

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

----- In the Matter of ----- )  
 )  
 PUBLIC UTILITIES COMMISSION )  
 )  
 Instituting a Proceeding to )  
 Investigate the Implementation )  
 Of Intragovernmental Wheeling )  
 Of Electricity. )  
 \_\_\_\_\_ )

DOCKET NO. 2007-0176

PROCEDURAL ORDER NO. 23994

Filed Jan. 30, 2008

At 11 o'clock A.M.

Karen Higashi  
Chief Clerk of the Commission

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

Eleanor R. Luinasosozo

RECEIVED  
2008 JAN 31 A 9:09  
DIV. OF CONSUMER AFFAIRS  
PUBLIC UTILITIES COMMISSION  
STATE OF HAWAII

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

----- In the Matter of ----- )  
 )  
PUBLIC UTILITIES COMMISSION )  
 )  
Instituting a Proceeding to )  
Investigate the Implementation )  
Of Intragovernmental Wheeling )  
Of Electricity. )  
\_\_\_\_\_ )

Docket No. 2007-0176

Procedural Order No. 23994

PROCEDURAL ORDER

By this Procedural Order, the commission sets forth the issues, schedule of proceedings, and terms to govern this proceeding.<sup>1</sup>

---

<sup>1</sup>The Parties are: (1) HAWAIIAN ELECTRIC COMPANY, INC. ("HECO"); (2) HAWAII ELECTRIC LIGHT COMPANY, INC. ("HELCO"); (3) MAUI ELECTRIC COMPANY, LIMITED ("MECO"); (4) KAUAI ISLAND UTILITY COOPERATIVE ("KIUC"); (5) the DEPARTMENT OF THE NAVY on behalf of the UNITED STATES DEPARTMENT OF DEFENSE; (6) the DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM ("DBEDT"); (7) the COUNTY OF HAWAII; (8) the COUNTY OF KAUAI; (9) the COUNTY OF MAUI; (10) the CITY AND COUNTY OF HONOLULU; (11) HAWAII RENEWABLE ENERGY ALLIANCE; (12) LIFE OF THE LAND; (13) CASTLE AND COOKE RESORTS, LLC/LANAI SUSTAINABILITY RESEARCH, LLC; and (14) the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"), an ex officio party to this proceeding, pursuant to Hawaii Revised Statutes § 269-51 and Hawaii Administrative Rules § 6-61-62(a). HECO, HELCO, and MECO are collectively referred to as the "HECO Companies."

The Participants are: (1) REALGREEN POWER L.L.C.; (2) SUN EDISON LLC ("Sun Edison"); and (3) PUNA GEOTHERMAL VENTURE.

I.

Background

The deadline for the Parties and Participants to file a stipulated prehearing or procedural order, or in the alternative, for each of them to file a proposed order if they were unable to reach agreement on a stipulated order, was January 11, 2008.<sup>2</sup>

On January 11, 2008: (1) the Parties and participants, with the exception of Sun Edison (collectively, the "Stipulating Parties"), submitted their proposed Procedural Order;<sup>3</sup> and (2) Sun Edison filed its Motion for Approval of Proposed Procedural Schedule and Other Matters,<sup>4</sup> seeking the commission's approval of its Procedural Schedule.

The Stipulating Parties: (1) assert that their Procedural Order represents a negotiated compromise on the issues, procedural steps, and procedural schedule, and sets forth a reasonable course for moving forward in this proceeding; and (2) recommend that the commission approve their Procedural Order. Conversely, Sun Edison proposes its own Procedural Schedule for the commission's approval, which it believes provides ample time in which to consider and resolve the issues in this proceeding.

---

<sup>2</sup>Order No. 23530, filed on June 29, 2007; Order No. 23677, filed on September 21, 2007; Order No. 23801, filed on November 5, 2007; and Order No. 23863, filed on December 3, 2007.

<sup>3</sup>HECO's Transmittal Letter; and proposed Procedural Order ("Procedural Order"), dated January 11, 2008. HECO signed and submitted the Procedural Order on behalf of the Stipulating Parties.

<sup>4</sup>Motion for Approval of Proposed Procedural Schedule and Other Matters; Proposed Regulatory Schedule ("Procedural Schedule"); Memorandum in Support of Motion for Approval of Proposed Procedural Schedule; and Certificate of Service, filed on January 11, 2008 (collectively, "Motion for Approval").

