

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In The Matter Of the Application Of )  
 )  
HAWAIIAN ELECTRIC COMPANY, INC. )  
 )  
For Approval to Commit Funds in Excess of )  
\$500,000 for Item Y48500, East Oahu )  
Transmission Project. )  
\_\_\_\_\_ )

DOCKET NO. 03-0417

PUBLIC UTILITIES  
COMMISSION

2004 APR 23 P 3:33

FILED

STIPULATED PREHEARING ORDER NO. \_\_\_\_\_

Filed \_\_\_\_\_, 2004

At \_\_\_\_\_ o'clock \_\_\_\_ .M.

\_\_\_\_\_  
Chief Clerk of the Commission

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

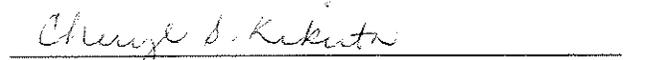
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STIPULATED PREHEARING ORDER

Applicant Hawaiian Electric Company, Inc. (“HECO”), the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (the “Consumer Advocate”), Life of the Land, Carol Fukunaga, Scott K. Saiki, and Ann Kobayashi, (Carol Fukunaga, Scott K. Saiki and Ann Kobayashi collectively referred to as “Public Officials”), Palolo Community Council, Ho‘olaulima O Palolo, Mālama O Mānoa, and Kapahulu Neighbors hereby stipulate that the attached Stipulated Prehearing Order is mutually acceptable to each respective party.

DATED: Honolulu, Hawaii, April 23, 2004.

  
\_\_\_\_\_  
WILLIAM A. BONNET  
Vice President, Government and  
Community Affairs  
Hawaiian Electric Company, Inc.

  
\_\_\_\_\_  
CHERYL S. KIKUTA  
Acting Executive Director  
Division of Consumer Advocacy  
Department of Commerce and Consumer Affairs

  
\_\_\_\_\_  
HENRY Q. CURTIS  
Vice President for Consumer Issues  
Life of the Land

\_\_\_\_\_  
SCOTT K. SAIKI  
Designee for Public Officials

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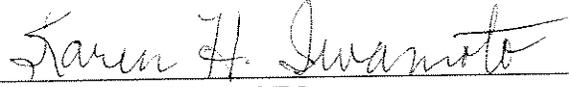
DATED: Honolulu, Hawaii, April 23, 2004.

\_\_\_\_\_  
WILLIAM A. BONNET  
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CHERYL S. KIKUTA  
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Department of Commerce and Consumer Affairs

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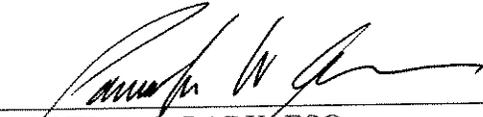
*Scott K. Saiki*  
\_\_\_\_\_  
SCOTT K. SAIKI  
Designee for Public Officials



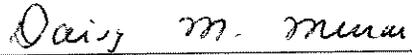
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Palolo Community Council



TRAVER CAROLL  
Ho'olaulima O Palolo



CØREY Y.S. PARK, ESQ.  
PAMELA W. BUNN, ESQ.  
Attorneys for Mālama O Mānoa



DAISY M. MURAI  
Secretary  
Kapahulu Neighbors

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STIPULATED PREHEARING ORDER

On December 18, 2003, Hawaiian Electric Company, Inc. (“HECO”) filed an application requesting Commission approval to, among other things, commit approximately \$55,424,000 for Item Y48500, East Oahu Transmission Project, in accordance with paragraph 2.3.g.2 of the Commission’s General Order No. 7, “Standards of Electric Utility Service in the State of Hawaii” (“General Order No. 7”).

Life of the Land (“LOL”) filed a motion to intervene dated January 6, 2004. Palolo Community Council (“PCC”), Darlene Nakayama on behalf of Ho‘olaulima O Palolo (“HOP”), Mālama O Mānoa (“Malama”), and Carol Fukunaga, Scott K. Saiki and Ann Kobayashi (collectively referred to as “Public Officials”) filed motions to intervene on January 7, 2004. Kapahulu Neighbors, Michelle S. Matson, and Carolyn H. Walther filed motions to intervene dated January 7, 2004.

HECO filed (1) a response to the motion to intervene of LOL on January 13, 2004, (2) responses to the motions to intervene of HOP, Malama, and Kapahulu Neighbors on January 14, 2004, and (3) responses to the motions to intervene of Public Officials, Michelle S. Matson, Carolyn H. Walther, and PCC on January 16, 2004.

