BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of

MAUI ELECTRIC COMPANY, LIMITED

For Approval of Changes in its
Depreciation Rates, its CIAC
Amortization Period and Approval
of Vintage Amortization Accounting.

DOCKET NO. 2009-0286

ORDER INSTRUCTING THE PARTIES TO
SUBMIT A STIPULATED PROCEDURAL ORDER
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of
)
MAUI ELECTRIC COMPANY, LIMITED ) Docket No. 2009-0286
)
For Approval of Changes in its
Depreciation Rates, its CIAC
Amortization Period and Approval
of Vintage Amortization Accounting.

ORDER INSTRUCTING THE PARTIES TO
SUBMIT A STIPULATED PROCEDURAL ORDER

By this Order, the commission instructs MAUI ELECTRIC
COMPANY, LIMITED ("MECO") 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
On September 10, 2009, MECO filed its application
requesting that the commission approve: (1) the proposed changes
in MECO's depreciation rates, contributions-in-aid-of-
construction ("CIAC") amortization period, and vintage
amortization accounting set forth in its 2008 Book Depreciation

¹The Parties are MECO and the Consumer Advocate, an
ex officio party to this proceeding, pursuant to Hawaii Revised
Statutes ("HRS") § 269-51 and Hawaii Administrative Rules
§ 6-61-62(a). No persons moved to intervene or participate in
this proceeding.
Study; (2) the proposed vintage amortization accounting procedure; and (3) the use of the appropriate functional composite depreciation rate for new asset categories that arise in the future for which no depreciation rate is currently approved.

On September 30, 2009, the Consumer Advocate filed its preliminary position statement, stating its intent to participate in this proceeding. On October 2, 2009, MECO responded to the commission's clarifying information request, PUC-IR-101.

II.
Stipulated Procedural Order

On September 30, 2009, in In re Maui Elec. Co., Ltd., Docket No. 2009-0163 ("Docket No. 2009-0163"), MECO filed its application for a general rate increase based on the 2010 calendar test year. The deadline dates for the commission's timely issuance of its written decisions in Docket No. 2009-0163, including an interim decision based on probable entitlement, are governed by HRS § 269-16(d).

Based on MECO's response to PUC-IR-101, it is clear that the electric utility's application for a general rate increase in Docket No. 2009-0163 is predicated in part on the depreciation rates and CIAC amortization periods proposed by MECO in Docket No. 2009-0286. Hence, "[i]f the Commission renders a decision and order in Docket No. 2009-0286 prior to the conclusion of [the] MECO 2010 rate case, MECO proposes to use the newly approved depreciation rates to calculate the 2010 test year
revenue requirement." Under the circumstances, the commission finds it appropriate to instruct the Parties to submit a stipulated procedural order for the commission's review and consideration.

II.

Order

THE COMMISSION ORDERS:

By November 6, 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.

\footnotetext{MECO's response to PUC-IR-101(A).}
DONE at Honolulu, Hawaii OCT - 9 2009

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAI'I

By Carlito P. Caliboso, Chairman

By John E. Cole, Commissioner

By Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

Michael Azama
Commission Counsel

2009-0286.cp
CERTIFICATE OF SERVICE

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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