# DEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAI'I

In the Matter of the Application of	)		
HAWAIIAN ELECTRIC COMPANY, INC.	)	Docket No.	2009-0155
For Approval to Commit Funds in Excess of	)		
\$2,500,000 (excluding customer contributions)	)		
for the Purchase and Installation of the	)		
Capital Equipment, Item P0001577, for the	)		
Kahe 3 Biofuel Co-firing Demonstration Project,	)		
and for Approval of the Biofuel Supply Contract	)		
for the Kahe 3 Biofuel Co-firing Demonstration	)		
Project and to include the Biofuel Supply	)		
Contract Costs in Hawaiian Electric's Energy	)		
Cost Adjustment Clause.	)		
	)		

### STIPULATION FOR PROTECTIVE ORDER

### **EXHIBIT A**

and

**CERTIFICATE OF SERVICE** 

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Contract Costs in Hawaiian Electric's Energy	)	
Cost Adjustment Clause.	)	

#### STIPULATION FOR PROTECTIVE ORDER

WHEREAS, on July 13, 2009, Hawaiian Electric Company, Inc. ("Hawaiian Electric" or "Applicant") filed an application (the "Application") requesting the approval of the Public Utilities Commission of the State of Hawai'i (the "Commission") (1) to commit funds in excess of \$2,500,000 (currently estimated at \$5,200,000) for Purchase and Installation of Item P0001577, Kahe 3 Biofuel Co-firing Demonstration Project (the "Capital Project"), in accordance with provisions of Paragraph 2.3(g)(2) of General Order No. 7, as revised in Decision and Order No. 21002 (issued May 27, 2004 in Docket No. 03-0257); (2) of a biofuel supply contract ("Biofuel Contract") that will provide approximately 1,575,000 net U.S. gallons of biofuel for use in the Kahe-3 Biofuel Co-firing Project; and (3) for the inclusion of the costs of the Biofuel Contract, including without limitation, the costs associated with the biofuel,

transportation, storage, and related taxes in Hawaiian Electric's Energy Cost Adjustment Clause ("ECAC") to the extent that the costs are not recovered in Hawaiian Electric's base rates;

WHEREAS, on July 29, 2009, Life of the Land ("LOL") filed a motion to intervene ("LOL's Motion") in this Docket. On August 5, 2009, Hawaiian Electric filed a Memorandum in Opposition to LOL's Motion. On September 11, 2009, the Commission denied LOL's Motion, but allowed LOL to participate on the issue of the environmental sustainability of palm oil-based biofuel;

WHEREAS, Hawaiian Electric maintains that the following classes of information are confidential and proprietary and should only be disclosed subject to this protective order: (1) certain information that could disadvantage Hawaiian Electric in its future negotiations for fuel contracts such as, pricing (including, for example, price formula components and values), financial, vendor, bid information, or other nonpublic information; (2) certain "critical infrastructure information" that should not be disclosed publicly under the Homeland Security Act of 2002; and/or (3) certain information relating to the security of the Applicant's facilities, that if disclosed publicly, could increase risk to Applicant's facilities, jeopardize its emergency and disaster preparedness plans;

WHEREAS, Hawaiian Electric anticipates that during the course of this proceeding, information considered to be privileged or confidential by a party may be requested or filed;

WHEREAS, the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs ("Consumer Advocate") is, ex officio, a party to this proceeding pursuant to the Rules of Practice and Procedure before the Commission;

WHEREAS, LOL is a participant on the issue of the environmental sustainability of palm oil-based biofuel;

WHEREAS, Hawaiian Electric and the Consumer Advocate shall be hereafter collectively referred to as "parties" and individually referred to as a "party" and LOL shall be hereafter referred to as "participant;"

WHEREAS, the parties and participant desire to establish a set of procedures and provisions pertaining to the use and disclosure of information considered to be confidential and any information which any party may in the future contend to be confidential;

WHEREAS, the parties and participant understand that during the course of the evidentiary hearing in this matter, if any, if it becomes necessary to address any information provided pursuant to this protective order during the course of the hearing, that portion of the proceeding will be held in camera; and