On January 22, 2008: (1) the HECO Companies filed their Opposition to Sun Edison's Motion for Approval; and (2) KIUC filed its Memorandum in Opposition to Sun Edison's Motion for Approval.<sup>5</sup>

## II.

### Issues

In Order No. 23530, filed on June 29, 2007, the commission identified seven broad, preliminary issues for this proceeding, subject to the proviso that during the development of the procedural order, the parties and participants would "have the opportunity to restructure these preliminary issues, stipulate to eliminate them, or suggest other issues for resolution in this proceeding for the commission's review and consideration."<sup>6</sup>

The Stipulating Parties' proposed issues consist of the seven broad, preliminary issues identified by the commission in Order No. 23530, plus: (1) detailed sub-issues for each of the seven broad, preliminary issues; and (2) three additional issues, Issues Nos. 8 - 10. Sun Edison, meanwhile, requests confirmation that the specific sub-issue it proposes, Issue No. 1.J, below, be included as an issue in this proceeding. Sun Edison states that

---

<sup>5</sup>Sun Edison's Procedural Schedule was filed with the commission as an attachment to its Motion for Approval. The filing of a motion was not necessary to meet the requirement that Sun Edison file by January 11, 2008, its proposed procedural order, in the event that it was unable to agree on a stipulated procedural order with the Parties and other participants. See Order No. 23863.

<sup>6</sup>Order No. 23530, at 7.

it does not object to the issues proposed by the Stipulating Parties, provided that its proposed sub-issue is included therein and adopted by the commission.

Upon review, the commission adopts as reasonable the issues proposed by the Stipulating Parties, which include the specific sub-issue proposed by Sun Edison, Issue No. 1.J, below.

Thus, the issues in this docket are as follows:

1. Identifying what impact, if any, intra-governmental wheeling will have on Hawaii's electric industry.
  - A. What are the obligations, both regulatory and operational, if any, of the governmental entity that provides renewable energy to another governmental entity?
  - B. What are the obligations of the utility, if any, to continue to serve a governmental entity if it takes electric service from another governmental entity while remaining connected to the utility system?
  - C. What are the operational impacts on a utility, if any, if intra-governmental wheeling of renewable energy is permitted?
  - D. What are the utilities' operational obligations, if any, to serve existing customers as compared to their obligation, if any, to wheeling customers?
  - E. What are the potential impacts, if any, of intra-governmental wheeling of renewable energy on system reliability?
  - F. How does intra-governmental wheeling of renewable energy impact a utility's obligation under its Renewable Portfolio Standard ("RPS") requirements?
  - G. How does intra-governmental wheeling of renewable energy impact a non-utility entity's obligation under its RPS requirements?

- H. How does intra-governmental wheeling of renewable energy impact a utility's obligation under competitive bidding requirements?
  - I. What are the potential financial impacts, if any, on electric utilities as a result of intra-governmental wheeling of renewable energy?
  - J. What, if any, benefits, including, but not limited to, reduced costs, reduced fuel costs for utility generation, increased utility system reliability, environmental benefits, and reduced need for additional utility generating facilities, may accrue to the utility systems, to other utility customers, to governmental entities, and to the State of Hawaii as a result of the implementation of intra-governmental wheeling of renewable energy? How do those benefits, if any, impact the design of rates for intra-governmental wheeling of renewable energy?
2. Addressing interconnection matters.
- A. What interconnection and feasibility issues, if any, arise from intra-governmental wheeling of renewable energy?
  - B. What studies, if any, should be required to insure that a particular interconnection is technically feasible and will not adversely affect system reliability?
  - C. What are the obligations of the utility, if any, to interconnect a governmental entity resource if the interconnection is either technically infeasible or would be a threat to system reliability?
  - D. What are the obligations, if any, of the governmental entities involved in a wheeling transaction for the costs of interconnection?
3. Identifying the costs to the utilities of implementing intra-governmental wheeling.
4. Identifying any rate design and cost allocation issues associated with intra-governmental wheeling.
- A. What should be the obligations of the governmental entity provider of renewable

energy, if any, to provide customer programs traditionally performed by the utility and/or to pay for their proportionate share of those programs?

- B. What impacts, if any, would intra-governmental wheeling of renewable energy have upon existing utility rate design and rates?
  - C. How should the costs associated with intra-governmental wheeling of renewable energy, if any, be appropriately allocated to the governmental entities engaged in a wheeling transaction?
5. Consider the financial costs and impacts of intra-governmental wheeling on non-wheeling customers of a utility, i.e., an uncompensated use of the utility system.
- A. What tariffs or charges, if any, should be required to insure that non-wheeling customers of the utility are not harmed?
  - B. What tariffs or charges, if any, should be required to insure that utilities are not subject to stranded costs as a result of intra-governmental wheeling of renewable energy?
6. Identifying any power back-up issues.
- A. To what extent, if any, is the governmental entity providing renewable energy responsible for procuring reserves or for compensating the utility for the procurement of appropriate reserves?
  - B. To what extent, if any, is the utility responsible for providing standby or other "back-up" services and how will the utility appropriately recover the costs associated with providing these services?
7. Addressing how rates for intra-governmental wheeling would be set.
- A. What should be the appropriate tariff design, if any, for each utility to recover costs associated with intra-governmental wheeling and use of the utility system?

