>
<td>CFL - Pin Mount</td>
<td>$5.00</td>
<td>$2.50</td>
</tr>
</tbody>
</table>

1HECO filed its request in this docket and in Docket No. 05-0069. To ensure the completeness of the commission's records, the commission will also file a copy of this Decision and Order in Docket No. 05-0069.
<table>
<thead>
<tr>
<th>CIEE Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Incentive</strong></td>
</tr>
<tr>
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</table>

According to HECO, the current customer incentives for CFLs approved in Decision and Order No. 23258 filed on February 13, 2007, in Docket No. 05-0069, were based on an estimated installed cost of $20 – $40 per CFL in commercial applications. HECO asserts that the availability of CFLs in the marketplace has significantly increased thereby driving costs down, which has resulted in installed costs of CFLs, including labor, to be $10 – $15 per CFL.² As such, "HECO maintains that a reduction in the customer incentive level is warranted, and that the reduced customer incentive level should be sufficient to drive the continued adoption by commercial customers of this

²HECO’s Response to PUC-IR-1.
energy efficiency measure." The DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate") does not object to HECO’s request.

Here, given the reduction in the installed costs of CFLs, it is appropriate to reduce the customer incentive levels. As noted by HECO, "[r]atepayer funded [demand-side management ("DSM")] programs need to strike a balance between offering customer incentives to motivate customers to install energy efficient measures and/or adopt new technologies versus overpaying incentives and/or providing incentives to customers who would have installed the energy efficiency measure even without a utility DSM program." Accordingly, the commission approves HECO’s request to reduce the customer incentive levels for CFLs for its CINC and CIEE Programs, as described herein.

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3Letter dated and filed August 29, 2007, from William A. Bonnet, Vice President of Government & Community Affairs, HECO, to the commission, at 2.

4By letter dated and filed on December 3, 2007, the Consumer Advocate informed the commission that it does not object to commission approval of HECO’s request to reduce the CFL customer incentive levels. The Consumer Advocate is an ex officio party to this docket, pursuant to Hawaii Revised Statutes § 269-51 and Hawaii Administrative Rules § 6-61-62.

5HECO’s Response to PUC-IR-1.

94-0010, et al. 4
II.

Order

THE COMMISSION ORDERS:

HECO's request to reduce the customer incentive levels for CFLs for its CINC and CIEE Programs, as described herein, is approved.

DONE at Honolulu, Hawaii DEc 3 1 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:

Stacey Kawasaki Djou
Commission Counsel
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 23947 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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Counsel for HECO

DATED: DEC 31 2007

Karen Higashi