NOW, THEREFORE IT IS HEREBY ORDERED, in accordance with Section 6-61-50 of the Rules of Practice and Procedure before the Public Utilities Commission ("Commission's Rules"), that the Commission issue a protective order covering the confidential information identified in the course of the proceeding in connection with the Application as follows:

#### TERMS OF THE ORDER

- 1. This protective order governs the classification, acquisition, and use of trade secrets and other confidential information produced by any party or participant in this Docket.
- 2. All parties or participants to all or any portion of this Docket, including persons who are granted intervention or participation after the effective date of this protective order, shall

be subject to this protective order and shall be entitled to all confidential information of a party or participant under the provisions of this protective order to the extent allowed by the Commission.

#### APPLICATION OF THE UNIFORM INFORMATION PRACTICES ACT

3. To the extent that any of the documents covered by this protective order consist of "government records," as defined in HRS Section 92F-3, the provisions of HRS Chapter 92F ("Uniform Information Practices Act" or "UIPA") shall apply to the disclosure of information contained in such documents. In the event any provision of this protective order conflicts with any provision of the UIPA, the UIPA shall control.

#### CLASSIFICATION

- 4. A party or participant to this proceeding may designate as confidential any information it believes, in good faith, contains trade secrets or other confidential research, development, commercial, financial, vendor, or bid information, including but not limited to cost support studies. Such information shall be protected against disclosure to a non-qualified person pursuant to the terms of this protective order, unless such information is declassified, or permission to disclose the information to such non-qualified person is granted by the party or participant claiming confidentiality, as provided in paragraph 13 below.
- 5. If a party or participant designates information as confidential pursuant to paragraph 4 above or paragraph 6 below, it shall produce the confidential information in accordance with the procedures described in paragraphs 11 through 14 below, and concurrently provide that confidential information in writing to the Commission and the Consumer Advocate. If a party or participant seeks to designate information as confidential, it must: (1) identify, in reasonable detail, the information's source, character, and location, (2) state clearly the basis for

the claim of confidentiality, and (3) describe, with particularity, the cognizable harm to the producing party or participant from any misuse or unpermitted disclosure of the information. If the Commission or any party or participant challenges the claim of confidentiality of the information, the party or participant claiming confidentiality shall bear the burden of proof in supporting its claim of confidentiality, and the Commission will determine whether: (1) the information is confidential and subject to protection under this protective order, or (2) the challenged information must be disclosed by the producing party or participant. Any challenge to the confidentiality of any information shall be made in accordance with paragraph 24 below.

6. Confidential information provided to the Commission or a party or participant, orally or in any other form, shall be protected as fully as confidential information provided in written form. A party or participant shall notify the Commission and the parties and participant when information provided orally or in other than written form includes confidential information. At the time of such notification, the party or participant shall, in the manner provided in paragraph 5 above, specify the subject-matter of such confidential information, the basis for the claim of confidentiality, and the cognizable harm to the producing party or participant from any misuse or unpermitted disclosure of the information.

#### FORMS OF CONFIDENTIAL INFORMATION

7. All information claimed to be confidential information shall be subject to the terms of this protective order, and shall be treated by all qualified persons (as defined in paragraph 12 below) as constituting confidential information. Any notes, summaries, abstracts, or analyses that are prepared by counsel, experts, or other qualified persons, and that contain or

reflect any of the underlying confidential information, shall also be subject to the terms of this protective order.

#### **DESIGNATION**

8. Any party or participant claiming that information is confidential shall place upon the applicable material containing confidential information, the following legend:

## CONFIDENTIAL SUBJECT TO PROTECTIVE ORDER

Whenever only a portion of a document, transcript, or other material is deemed to contain confidential information, the party or participant shall, to the extent reasonably practicable, limit the claim of confidentiality to only such portion. However, if such limitation is not reasonably practicable, the entire document, transcript, or other material may be designated as confidential information.