- B. What should be the appropriate tariff design, if any, for governmental entities engaging in intra-governmental wheeling, who thereafter terminate the wheeling arrangement and seek to receive full electric service from the utility?
8. Identifying the environmental impacts, if any, associated with intra-governmental wheeling of electricity.
9. Identifying and evaluating the various forms of "intra-governmental wheeling," if any, that should be implemented in Hawaii using transmission and distribution systems owned by utilities for wheeling electricity produced from renewable energy resources, including, but not necessarily limited to: (A) governmental entities' production of electricity from renewable energy resources for use by other government entities; and (B) governmental entities' purchase of electricity from renewable energy producers.
10. Identifying and evaluating the resulting impact to any and all governmental entities relating to any implementation of intra-governmental wheeling of electricity including but not limited to economic, feasibility and liability impacts.

### III.

#### Schedule of Proceedings

The Stipulating Parties' Procedural Schedule is set forth in Exhibit A of their Procedural Order. In general, the Stipulating Parties propose four technical workshops, commencing in June 2008, by each of the electric utilities, followed by informal questions and position statements between the Parties and Participants, then one or more technical sessions during the week of November 3, 2008. The informal procedures up to this point are identified by specific dates.

Thereafter, the Stipulating Parties propose to commence with the formal process, including the issuance of and responses



to information requests and the filing of position statements, followed by settlement discussions, an evidentiary hearing, and post-hearing briefs. During the technical sessions scheduled for the week of November 3, 2008, the Stipulating Parties intend to "meet and confer in an effort to stipulate to the remaining dates in the proceeding. In the event that a comprehensive stipulation is not possible, the Parties and Participants may submit separate schedules for the Commission's consideration."<sup>7</sup>

The Stipulating Parties, in support of their Procedural Schedule, explain:

Due to the number of parties and participants, the complexity of the issues presented, and the hope that the scheduled workshops, process for informal discovery and technical sessions could substantially reduce or at least focus the issues under consideration, the signatories to the [Procedural Schedule] did not propose dates past the eighth procedural step for the Commission's approval. The signatories believe, as noted in footnote 2 to Exhibit A, that it would be more effective and productive for the parties and participants to meet and confer during the scheduled technical sessions in an attempt to stipulate to additional procedural dates for submission to the Commission. In this way, the dates proposed would be reflective of the above discussions and any resulting progress or settlements reached and appropriately consider the work remaining to be accomplished.

Additionally, the [Procedural Schedule] set forth as Exhibit A schedules the first workshop by June 27, 2008 and the last workshop by August 15, 2008. Upon discussion with the parties and participants, it became clear that many of the representatives, counsel and staff that would be participating in this proceeding or supporting that effort, would also be active participants in the upcoming 2008 legislative session. As such, commencing these workshops following the conclusion of the legislative session would assure a maximum level of participation and focus by the

---

<sup>7</sup>Procedural Order, Exhibit A, at 1 n.2.

parties and participants. Moreover, in addition to the [deadlines] of other scheduled proceedings, workload issues, and limited staffing resources, the electric utilities contend that the timing of these workshops is needed in order to provide them with sufficient time to identify, evaluate and retain their appropriate technical consultants and to work with these consultants to allow for the most productive workshops possible. It is hoped that these workshops will allow for a free flow of information and an opportunity for all to better understand the issues and positions involved which could, in turn, provide certain administrative efficiencies on a going forward basis.

HECO's Transmittal Letter, dated January 11, 2008, at 3.

By contrast, Sun Edison proposes: (1) new dates for the Stipulating Parties' informal procedures that advance, i.e., "move up" the dates proposed by the Stipulating Parties, including the holding of the four technical workshops with each of the electric utilities while the 2008 Legislature is in session; and (2) specific dates for the formal procedures proposed by the Stipulating Parties, culminating with an evidentiary hearing scheduled for late February or early March 2009, subject to the commission's availability.

Sun Edison contends that its Procedural Schedule: (1) provides the Parties and Participants with ample opportunity to settle the issues in this proceeding, while at the same time assuring that if a settlement cannot be reached with respect to some or all of the issues, those issues will be resolved by the commission in a timely manner; and (2) establishes firm dates for the filing of testimonies and the evidentiary hearing, thereby encouraging the Parties and Participants to address the issues in a timely manner. Sun Edison, in essence, criticizes the

Stipulating Parties' Procedural Order as "unnecessarily indefinite."

