

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting a Proceeding to Investigate)
Distributed Generation in Hawaii.)
_____)

Docket No. 03-0371

PUBLIC UTILITIES
COMMISSION

AUG 18 2 43 PM '04

FILED

KAUAI ISLAND UTILITY COOPERATIVE'S RESPONSES TO THE
LIFE OF THE LAND'S INFORMATION REQUESTS ISSUED JULY 28, 2004

AND

CERTIFICATE OF SERVICE

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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

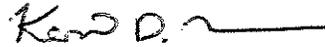
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COMES NOW, KAUAI ISLAND UTILITY COOPERATIVE, by and through its
attorneys, Oshima Chun Fong & Chung, hereby submits its Responses to the Life of the
Land's Information Requests issued July 28, 2004.

DATED: Honolulu, Hawai'i, August 18, 2004.



ALAN M. OSHIMA
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Attorneys for KAUAI ISLAND UTILITY
COOPERATIVE

**KAUAI ISLAND UTILITY COOPERATIVE'S RESPONSES TO THE
LIFE OF THE LAND'S INFORMATION REQUESTS
DOCKET NO. 03-0371**

LOL-WDT-IR-29 Ref: KIUC's T&D system was originally designed for the one-way flow of power (KIUC-T-2, page 3, lines 13-15)

(1) Does KIUC have net metered customers?

Response: As of 12/31/03, fifteen of KIUC's customers were participating in the Net Metering Program.

(2) Does KIUC support greater use of net metering?

Response: KIUC supports net metering when it is not subsidized by other KIUC customers/members.

Sponsor: Joe M^cCawley

**KAUAI ISLAND UTILITY COOPERATIVE'S RESPONSES TO THE
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DOCKET NO. 03-0371**

LOL-WDT-IR-30 Ref: "Using renewables and CHP can directly lead to lower air emissions, offering a positive societal benefit. The intermittent nature of renewables ..." (KIUC-T-2, page 24, lines 19-22)

(1) Wouldn't renewables also have an economic benefit?

Response: Renewable may have an economic benefit. However, the specific economic benefit a DG project may or could provide to KIUC and its members/customers would have to be determined on a case-by-case basis.

(2) How much money is exported by KIUC from the island economy each year to buy foreign fossil fuel?

Response: While KIUC's 2003 fossil fuel expenses were approximately \$30 million dollars (note: this is a correction to KIUC's reply to CA-IR-47.b which incorrectly stated \$17 million), KIUC does not have information on how much of this amount stays within Hawaii to cover local fees, how much is for US sourced fossil fuel, and how much is for foreign sourced fossil fuels.

(3) Wouldn't renewables keep the money rippling through the local economy (the so-called economic multiplier effect)?

Response: KIUC does not have the expertise to make the assumptions and perform the analyses that are required to answer this question.

(4) Historically, didn't Kauai Electric require the biomass producers to sell electricity at or below 90 percent of KE's avoided cost?

Response: KIUC respectfully believes that this question is outside the scope of the DG Docket.

(5) Would wave power at Barking Sands be DG?

Response: As per the definition of DG for the purposes of this proceeding (see KIUC-T-2, page 4, lines 12 to 14), KIUC believes that wave power at any location would be DG if it was determined to be small scale (see KIUC T-2, page 4, lines 14 to 21) and it was determined to be in close proximity to the end-user's location.

Sponsor: Joe M^cCawley

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DATED: Honolulu, Hawai'i, August 18, 2004.



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