- 9. With respect to any confidential information that is not under the physical control of the party or participant claiming the information is confidential, other persons shall, to the extent requested by that party, cooperate to ensure that all copies of such confidential information bear the legend required in paragraph 8 above.
- 10. Any party or participant may request that the Commission designate as confidential information any document or other information previously produced but not designated as confidential, provided that the party or participant, in the manner provided in paragraph 5 above, specifies the subject-matter of such confidential information, the basis for the claim of confidentiality, and the cognizable harm to the producing party or participant from any misuse or unpermitted disclosure of the information. In addition, the party or participant claiming confidentiality shall substitute the previously-produced but not designated as

confidential material with the identical material under designation as required in paragraph 8 above.

#### **DISCLOSURE**

- 11. Except as provided in paragraph 13 below, confidential information shall not be made available or disclosed to any person who is not a "qualified person" as defined in paragraph 12 below.
- 12. "Qualified person," as used in this protective order means any one of the following:
  - a. The author(s), addressee(s), or originator(s) of the confidential information;
  - b. The Commission, its staff, counsel (including employees directly employed by such counsel), and any consultants retained by the Commission in this proceeding;
  - c. The Consumer Advocate, its staff, counsel (including employees directly employed by such counsel), and any consultants retained by the Consumer Advocate for purposes of this proceeding;
  - d. Applicant, its officers and employees, its counsel (including employees directly employed by such counsel) and any consultants retained by Applicant;
  - e. Any other party or participant to this proceeding, its staff, its counsel (including employees directly employed by such counsel), and any consultants retained by it for this proceeding, to the extent allowed by the Commission;
  - f. Any other person approved by the party asserting the claim of confidentiality; and
  - g. Any other person designated as a qualified person by order of the Commission.
- 13. When a qualified person wishes to disclose confidential information to a non-qualified person, the qualified person must request in writing permission from the party or participant claiming confidentiality. The written request shall identify the non-qualified person

to whom disclosure is desired; disclose any past, present, or anticipated affiliation between the qualified person and the non-qualified person; specify the exact information to be disclosed; and state the reasons for the requested disclosure. If written permission is granted by the party or participant claiming confidentiality, disclosure of the confidential information shall be made to such non-qualified person in the same manner as provided for qualified persons in paragraph 14 below.

#### PROCEDURE FOR OBTAINING ACCESS

14. Prior to disclosing confidential information to a qualified person other than the Commission and its staff and counsel, and the Consumer Advocate and its staff and counsel, the qualified person shall read a copy of this protective order, complete a copy of the agreement attached as Exhibit A to this protective order, sign the completed copy of the agreement. A copy of the executed agreement shall be delivered to the party or participant claiming confidentiality and to the Commission.

#### USE OF CONFIDENTIAL INFORMATION

solely in connection with this proceeding and any related administrative and judicial proceedings (at which time the information will continue to be treated as confidential), and shall not be used for any other purpose, including business, governmental or commercial purposes, or in any other administrative or judicial proceeding, except as provided in paragraphs 16 and 17, and except as may be directed by (a) an order of court or (b) an order of the Commission or (c) the UIPA (in the case of any "agency" as defined in Haw. Rev. Stat. §92F-3), including any ruling of the Office of Information Practices of the State of Hawai'i.

- 16. Any confidential information obtained under this protective order may be used by the Commission and its staff and counsel in connection with any proceeding pending before the Commission involving the producing party, or where the intended use of such confidential information is for the purpose of assisting the Commission in fulfilling its statutory duties and responsibilities. The confidential information shall continue to be treated as confidential until the protection conferred by this protective order (or any other applicable protective order) is terminated by the producing party or participant, or until further order of the Commission.
- 17. Any confidential information obtained under this protective order may be used by the Consumer Advocate, its staff, its consultant and its counsel in any proceeding pending before the Commission involving the producing party or participant, or where the intending use of such information is for the purpose of assisting the Consumer Advocate in fulfilling statutory duties and responsibilities. The confidential information shall continue to be treated as confidential until the protection conferred by this protective order (or any other applicable protective order) is terminated by the producing party, or until further order of the Commission.
- 18. Unless otherwise ordered by the Commission, if a party or participant desires to file written testimony, exhibits or pleadings which contain or reflect the confidential information, only that part of the page(s) containing or reflecting such information shall be treated as confidential, and that part of any hearing, if any, at which such information is discussed shall be held *in camera*, or under other conditions set by the Commission to prevent unnecessary public disclosure of such information. A copy of any confidential page(s), with any such information deleted, shall be filed to be included in the public record, and each such page shall contain the following designation in the upper left hand corner:

## Confidential Information Deleted Pursuant To Protective Order, Filed On. \_\_\_\_\_.

#### RETENTION OF CONFIDENTIAL INFORMATION

- 19. Confidential information shall be retained in a locked cabinet dedicated to the storage of confidential information, or otherwise secured to ensure that access to and disclosure of the confidential information is limited to a qualified person.
- 20. Confidential information that is given to or filed with the Commission or its staff shall be separately bound and placed in a sealed envelope or other appropriate sealed container on which shall appear the following legend:

THIS ENVELOPE IS SEALED PURSUANT TO PROTECTIVE ORDER, FILED ON \_\_\_\_\_\_\_, AND CONTAINS DOCUMENTS WITH CONFIDENTIAL INFORMATION. IT IS NOT TO BE OPENED OR THE CONTENTS OF THIS ENVELOPE DISPLAYED OR REVEALED EXCEPT TO QUALIFIED PERSONS AUTHORIZED TO INSPECT THE ENCLOSED DOCUMENTS.

- 21. Confidential information shall not be reproduced or duplicated, except to make working copies and copies to be filed with the Commission under seal. If a document contains information so sensitive that it should not be copied by anyone, it shall bear the following legend: "Copying Prohibited."
- 22. If a court or other administrative agency requests, subpoenas, or orders production of confidential information that a party, participant, or person has obtained under this protective order, that party, participant, or person, prior to disclosure, shall promptly notify the party or participant claiming confidentiality of the request, subpoena or order.

#### **DURATION OF CONFIDENTIALITY**

23. The confidentiality of the information produced pursuant to this protective order shall be preserved until all interested parties and participants, by written stipulation, waive the protection conferred by this protective order.

#### APPEAL TO THE COMMISSION

24. If any interested person disagrees with the designation of information as confidential, the party or participant claiming confidentiality and the person so disagreeing shall first make a good faith attempt to resolve the dispute on an informal basis. If the dispute cannot be resolved, the person contesting the confidentiality of the information shall file a motion to compel disclosure or any other appropriate motion with the Commission. The party claiming confidentiality shall bear the burden of proof in supporting its claim, and the Commission will determine whether the information shall continue to be designated as confidential under this protective order. Pending a disposition of the motion, the information in question shall continue to be treated as confidential information and shall not be disclosed except as permitted in this protective order.

#### NON-WAIVER OF OBJECTIONS AND RIGHTS

- 25. The parties and participant retain the right to contest any assertion or finding of confidentiality or of non-confidentiality. The parties and participant retain the right to question, challenge, and object to the admissibility or submission of confidential information on the ground of relevancy or materiality.
- 26. Notwithstanding anything to the contrary, nothing in this Protective Order creates any obligation to disclose or exchange any confidential information.

#### MODIFICATION OF THE PROTECTIVE ORDER

27. The Commission may, upon good cause, modify this protective order on the motion of any party or participant, or on its own motion, upon reasonable notice to the parties and participant and an opportunity for hearing, or the Commission may modify this Protective Order upon receipt and approval of a written stipulation by the parties and participant.

#### DISPOSAL OF CONFIDENTIAL INFORMATION

- 28. Except as provided in paragraphs 29 and 30 below, within 90 days after the conclusion of this proceeding, persons in possession of confidential information shall, at the option of the party or participant producing the confidential information, return or destroy all such materials and all copies, notes, tapes, papers, or other medium containing, summarizing, excerpting, or otherwise embodying any confidential information. If the party or participant producing the confidential information requests destruction, the person destroying the information shall certify its destruction to the producing party, indicating the name of the person destroying the confidential information, the method of destruction, and the identity of the specific documents destroyed.
- 29. Counsel and the representative of record for a party or participant shall be entitled to retain memoranda, pleadings, exhibits of record, written testimony, and transcripts embodying information derived from or incorporating confidential information to the extent reasonably necessary to preserve files on this proceeding. The files shall not be disclosed to any other person.

