

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

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

PUC Docket 03-0371

PUBLIC UTILITIES
COMMISSION

SEP 3 1 53 PM '04

FILED

LIFE OF THE LAND'S
SUPPLEMENTAL INFORMATION REQUESTS (SIRs)

&

CERTIFICATE OF SERVICE

HENRY Q CURTIS
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LIFE OF THE LAND

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LOL-SIR-1: Please reconcile the following two sections. Specifically, is the rate of load growth dependent upon the docket HECO is talking about?

(A) “Over time, with increasing electrical use, it is possible that the total use of fossil fuels will trend upwards. However, simply measuring the ‘after energy savings’ use of fossil fuels ignores the reduction of fossil fuels consumption due to efficient generation technologies such as combined heat and power, as well as district cooling, ice storage and energy conservation DSM measures.” (HECO Response to LOL-WDT-IR-52, PUC DN 03-0371 Distributed Generation)

(B) “If one of the three 138kV transmission lines to Iwilei or School Street Substation is taken out of service for maintenance, and a second Downtown 138kV transmission line becomes unavailable, then the current flowing through the remaining Downtown 138kV transmission line is forecast to exceed its current carrying capacity rating during daytime peak load conditions after the year 2020” (East O`ahu Transmission Project (EOTP) 46kV Phased Project Draft Environmental Assessment (DEA))

LOL-SIR-2: How does HECO define balance: “HECO believes that the State energy policy is a balance of the four stated objectives.” (HECO Response to LOL-WDT-IR-42)

LOL-SIR-3: HECO's Response: Whether it would be better to reduce the consumption of one petroleum product versus another, or the “whole barrel” would depend on the resulting effect that one action would have relative to the other. For example, whether reduction in the local use of one product would result in the export of the product, whether another local use for the product exists, or if it then becomes feasible to import refined products or other energy sources (e.g., liquefied natural gas). Petroleum refining and product markets are very complex and in the absence of specific information on the effects of one action relative to the other, in general, the reduction in consumption of any fossil fuel through reasonable actions would be preferred. (HECO Response to LOL-WDT-IR-46 (1), PUC DN 03-0371 Distributed Generation)

In numerous testimonies before the Legislature, over many years, HECO has said that reducing just HECO's use of resids would throw the balance out of oil barrels imported. Refining a barrel of oil produces lights, mediums, and heavies (resids). HECO has repeated stated that they are simply using the waste product -- the resids -- and that reducing resids will not lead to a reduction in the barrels of oil needed. HECO's response to LOL-WDT-IR-46 appears to change your position. Please clarify.

LOL-SIR-4: LOL Question: Are there any energy fuels which are not subsidized by the government? If the first part is answered in the affirmative, please identify the fuel and explain how it was determined that the fuel is not subsidized. HECO Response: HECO objects to this information request as it is overly broad and not directly related to the issues in this proceeding. Also, HECO does not understand what LOL means by the use of the term “subsidized by the government”. HECO Response to LOL-WDT-IR-48)

HECO should refer to our full question to understand what we meant by “subsidized by the government”. Our question stated that HECO stated: “The federal government offers investment tax credits for wind and geothermal.” (HECO T-2, page 24 of 26, line 22)

Some people might conclude, that your statement implied, that wind and geothermal are competitive only due to the fact that they are subsidized, and that oil is cheaper than un-subsidized renewables. Our question was: (a) aren't all fuels subsidized? (b) Do you know of any fuel that is not subsidized? (c) Do you believe that resids and other oil products are not subsidized? (d) If HECO believes that oil is not subsidized, then does HECO believe that they fairly pay for all of the costs associated with oil,

including but not limited to, harbor expansion, road expansion, pollution cleanup, wars, global warming gas mitigation, etc)?

LOL-SIR-5: Please reconcile the following two sections.