By Order No. 20771 (“Order No. 20771”) issued January 20, 2004, the Commission ordered HECO and the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs (“Consumer Advocate”) to formulate the issues, procedures, and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order. The stipulated prehearing order was to be submitted for Commission approval by February 19, 2004 (within 30 days of the date of Order No. 20771). Order No. 20771 also stated that (1) if intervention or participation status is granted to any interested person in this docket, the Commission intends to incorporate such party’s respective deadline dates into the prehearing order it ultimately approves, and (2) the parties shall include in the procedural schedule time for at least one public hearing to allow the Commission to hear public comments relating to this matter.

Hearings on the motions to intervene of LOL and PCC were held on January 29, 2004.

On February 19, 2004, HECO requested an extension until March 18, 2004, of the Order No. 20771 requirement that HECO and the Consumer Advocate submit a stipulated prehearing order by February 19, 2004. By Order No. 20845, filed March 10, 2004, the Commission granted HECO’s request for an extension of time until March 18, 2004 to file a stipulated prehearing order.

By Order No. 20860, filed March 23, 2004, the Commission granted the Motions to Intervene by LOL and the Public Officials.

By Order No. 20861, filed March 23, 2004, the Commission denied the Motions to Intervene filed by PCC, HOP, Malama, and Kapahulu Neighbors (collectively referred to as “Participants”). Instead, Participants were granted participant status, subject to the limitations set forth in Order No. 20861.

By Order No. 20862, filed March 23, 2004, the Commission denied the Motions to

Intervene filed by Michelle S. Matson and Carolyn H. Walther.

By Order No. 20860, the Commission ordered HECO, the Consumer Advocate, LOL, the Public Officials, and Participants to meet informally to determine the issues, procedures, and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order to be submitted within 30 days (i.e., by April 22, 2004) from the date of Order No. 20860. In addition, Order No. 20860 vacated Order No. 20771 and vacated the portion of Order No. 20845 that extended the prehearing order deadline to March 18, 2004. (All other aspects of Order No. 20845 remained unchanged.)

HECO, the Consumer Advocate, LOL, Public Officials, and Participants have reached agreement on the prehearing matters and submitted a Stipulated Prehearing Order acceptable to all parties.

ACCORDINGLY, IT IS ORDERED that the following Statement of Issues, Schedule of Proceedings, and procedures shall be utilized in this docket.

### **I. STATEMENT OF THE ISSUES**

The issues in this case are:

1. Whether HECO's proposed expenditures for Phases 1 and 2 of the East Oahu Transmission Project will provide facilities which are reasonably required to meet HECO's present or future requirements for utility purposes?
2. Whether HECO's selected routing, location, configuration and method of construction for Phases 1 and 2 of the East Oahu Transmission Project are reasonable?
3. Whether HECO's East Oahu Transmission Project is preferable to HECO's other 138kV and 46kV transmission system alternatives, comparing factors such as, but

not limited to the following:

- a) Cost;
  - b) Timeliness and Schedule;
  - c) Effectiveness;
  - d) Construction impacts;
  - e) Electromagnetic fields;
  - f) Other impacts, if any;
  - g) Public sentiment; and
  - h) The public welfare in general.
4. Whether HECO's East Oahu Transmission Project is preferable to other feasible non-transmission options?
5. Pursuant to the requirements of HRS 269-27.6(a), whether all (as proposed by HECO) or part of the 46kV lines that are part of HECO's East Oahu Transmission Project should be placed, constructed, erected or built below the surface of the ground?

## II. SCHEDULE OF PROCEEDINGS

HECO Application	December 18, 2003
HECO Written Direct Testimonies and Exhibits	December 18, 2003
HECO Supplemental Written Direct Testimonies and Exhibits (if any)	July 22, 2004
Other Parties' <sup>1</sup> Information Requests to HECO <sup>2</sup>	August 25, 2004
HECO Responses to Information Requests <sup>2</sup>	October 6, 2004

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<sup>1</sup> Other Parties are the Consumer Advocate, LOL and Public Officials. Parties in this docket are HECO and the Other Parties.

<sup>2</sup> Whenever possible, parties will provide a copy of documents on diskette upon request.

