

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the)
)
PUBLIC UTILITIES COMMISSION) DOCKET NO. 03-0371
)
Instituting a Proceeding to)
Investigate Distributed Generation)
in Hawaii)
_____)

HESS MICROGEN, LLC'S

SIMULTANEOUS INFORMATION REQUESTS TO THE RESPONSES TO
INFORMATION REQUESTS OF THE DIVISION OF CONSUMER ADVOCACY
AND HAWAII ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT
COMPANY, INC., AND MAUI ELECTRIC COMPANY

and

CERTIFICATE OF SERVICE

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Attorney for
Hess Microgen, LLC

In the Matter of the)
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PUBLIC UTILITIES COMMISSION) DOCKET NO. 03-0371
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HESS MICROGEN, LLC'S
SIMULTANEOUS INFORMATION REQUESTS TO
THE RESPONSES TO INFORMATION REQUESTS

Pursuant to the agreed upon schedule of proceedings set forth in Prehearing Order No. 20922, Hess Microgen, LLC hereby submits its Simultaneous Information Requests to the Responses to Information Requests in the above-referenced docket.

Respectfully submitted.

DATED: Honolulu, Hawaii, September 3, 2004

SANDRA-ANN Y.H. WONG

Attorney for Intervenor
Hess Microgen, LLC

CERTIFICATE OF SERVICE

I hereby certify that I have this date served copies of Hess Microgen, LLC Simultaneous Information Requests to the Responses to Information Requests of the Division of Consumer Advocacy and Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited on the following parties, by causing copies hereof to be mailed, postage prepaid, and properly addressed to each such party as follows:

DIVISION OF CONSUMER ADVOCACY 3 copies
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 Merchant Street, Room 326
Honolulu, HI 96809

THOMAS W. WILLIAMS, JR. ESQ. 1 copy
PETER Y. KIKUTA, ESQ.
Goodsill, Anderson, Quinn & Stifel
Alii Place, Suite 1800
1099 Alakea Street
Honolulu, HI 96813

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VICE PRESIDENT, GOVERNMENT AND COMMUNITY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
HAWAII ELECTRIC LIGHT COMPANY, INC.
MAUI ELECTRIC COMPANY, LIMITED
P.O. Box 2750
Honolulu, HI 96840

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HAWAIIAN ELECTRIC COMPANY, INC.
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Honolulu, HI 96840

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WARREN S. BOLLMEIER II, PRESIDENT Hawaii Renewable Energy Alliance 46-040 Konane Place, #3816 Kaneohe, HI 96744	1 copy
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County of Kauai
4444 Rice Street, Suite 220
Lihue, HI 96766

DATED: Honolulu, Hawaii, September 3, 2004

SANDRA-ANN Y.H. WONG

Attorney for Intervenor
Hess Microgen, LLC

**Hess Microgen (“Hess”) Supplemental Information Request to
the Division of Consumer Advocacy (“CA”) on its Responses to Information Request**

HESS-SIR-1 to CA

Ref.: response to HESS-DT-IR-1 to CA:

- a. Under the utility’s current rate structure, isn’t it the rate design, which mandates recovery of a portion of fixed costs in the energy charge, rather than the bundled rate, itself, which puts the utility at risk when a customer installs self-generation?

If yes, please explain in detail how unbundling will correct the revenue shortfall if it is not accompanied by a change in rate design such that no fixed costs are recovered through the energy charge?

If no, please explain in detail why.

- b. When the witness refers to “stranded costs” is the witness referring to the risk of cost under recovery by the utility between rate cases, rather than the cost of potentially stranded facilities? Please explain in detail.
- c. Please explain in detail, whether the witness/Consumer Advocate believes that any shortfall from the revenues projected in a rate case from any customer or customer class constitutes “stranded costs”?
- d. Please explain in detail, whether the witness/Consumer Advocate believes that when a customer elects install self-generation for a portion of its load and purchases the remainder from the utility via supplemental service, does “stranded” facilities costs result?

HESS-SIR-2 to CA

Ref.: response to HESS-DT-IR-2 to CA:

- a. Please explain in detail the basis for the witness/Consumer Advocate’s belief that the standby charge (for HELCO and KIUC) recovers only generation-related costs, and not a fully allocated share of associated transmission and distribution related costs.
- b. If the standby charge also compensates the utility for transmission and distribution, would the witness/Consumer Advocate still propose that the utility’s rates be unbundled. Please explain in detail the reason for your response, either positive or negative.

HESS-SIR-3 to CA

Ref.: response to HESS-DT-IR-3 to CA:

Please explain in detail whether it is the witness/Consumer Advocate’s position that a customer that self generates to offset a portion of its electric load should have to pay for transmission, distribution, and/or generation and ancillary services not received from the utility? If yes, please explain in detail the basis for holding customers of each class to a certain demand level? Also, how would such a demand level be determined?

**Hess Microgen (“Hess”) Information Request to
Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company,
Limited (“HECO”) on its Responses to Information Request**

HESS-SIR-1 to HECO Ref.: response to HESS-DT-IR-to HECO

- a. Under HELCO’s Rider A, “For Schedule P customers, the Supplemental Billing kW for each month shall be the difference between the Total kW Load for such month, or the mean of the current month’s Total kW Load and highest Total kW Load for the previous eleven months, whichever is higher, less the Standby Billing kW, but not less than 200 kW.” Please explain in detail how this differs, if at all, with the regular Schedule P rate. If there is a difference, please explain in detail why.
- b. Does the alleged lower cost for back up service under Rider A take into consideration the customer’s “cost associated with metering its non-utility power source(s), including the total installed cost of the meters”, including, but not limited to, the expense to “. . . furnish, install and maintain in accordance with the Company’s requirements all associated equipment such as all conductors, service switches, fuses, meter sockets, meter and instrument transformer housing and mounting, switchboard meter test buses, meter panels, and similar devices, required for service connection and meter installations on customer’s premises. If not, please explain in detail why not.
- c. Please provide a sample bill for a customer (name may be deleted) that has customer and/or third party CHP generation onsite in which HELCO credits the customer for standby demand charge. Please indicate the line item for the standby demand charge. Also, please explain in detail how such credit is calculated.
- d. Please explain in detail the process, if any, for how HELCO takes into consideration outages by a customer and/or third party CHP generation unit that are the result of another party (not the customer, third party CHP provider, and/or utility). If HELCO does not have such a process, please explain in detail why not?