Here, the fourteen Parties and two of the three participants, i.e., the Stipulating Parties, as a result of their meeting on December 18, 2007 and discussions thereafter, have agreed on a Procedural Schedule to govern the informal and formal procedures for this proceeding. While the commission acknowledges Sun Edison's interest, as a provider of renewable energy, in a more expeditious proceeding, the commission notes that the Procedural Schedule proposed by the Stipulating Parties reflects the consensus of a broad range of interested stakeholders in the intra-governmental wheeling process, including the electric utilities, federal, state, and county government entities, renewable energy advocates and providers, and the Consumer Advocate.<sup>8</sup> Of particular note, the interested stakeholders that have a direct interest as the potential recipients of the intra-governmental wheeling process, including DBEDT and the county governments, agree to the Procedural Schedule that is attached to the Stipulating Parties' Procedural Order.

The commission accepts as reasonable the Stipulating Parties' proposals to commence with an informal process, with specific dates already identified, followed by the formal process that will include dates the Stipulating Parties intend to identify during the week of November 3, 2008. In addition, given

---

<sup>8</sup>See Order No. 23677, filed on September 21, 2007 (granting the motions to intervene or participate in the intra-governmental wheeling proceeding).

the multitude and complexity of the issues identified in Section II, Issues, above, the Stipulating Parties' proposed duration of their procedural steps appears reasonable. Lastly, the Stipulating Parties' Procedural Schedule incorporates verbatim the terms and limitations governing the Participants' role in this proceeding, as specified in Order No. 23677, at pages 30-31.

Accordingly, upon review, the commission adopts the Procedural Schedule proposed by the Stipulating Parties, a copy of which is attached as Exhibit A herein, without change. Consistent with footnote 2 of Procedural Step No. 8, thereto, following the conclusion of the technical session or sessions during the week of November 3, 2008, the Parties and Participants shall file by November 10, 2008, their stipulated dates to govern the formal process, for the commission's review and consideration. If they are unable to reach agreement on the dates to govern the formal process, each of the Parties and Participants shall file their proposed dates with the commission by the same date.

Subject to its availability, the commission intends to attend the technical workshops scheduled for June 27, 2008 (HECO), July 18, 2008 (MECO), August 8, 2008 (HELCO), and August 15, 2008 (KIUC).

#### IV.

##### Miscellaneous Matters to Facilitate and Expedite the Orderly Conduct of these Proceedings

Section IV consists of eight sub-sections proposed by the Stipulating Parties, which Sun Edison states that it does not object to or oppose. Of particular note, as explained by HECO:

. . . . In response to suggestions that electronic service of documents would avoid the need for distribution of hard copies to a significant service list and would reduce negative impacts upon the environment, the parties and participants also stipulated to electronic service of documents. This does not include the Commission and Consumer Advocate which will continue to be served with requisite hard copies pursuant to [HAR] § 6-61-18.

HECO's Transmittal Letter, at 3.

In general, with the exception of the mutual agreement amongst the Parties and Participants to serve each other with documents by electronic mail in lieu of hard copies (which the commission does not object to), Section IV appears consistent with the terms included in prehearing and procedural orders issued by the commission in the absence of a stipulated proposal agreed-upon by all of the parties and participants in a commission proceeding.<sup>9</sup> The commission adopts as reasonable Section IV herein, as proposed by the Stipulated Parties, subject to the following modifications:

---

<sup>9</sup>See, e.g., In re Hawaiian Telcom, Inc., Docket No. 23895, Procedural Order No. 23895, filed on December 18, 2007; In re Public Util. Comm'n, Docket No. 2006-0497, Procedural Order No. 23634, filed on September 6, 2007; In re Pu'uiwaiwa, LLC, Docket No. 2007-0303, Prehearing Order No. 23827, filed on November 13, 2007; and In re Hawaii Elec. Light Co., Inc., Docket No. 04-0046, Prehearing Order No. 23485, filed on June 8, 2007.

1. For Section IV.E, Copies of Testimonies, Exhibits, and Information Requests: (A) in response to Sun Edison's request to amend the service list, dated January 11, 2008, another party representative for Sun Edison (Mr. Rick Gilliam) has been added to the service list for this proceeding; (B) in response to the Stipulating Parties' Procedural Order, the law firm of Kawashima, Lorusso & Tom LLP has been added to the service list as co-counsel for the HECO Companies; and (C) the number of copies of all filings with the commission is changed from original plus eight copies, to original plus ten copies, for this proceeding.

2. For Section IV.H, General: (A) the first paragraph is modified to include the Participants; and (B) the second paragraph, governing the signing of the Procedural Order by the Parties and Participants, is deleted as unnecessary.

A.