30. Confidential information produced in this proceeding shall remain in the possession of the Commission, the Consumer Advocate and counsel for the Consumer Advocate for the duration provided by applicable statutes, rules and administrative directives.

#### SANCTIONS

31. Any person violating this protective order shall be subject to sanctions imposed by the Commission, and as provided by law.

#### FACSIMILE/COUNTERPARTS/SIGNATURE

32. This Stipulation for Protective Order may be executed by the parties and participant in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The parties may execute this Stipulation for Protective Order by facsimile for initial submission to the Commission to be followed by the filing of the originals of said facsimile pages.

DATED: Honolulu, Hawai'i, September 25, 2009.

CRAIG I NAKANISHI

DEVON I. PETERSON

ERIN H. YODA

Rush Moore LLP

**ITOMURA** 

LAMÉ H. TSUCHIYAMA

Attorneys for the

Division of Consumer Advocacy

Department of Commerce and Consumer Affairs Attorneys for Hawaiian Electric Company, Inc.

Life of the Land

Vice President for Consumer Issues

APPROVED AND SO ORDERED THIS _	OCT - 2 2	009	
at Honolulu, Hawai'i.			

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAI'I

By Carlo F Call

Carlito P. Caliboso, Chairman

John E. Cole, Commissioner

By'

Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

Ji Sook Kim

Commission Counsel

#### **EXHIBIT A**

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAI'I

### PROTECTIVE AGREEMENT

	1.	I,		, have been pre	esented with a copy of the	
Prote	ctive	Order issu	ed by the Hawai`i P	ublic Utilities Comm	ission in Docket No. 2009	9-0155 on
the	_	_day of	,, 2	2009 ("Protective Ord	ler'').	
	2.	I am e	mployed, retained o	or assisting		in
Dock	et No	. 2009-01:	55 and have request	ed review of the confi	idential information cover	ed by the
Prote	ective	Order.				
	3.	I unde	erstand the confident	tial information cover	red by the Protective Orde	r is to be
used	solely	on behalf	`of		and that unles	s
other	wise į	permitted 1	by the Protective Or	der, I am to make no	other use of the confident	ial
infor	matio	n, nor am	I to disclose the con	fidential information	to any other person, entity	<b>/</b> ,
gove	rnmer	nt agency o	or anyone else.			
	4.	I furth	er understand that a	at the conclusion of m	y assistance to	
	_		, I shall account	for each copy, extract	, note and summary of, or	other
docu	ment	containing	any part of such co	nfidential information	n, to the party claiming	
confi	dentia	ality and I	shall abide by the pr	covisions in paragraph	n 28 of the Protective Orde	er, unless
other	wise i	nermitted i	ov naragranhe 20 an	d 30 of the Protective	· Order	

5.	I hereby certify that I have read the above-mentioned Protective Order and agree			
to abide by its	terms and conditions.			
DATED at	,	, this	_, 2009.	
		Signature		
		Address		
		()Telephone Number		

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Project and to include the Biofuel Supply	)		
Contract Costs in Hawaiian Electric's Energy	)		
Cost Adjustment Clause.	)		
	_)		

#### **CERTIFICATE OF SERVICE**

The foregoing Stipulated Protective Order was served on the date of filing as indicated below by mailing a copy by United States mail, postage prepaid, to the following:

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY 335 Merchant Street, Room 326 Honolulu, Hawai'i 96813

DEAN K. MATSUURA MANAGER, REGULATORY AFFAIRS HAWAIIAN ELECTRIC COMPANY, INC. P.O. Box 2750 Honolulu, Hawai'i 96840-0001

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Attorneys for Hawaiian Electric Company, Inc.

HENRY Q CURTIS VICE PRESIDENT FOR CONSUMER ISSUES LIFE OF THE LAND 76 North King Street, Suite 203 Honolulu, Hawaii 96817