BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Application of)

HAWAIIAN ELECTRIC COMPANY, INC.

For Approval of a Power Purchase Agreement with Kahuku Wind Power, LLC, and Determination that the Hawaiian Electric-Owned Interconnection Facilities be Constructed Above the Surface of the Ground Pursuant to Hawaii Revised Statutes 269-27.6(a) DOCKET NO. 2009-0176

ORDER INSTRUCTING THE PARTIES TO SUBMIT A STIPULATED PROCEDURAL ORDER

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ORDER INSTRUCTING THE PARTIES TO SUBMIT A STIPULATED PROCEDURAL ORDER

By this Order, the commission instructs HAWAIIAN ELECTRIC COMPANY, INC. ("HECO") and the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"), to submit a stipulated procedural order for the commission's review and consideration.¹

I.

Background

By its Application filed on August 5, 2009, HECO seeks the commission's approval of a Power Purchase Agreement for As-Available Energy between the electric utility and Kahuku Wind

¹The Parties are HECO and the Consumer Advocate, an <u>ex officio</u> party to this proceeding, pursuant to Hawaii Revised Statutes § 269-51 and Hawaii Administrative Rules ("HAR") § 6-61-62(a).

Power, LLC, dated July 2, 2009 ("PPA"), and of other related matters.² In essence, HECO proposes to purchase energy on an as-available basis from Kahuku Wind Power, LLC's thirty megawatt wind farm pursuant to the terms of the PPA.

The deadline for interested persons to timely file motions to intervene or participate was August 25, 2009, pursuant to HAR § 6-61-57(3)(A). No persons moved to intervene or participate in this proceeding.

On August 25, 2009, the Consumer Advocate filed its preliminary position statement, stating its intent to participate in this proceeding.

II.

Stipulated Procedural Order

The PPA is subject to several contingencies, including the commission's issuance of a written decision that approves HECO's requests upon terms that are acceptable to HECO within twelve months from the date of the Application, subject to extension upon the mutual agreement of the contracting parties. Moreover, with a Guaranteed Commercial Operations Date of December 31, 2010, time is of the essence under the terms of the PPA. For these reasons, the commission finds it appropriate to instruct the Parties to submit a stipulated procedural order for the commission's review and consideration.

2

²Application; Exhibits 1 - 15; Verification; and Certificate of Service, filed on August 5, 2009 (collectively, "Application").

Order

THE COMMISSION ORDERS:

By September 30, 2009, the Parties shall submit a stipulated procedural order, incorporating their agreed-upon schedule and procedures with respect to this proceeding, for the commission's review and consideration. If no agreement is reached on a stipulated procedural schedule, each party shall submit its own procedural order.

DONE at Honolulu, Hawaii _____ AUG 3 1 2009

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By (

Carlito P. Caliboso, Chairman

Cole, Commissioner 'n

By_____ Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

Michael Azama Commission Counsel

2009-0176.cp

2009-0176

The foregoing order was served on the date of filing by mail, postage prepaid, and properly addressed to the following parties:

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Counsel for HECO