Requests for Information

A party or participant to this proceeding may submit information requests to another party or participant within the time schedule specified in this Procedural Order. If a party or participant 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 and Participants shall then endeavor to agree upon a later date for submission of the requested information. If the Parties and Participants are unable to agree, the responding party or

participant, as applicable, 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 party or participant to respond.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials (e.g., documents over 50 pages), 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 or participant responding to the information request shall make the diskette or such electronic medium available to the other parties, participants, and the commission. Subject to objections that may be raised and to the extent practicable, the electronic files for spreadsheets will contain all cell references and formulae intact, and will not be converted to values prior to submission. A party or participant shall not be required, in a response to an information request, to provide data that is/are already on file with the commission or otherwise part of the public record, or that may be stipulated to pursuant to Section IV.D, Matters of Public Record, below. The responding party or participant 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 or participant 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.

For each response to an information request, the responding party or participant should identify the person who is responsible for preparing the response as well as the witnesses who will be responsible for sponsoring the response at the evidentiary hearing.

A party or participant 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 or participant claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the party or participant 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 or participant if the information were disclosed); and (3) state whether the party or participant is willing to provide



the confidential information to some or all representatives of the party pursuant to a protective order.

A party seeking production of documents notwithstanding a party's or participant's claim of confidentiality, may file a motion to compel production with the commission.

The responses of each party or participant to information requests shall adhere to a uniform system of numbering agreed upon by the parties and participants. 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 the attached responsive document, indicating the name of the respondent for each response.

#### B.

##### Witnesses

Witnesses shall submit written testimony and exhibits, and shall be available for cross-examination at the evidentiary hearing. Witnesses should file the workpapers used in preparing the evidence they sponsor at the time they submit their testimony and exhibits (statement of position) and have such workpapers available at the evidentiary hearing. Witnesses will not be

permitted to read pre-filed written testimony at the evidentiary hearings.

At the evidentiary hearing, each witness may give a brief oral summary of the written testimony and exhibits and shall summarize the issues raised by such testimony or statement of position. Each witness shall be subject to cross-examination for both direct and rebuttal testimony and exhibits or statements of position.

The Parties and Participants shall cooperate to accommodate the schedules of any mainland witnesses and will inform the commission in advance of any scheduling difficulties with respect to such witnesses. If any party or participant has an objection to a timely request to schedule a mainland witness in advance of other witnesses, the party or participant shall make a timely objection to the commission. The Parties will make their best effort to accommodate the schedules of mainland witnesses by coordinating their appearance at the evidentiary hearing.

#### C.

##### Form of Prepared Testimony

All prepared testimony, including text and exhibits, shall be prepared in written form on 8-1/2" x 11" paper with line numbers and page numbers, and shall be served on the dates designated in the Schedule of Proceedings.

Each party or participant shall be permitted to follow its own numbering system for written testimony and exhibits,

provided that the numbering system utilized is consistent and is clearly understandable. Each document of more than one page shall be consecutively numbered. Each party or participant shall prepare a list of its exhibits by exhibit numbers and titles.

The Parties and Participants shall be permitted to make revisions to exhibits after the designated dates appearing in the Schedule of Proceedings. Revisions shall bear appropriate revision dates. However, revisions or additions that do more than correct typographical errors, update facts, or give numerical comparisons of the positions taken by the Parties and Participants, shall not be submitted except with the approval of the commission.

Generally, exhibits should include appropriate footnotes, or narratives inserted in the related testimony, setting forth the sources of the information used and explaining the methods employed in making statistical compilations or estimates.

#### D.

##### Matters of Public Record

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record 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, the Parties, and

the Participants; and further provided that any party and participant 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 or participant proffers such document for admission as evidence in this case.

From time to time, the Parties and Participants may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

E.

Copies of Testimonies, Exhibits, and Information Requests

1. Copies:

Commission:	Original + <b>10 copies</b>
Consumer Advocate:	4 copies
The Participants and other parties, excluding the Consumer Advocate:	* 1 copy

\*The Participants and other parties listed on the service list, attached.<sup>10</sup>

2. All pleadings, briefs and other documents required to be filed with the commission shall comply with the formatting requirements prescribed in HAR § 6-61-16, and shall be filed at the office of the commission in Honolulu within the time limit prescribed in HAR § 6-61-15.

---

<sup>10</sup>For hand delivery, the addresses for the Consumer Advocate and Mr. Dean Matsuura, HECO, are: (1) Catherine P. Awakuni, Executive Director, Division of Consumer Advocacy, 335 Merchant Street, Room 326, Honolulu; and (2) Dean Matsuura, Director, Regulatory Affairs, HECO, Central Pacific Plaza, 220 South King Street, 13<sup>th</sup> Floor, Honolulu.