Public Hearing	Date in September 2004 to be determined by Commission
Other Parties' Supplemental Information Requests to HECO <sup>2</sup>	November 8, 2004
HECO Responses to Supplemental Information Requests <sup>2</sup>	December 15, 2004
Written Testimonies, Exhibits, and Workpapers of Other Parties <sup>2</sup>	4 weeks* after completion of the ER process <sup>3</sup> but not before January 15, 2005
HECO Information Requests to Other Parties <sup>2</sup>	3 weeks* after above step
Other Parties' Responses to Information Requests <sup>2</sup>	3 weeks* after above step
HECO Written Rebuttal Testimonies, Exhibits, and Workpapers <sup>2</sup>	4 weeks* after above step
Other Parties' Rebuttal Information Requests to HECO <sup>2</sup>	3 weeks* after above step
HECO's Responses to Other Parties' Rebuttal Information Requests <sup>2</sup>	3 weeks* after above step
Evidentiary Hearing	To be set by the Commission
Simultaneous Opening Briefs by Parties and Written Statement of Position of Participants	3 weeks after transcripts
Simultaneous Reply Briefs by Parties	3 weeks after Opening Briefs

\* The time intervals are approximate. When the ER process is deemed complete, specific dates would be determined by the parties and submitted to the Commission for approval.

The parties acknowledge that under Section 2.3.g.2 of General Order No. 7, the Commission's 90-day period to act upon the Application and render a decision and order was to expire on March 17, 2004. Pursuant to Order No. 20845, the 90-day period was suspended until

<sup>3</sup> HECO has requested that the Commission be the accepting agency for an environmental assessment ("EA") of HECO's East Oahu Transmission Project to be voluntarily prepared by HECO and submitted to the Commission in accordance with the Hawaii Revised Statutes Chapter 343 process. An Environmental Impact Statement ("EIS") would be prepared if the Commission finds that the proposed action may have a significant effect on the environment. The Environmental Review ("ER") process shall be deemed to be complete when the Commission reviews the EA and determines that an EIS is not required, or if an EIS is required, when the Final EIS is accepted.

further order of the Commission.

### **III. MISCELLANEOUS MATTERS TO FACILITATE AND EXPEDITE THE ORDERLY CONDUCT OF THESE PROCEEDINGS**

#### **A. Requests for Information**

A party to this proceeding may submit information requests to another party within the time schedule specified in this Stipulated Prehearing Order. If a party is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring party as soon as possible. The parties shall then endeavor to agree upon a later date for submission of the requested information. If the parties are unable to agree, the responding party may seek approval for the late submission from the Commission upon a showing of good cause. It is then within the Commission's discretion to approve or disapprove such late filings and take any additional action that may be appropriate, such as extending the date for the party to respond.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials (e.g. documents over 50 pages), the documents or materials may be made available for reasonable inspection and copying at a mutually agreeable designated location and time. In the event such information is available on computer diskette or other readily usable electronic medium, the party responding to the information request shall make the diskette or such electronic medium available to the other parties, Participants and the Commission. Subject to objections that may be raised and to the extent practicable, the electronic files for spreadsheet will contain all formulae intact, and will not be entirely converted to values prior to submission. A party shall not be required, in a response to an information request, to provide data that is/are already on file with the Commission or otherwise part of the public record, or that may be stipulated to pursuant to Part D, infra. The responding party shall, in lieu of production of a document in the public record, include in its response to the

information request an identification of the document with reasonable specificity sufficient to enable the requesting party to locate and copy the document.<sup>4</sup> In addition, a party shall not be required, in a response to an information request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

For each response to an information request, the responding party should identify the person who is responsible for preparing the response as well as the witnesses who will be responsible for sponsoring the response should there be an evidentiary hearing.

A party may object to responding to an information request that it deems to be irrelevant, immaterial, unduly burdensome, onerous or repetitious, or where the response contains information claimed to be privileged or subject to protection (confidential information). If a party claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the party shall: (1) provide information reasonably sufficient to identify the confidential information withheld from the response, without disclosing privileged or protected information; (2) state the basis for withholding the confidential information (including, but not limited to, the specific privilege applicable or protection claimed for the confidential information and the specific harm that would befall the party if the information were disclosed); and (3) state whether the party is willing to provide the confidential information to some or all representatives of the party pursuant to a protective order.

A party seeking production of documents notwithstanding a party's claim of confidentiality, may file a motion to compel production with the Commission.

The responses of each party to information requests shall adhere to a uniform system of

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<sup>4</sup> As practical, each party will cooperate in making available documents that are already on file with the Commission or otherwise part of the public record and in reproducing (at reasonable charges), such public record documents as well as voluminous material referenced by such parties, designated by the requesting parties and/or making available one copy of the designated documents for loan for a reasonable period of time to be reproduced by the requesting party.

numbering agreed upon by the parties. For example, the first information request submitted by the Consumer Advocate in this docket shall be referred to and designated as "CA-IR-1," and a response to this information request shall be referred to and designated as "Response to CA-IR-1."