(A) **HECO Response:** Historically, only HECO has been performing maintenance on transmission lines. HECO is considering using contractors on selected transmission maintenance activities in the near future. (HECO Response to LOL-WDT-IR-50 (2), PUC DN 03-0371 Distributed Generation)

(B) BY MR. KUDO: Q. Mr. Eckert, would you give us your address for the record, as well? A. It is Kevin Eckert, care of Hawaiian Electric Company, 820 Ward Avenue, Honolulu, Hawaii. Q. And where are you employed? A. Hawaiian Electric Company. Q. What is your profession? A. I am forester and arborist. Q. How long have you served in this position? A. Somewhere in the neighborhood of 22 years. Q. What is your title or position with HECO? A. System forester. Q. And would you briefly describe to us your duties and responsibilities as system forester? A. Development design and administration of Hawaiian Electric's vegetation management program. Q. Would you briefly describe to us your work experience? A. I have been system forester at Hawaiian Electric Company since January of 1994. (BLNR CDUA 2801 Contested Case Hearing Transcript 358:8-359:1)

MR. KUDO: At this time, I would like to qualify Mr. Eckert as an expert in vegetation management.

MR. McCONNELL: I will accept his opinions. (BLNR CDUA 2801 Contested Case Hearing Transcript 359:25-360:2)

Q. How many contractor crews do you have? How many different contractor crews are you working with? A. Well, we -- that varies at various times. We are dealing with right now three IVM contractors. Q. And how many crews do those contractors have? Can you tell us that? A. Well, that varies with the work load. There are often times where we have one crew -- contractor crew out doing IVM practices. On some occasions we will have more than one. (BLNR CDUA 2801 Contested Case Hearing Transcript 406:10-407:23)

We have marked it as T-53. This is an internal audit report. Mr. Eckert, have you seen a copy of this document before? A. I believe I have, yes. Q. Okay. Can you tell us what it is? A. It is copy of an internal audit report, vegetation management program, dated October 2nd, 1998. ... Who is Mr. Okura? A. He is the manager of the Construction and Maintenance Department. Q. And does he oversee your work? A. Yes. Q. I notice in the second full paragraph the writer, and I assume it is Mr. Okura, "Currently all vegetation services throughout the company's vegetation districts, an estimated 4000 acres of right-of-ways are provided by four separate outside contractors. (BLNR CDUA 2801 Contested Case Hearing Transcript 410-411)

LOL-SIR-6: Ref: "Hawaii's electric utilities cannot just be in the business of offering central station generation, as they have been told ... by regulators" (HECO T-6, page 3 of 13, lines 18-20) Question: Name all specific citations where utility regulators have informed The Companies that they cannot just be in the business of offering central station generation. **HECO Response:** The general basis for the referenced statement arises from policies such as those in the Commission's IRP Framework (HECO Response to LOL-WDT-IR-53, PUC DN 03-0371 Distributed Generation)

Question: The PUC told you that you can not be in the business of offering just central station generation in 1992 so you published your opposition to cogeneration: "What's the buzz about cogen?" in your Powerlines in 1999 and then waited until the new millenium to do something about it? Why?

Certificate of Service

I hereby certify that I have this date served a copy of the foregoing Information Requests by Life of the Land, Docket Number 03-0371, upon the following parties. Life of the Land hand-delivered the Original plus 10 copies to the PUC; 3 copies to the Consumer Advocate. Life of the Land mailed 2 copies to Alan M. Oshima, Esq. (KIUC); and 1 copy to each of the following parties: Thomas W. Williams, Jr. Esq. (HECO); William Bonnett (HECO); Patsy H. Nanbu (HECO); Alton Miyamoto (KIUC); Brian Moto (Maui); Cindy Y. Young (Maui); Kalvin K. Kobayashi (Maui); Warren S. Bollmeier II (HREA); John Crouch (HREA); Rick Reed (HREA); Sandra-Ann Y. H. Wong, Esq. (HESS); Christopher S. Colman (HESS); Michael de'Marci (HESS); Lani D. H. Nakazawa, Esq. (Kauai); Glenn Sato (Kauai).

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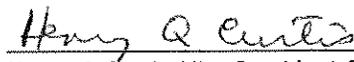
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Dated: September 3, 2004


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