3. Copies of all document filings shall be sent to the commission and the Consumer Advocate by hand delivery or United States mail (first class, postage prepaid). The Parties and Participants stipulate and agree that service of documents between Parties and Participants, other than documents designated as confidential pursuant to any protective order adopted in this proceeding, shall be served electronically via electronic mail in a portable document format ("pdf") by 5:00 p.m. on the day due. The Parties and Participants agree to use Word 97, Word 2000 or Word 2003 as the standard programming format for filings in this case and will submit their information requests to the other parties and participants in this format. The Parties and Participants also agree to submit any spreadsheets (e.g., used as workpapers or exhibits or documentation submitted in response to information requests) in Microsoft Excel format. However, if workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a party or participant 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.

F.

Order of Examination

The order of presentation of witnesses and whether the witness will present both written and rebuttal testimony at the

same time shall be determined at the prehearing conference to be held at the discretion of the commission.

The examination of any witness shall be limited to one attorney or representative for a party. The Parties shall avoid duplicative or repetitious cross-examination. Friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse to the party desiring to cross-examine. Recross-examination shall be limited to the extent of material covered in redirect examination unless otherwise permitted by the commission.

G.

Communications

HAR § 6-61-29 concerning ex parte communications is applicable to any communications between a party or participant and the commission. However, the Parties and Participants may communicate with commission counsel on matters of practice and procedure through their own counsel or designated official.

Communications between the Parties and Participants should either be through counsel or through designated representatives. All documents filed in this proceeding shall be served on the opposing party or participant, as provided in Section IV.E, Copies of Testimonies, Exhibits, and Information Requests, above. All motions, supporting memoranda, and the like shall also be served on opposing counsel.

H.

General

These procedures are consistent with the orderly conduct of this docket. This Procedural Order shall control the subsequent course of these proceedings, unless modified by the Parties and Participants in writing and approved by the commission consistent with HAR § 6-61-23, to the extent applicable, or upon the commission's own motion.

V.

Orders

THE COMMISSION ORDERS:

1. The issues, schedule of proceedings, and terms, as set forth in this Procedural Order, are adopted to govern this proceeding.

2. By February 29, 2008, the Parties and Participants shall jointly file a list of the electronic mailing addresses they agree to utilize in the serving of documents by electronic mail between each other.

3. Certificates of service filed by the Parties and Participants in this proceeding shall accurately certify and reflect the manner of service of documents between the Parties and Participants. Of particular note: (A) the Consumer Advocate shall continue to be served by hand delivery or United States mail (first class, postage prepaid); and (B) documents designated as confidential pursuant to Protective Order No. 23616, filed on August 28, 2007, shall be served by hand delivery or

United States mail (first class, postage prepaid), consistent with the mutual agreement of the Parties and Participants.

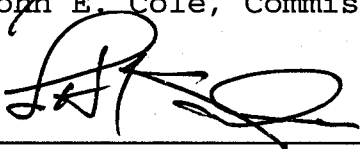
4. The Parties and Participants shall file by November 10, 2008, their stipulated dates to govern the formal process, for the commission's review and consideration. If they are unable to reach agreement on the dates to govern the formal process, each of the Parties and Participants shall file their proposed dates with the commission by the same date.

DONE at Honolulu, Hawaii JAN 30 2008.

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:



Michael Azama  
Commission Counsel

2007-0176.cp



## EXHIBIT A

### Stipulated Regulatory Schedule Proceeding to Investigate Intra-Governmental Wheeling of Electricity Docket No. 2007-0176

	PROCEDURAL STEPS	DEADLINE
1.	Technical Workshop by HECO	June 27, 2008
2.	Technical Workshop by MECO	July 18, 2008
3.	Technical Workshop by HELCO	August 8, 2008
4.	Technical Workshop by KIUC	August 15, 2008
5.	Parties' and Participants' Submittal of Informal Questions to Other Party(ies) and/or Participant(s) (not filed in docket) <sup>1</sup>	August 29, 2008
6.	Parties'/Participants' Responses to Informal Questions (not filed in docket)	September 19, 2008
7.	Informal Statements of Positions of Parties and Participants (not filed in docket)	October 17, 2008
8.	Technical Session(s) on Informal Statements of Positions	Week of November 3, 2008 <sup>2</sup>
9.	Direct Testimonies of HECO Companies/KIUC	
10.	First Submission of Information Requests from Parties to HECO Companies/KIUC on Direct Testimonies	

<sup>1</sup> The purpose of not filing the informal questions, responses and Statements of Positions in Items 5 to 7 above is to allow for the Parties and Participants to share preliminary positions and to informally exchange information outside of a public forum to allow for the Parties and Participants to continue to analyze and gather additional information needed to finalize their positions in their Direct Testimonies without concern or undue prejudice in the event their final positions may differ from the positions set forth in their preliminary positions.

<sup>2</sup> During these Technical Session(s), the Parties and Participants will meet and confer in an effort to stipulate to the remaining dates in the proceeding. In the event that a comprehensive stipulation is not possible, the Parties and Participants may submit separate schedules for the Commission's consideration.

	PROCEDURAL STEPS	DEADLINE
11.	HECO Companies/KIUC Responses to First Submission of Information Requests from Parties.	
12.	Second Technical Session	
13.	Direct Testimonies of Parties and Participants (not including HECO Companies/KIUC) <sup>3</sup>	

<sup>3</sup> The scope of participation by Participants are further delineated in Order No. 23677, as follows:

Each Participant may, prior to any evidentiary hearing, submit a statement of position, provided that the Participant filing the statement of position shall be subject to discovery by any of the Parties in this docket and shall be required to respond accordingly to any discovery requests within the same time periods required for the Parties, or as otherwise authorized by the commission

Each Participant may, prior to an evidentiary hearing required by the commission (if any), submit pre-filed written testimonies, provided that the Parties are permitted to conduct discovery on the written testimonies prior to the evidentiary hearing. Participants' witnesses shall appear at the evidentiary hearing to present their testimony, and will be subject to cross-examination by the Parties. Participants may conduct re-direct examination of its own witnesses. The commission may allow the Parties to present rebuttal witnesses as necessary and appropriate.

Participants shall not be allowed to cross-examine any Parties' or Participants' witnesses at an evidentiary hearing, without the commission's prior approval. To the extent the Parties are permitted to present opening and closing statements at the evidentiary hearing, Participants may present the same.

Filings by the Participants shall have the same due date as the corresponding filing applicable to the Parties in this docket. The Participants may also submit post-hearing briefs, if any are permitted under this docket's procedural schedule to be established, which will not be subject to discovery, except to the extent the Parties' post-hearing briefs are subject to discovery.

With respect to settlement negotiations, the Participants shall have the opportunity to participate in settlement discussions, if any, provided that their assent is not required for any substantive settlement reached by all or any of the Parties. However, Participants' support or objections to any settlement may be considered by the commission in reviewing any settlement. Any stipulations

	PROCEDURAL STEPS	DEADLINE
14.	Information Requests by Parties on Item 13 filings	
15.	Responses to Information Requests	
16.	Third Technical Session	
17.	Rebuttal Testimonies of HECO Companies/KIUC <sup>4</sup>	
18.	Information Requests from Parties to HECO Companies/KIUC Rebuttal Testimonies	
19.	HECO Companies/KIUC Responses to Information Requests from Parties	
20.	Rebuttal Testimonies of Parties and Participants (not including HECO Companies/KIUC) <sup>5</sup>	
21.	Information Requests from Parties on Rebuttal Testimonies filed in Item 20	
22.	Responses to Information Requests	
23.	Settlement Discussion Period	

---

regarding procedural matters that directly affect the Participants should involve the Participants.

Participants to this proceeding shall be entitled to receive copies of all correspondence, filings and briefs in this proceeding to the same extent the Parties are entitled to receive such documents, subject to the terms of any protective order governing the distribution and protection of any confidential documents.

Order No. 23677, at 30-31.

<sup>4</sup> The Rebuttal Testimonies of the HECO Companies and KIUC shall be specifically limited to responding and/or rebutting the Direct Testimonies filed by the other Parties and/or Participants.

<sup>5</sup> The Rebuttal Testimonies of the Parties and Participants in Item 20 shall be specifically limited to responding and/or rebutting the Rebuttal Testimonies by the HECO Companies and/or KIUC.

	PROCEDURAL STEPS	DEADLINE
24.	Statement of Settlement or Partial Settlement (if any)	
25.	Evidentiary Hearings on Non-Settlement Issues	
26.	Simultaneous Post-Hearing Opening Briefs	
27.	Simultaneous Post-Hearing Reply Briefs	

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Procedural Order No. 23994 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. BONNET  
VICE PRESIDENT  
GOVERNMENT AND COMMUNITY AFFAIRS  
HAWAIIAN ELECTRIC COMPANY, INC.  
MAUI ELECTRIC COMPANY, LTD.  
HAWAII ELECTRIC LIGHT 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

ROD S. AOKI, ESQ.  
ALCANTAR & KAHL LLP  
120 Montgomery Street  
Suite 2200  
San Francisco, CA 94104

Counsel for HECO, HELCO, and MECO

LYLE Y. HARADA, ESQ.  
KAWASHIMA, LORUSSO & TOM, LLP  
Topa Financial Center, Fort Street Tower  
745 Fort Street Mall, Suite 500  
Honolulu, HI 96813-3805

Counsel for HECO, HELCO, and MECO

Certificate of Service

Page 2

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.  
MORIHARA LAU & FONG LLP  
841 Bishop Street, Suite 400  
Honolulu, HI 96813

Counsel for KIUC

KALVIN K. KOBAYASHI  
ENERGY COORDINATOR  
COUNTY OF MAUI  
DEPARTMENT OF MANAGEMENT  
200 S. High Street  
Wailuku, HI 96793

BRIAN T. MOTO, ESQ.  
CORPORATION COUNSEL  
DEPARTMENT OF THE CORPORATION COUNSEL  
COUNTY OF MAUI  
200 S. High Street  
Wailuku, HI 96793

Counsel for the County of Maui

MICHAEL J. HOPPER, ESQ.  
DEPUTY CORPORATION COUNSEL  
DEPARTMENT OF THE CORPORATION COUNSEL  
COUNTY OF MAUI  
200 S. High Street  
Wailuku, HI 96793

Counsel for the County of Maui

Certificate of Service

Page 3

CARRIE K.S. OKINAGA, ESQ.  
GORDON D. NELSON, ESQ.  
DEPARTMENT OF THE CORPORATION COUNSEL  
CITY AND COUNTY OF HONOLULU  
530 S. King Street Room 110  
Honolulu, HI 96813

Counsel for the CITY AND COUNTY OF HONOLULU

GLENN SATO  
ENERGY COORDINATOR  
COUNTY OF KAUAI  
4444 Rice Street, Suite 200  
Lihue, HI 96766-1300

MATTHEW S.K. PYUN, JR., ESQ.  
HARRISON K. KAWATE, ESQ.  
OFFICE OF THE COUNTY ATTORNEY  
COUNTY OF KAUAI  
4444 Rice Street, Suite 220  
Lihue, HI 96766-1300

Counsel for the COUNTY OF KAUAI

LINCOLN S.T. ASHIDA, ESQ.  
WILLIAM V. BRILHANTE, JR., ESQ.  
DEPARTMENT OF THE CORPORATION COUNSEL  
COUNTY OF HAWAII  
101 Aupuni Street, Suite 325  
Hilo, HI 96720

Counsel for the COUNTY OF HAWAII

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

HENRY Q CURTIS  
LIFE OF THE LAND  
VICE PRESIDENT, CONSUMER AFFAIRS  
76 North King Street, Suite 203  
Honolulu, HI 96817

Certificate of Service  
Page 4

DENIS FURUKAWA  
PRESIDENT  
REALGREEN POWER, L.L.C.  
2800 Woodlawn Drive  
Suite 263  
Honolulu, HI 96822

DR. KAY DAVOODI  
UTILITIES RATES AND STUDIES OFFICE  
1322 Patterson Avenue, SE  
Bldg 33, Flr 3, Room/Cube 33-3002  
Washington, DC 20374

DAVID C. COKER, ESQ.  
ASSOCIATE COUNSEL  
NAVAL FACILITIES ENGINEERING COMMAND, PACIFIC  
258 Makalapa Drive, Suite 100  
Pearl Harbor, HI 96860-3134

Counsel for DOD

MARK J. BENNETT, ESQ.  
DEBORAH DAY EMERSON, ESQ.  
GREGG J. KINKLEY, ESQ.  
DEPARTMENT OF THE ATTORNEY GENERAL  
425 Queen Street  
Honolulu, HI 96813

Counsel for DBEDT

CHRISTOPHER COOK  
SENIOR VICE PRESIDENT  
REGULATORY AFFAIRS & NEW MARKETS  
SUN EDISON LLC  
12500 Baltimore Avenue  
Beltsville, MD 20705

RICK GILLIAM  
DIRECTOR, WESTERN STATES POLICY  
SUNEDISON LLC  
590 Redstone Drive  
Broomfield, CO 80020



Certificate of Service  
Page 5

THOMAS C. GORAK, ESQ.  
GORAK & BAY, L.L.C.  
1161 Ikena Circle  
Honolulu, HI 96821

Counsel for SUN EDISON LLC

MICHAEL L. KALEIKINI  
PLANT MANAGER  
PUNA GEOTHERMAL VENTURE  
P. O. Box 30  
Pahoa, HI 96778

GERALD A. SUMIDA, ESQ.  
TIM LUI-KWAN, ESQ.  
CARLSMITH BALL LLP  
ASB Tower, Suite 2200  
1001 Bishop Street  
Honolulu, HI 96813

Counsel for PUNA GEOTHERMAL VENTURE

DEAN T. YAMAMOTO, ESQ.  
SCOTT W. SETTLE, ESQ.  
MARIE L. MISAWA, ESQ.  
Yamamoto & Settle  
700 Bishop Street, Suite 200  
Honolulu, HI 96813

Counsel for CASTLE & COOKE RESORTS, LLC and  
LANAI SUSTAINABILITY RESEARCH, LLC

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

DATED: JAN 30 2008