Each response shall be provided on a separate page and shall recite the entire question asked and set forth the response and/or reference the attached responsive document.

**B. Witnesses**

Witnesses submitting written testimony and exhibits shall be made available for cross-examination at the evidentiary hearing. Witnesses should file the work papers used in preparing the evidence they sponsor at the time they submit their testimony and exhibits and have such work papers available at the evidentiary hearing. Witnesses will not be permitted to read prefiled written testimony at the evidentiary hearings.

In the presentation of the testimony, each witness may give a brief oral summary of the written testimony and exhibits and shall summarize the issues raised by such testimony. Each witness shall be subject to cross-examination for both direct and rebuttal testimony and exhibits.

The parties shall cooperate to accommodate the schedules of mainland witnesses and will inform the Commission in advance of any scheduling difficulties with respect to such witnesses. If a party has an objection to a timely request to schedule a mainland witness in advance of other witnesses, the party shall make a timely objection to the Commission. The parties will make their best effort to accommodate the schedules of mainland witnesses by coordinating their appearance at the evidentiary hearing.

**C. Form of Prepared Testimony**

All prepared testimony, including text and exhibits, shall be prepared in written form on 8-1/2" x 11" paper with line numbers and page numbers, and shall be served on the dates

designated in the Schedule of Proceedings.

Each party shall be permitted to follow its own numbering system for written testimony and exhibits, provided that the numbering system utilized is consistent and is clearly understandable. Each party shall prepare a list of its exhibits by exhibit numbers and titles.

The parties shall be permitted to make revisions to exhibits after the designated dates appearing in the Schedule of Proceedings. Revisions shall bear appropriate revision dates. However, revisions or additions that do more than correct typographical errors, update facts, or give numerical comparisons of the positions taken by the parties, shall not be submitted except with the approval of the Commission.

Generally, exhibits should include appropriate footnotes, or narratives inserted in the related testimony, setting forth the sources of the information used and explaining the methods employed in making statistical compilations or estimates.

**D. Matters of Public Record**

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record shall be admissible in this proceeding without the necessity of reproducing each document; provided that the document to be admitted is clearly identified by reference to the place of publication, file or docket number, and the identified document is available for inspection by the Commission and the parties; and further provided that any party has the right to explain, qualify or conduct examination with respect to the identified document. The Commission can rule on whether the identified document can be admitted into evidence when a party proffers such document for admission as evidence in this case.

From time to time, the parties may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

**E. Copies of Testimony, Exhibits and Information Requests**

1. Testimony, Exhibits, Workpapers, Information Requests, Responses to Information Requests, Statements of Positions and Briefs:

Commission	Original + 8 copies
HECO	3 copies
Consumer Advocate	3 copies
LOL	3 copies
Public Officials	3 copies
Participants	1 copy

2. All pleadings, briefs and other documents required to be filed with the Commission shall comply with the formatting requirements prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-16 of the Commission's Rules of Practice and Procedure and shall be filed at the office of the Commission in Honolulu within the time limit prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-15 of the Commission's Rules of Practice and Procedure.

3. Copies of all filings, information requests and information request responses should be sent to the other parties and Participants by hand delivery or United States mail (first class, postage prepaid). In addition, if available, all parties shall provide copies of their filings, information requests and information request responses to the other parties via diskette or e-mail in a standard electronic format that is readily available by the parties. The parties agree to use Word 97, Word 2000 or Word 2003 as the standard programming format for filings in this case. However, if workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a party shall not be required to convert such workpapers, documentation, or exhibits into an electronic format. Also, existing documents produced in response to requests need not be converted to Word 97/Word 2000/Word 2003 as long as the applicable format is identified. In the event a copy of a filing, information request or information request response is delivered to a party via diskette or e-mail, unless otherwise agreed to by such

party, the same number of copies of such filing, information request or information request response must still be delivered to such party by hand delivery or United States mail (first class, postage prepaid) as provided in Part E.1 above.

**F. Order of Examination at the Evidentiary Hearing**

Pursuant to Chapter 61, Subchapter 3, Section 6-61-31, of the Commission's Rules of Practice and Procedure, HECO's witnesses shall open with its direct case. The Consumer Advocate's direct case shall be presented after HECO's direct case, followed by LOL's and the Public Officials direct case. HECO shall close with its rebuttal case.

Examination of any witness shall be limited to one attorney or representative for a party. The parties shall avoid duplicative or repetitious cross-examination. Friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse to the party desiring to cross-examine. Recross-examination shall be limited to the extent of material covered in redirect examination unless otherwise permitted by the Commission.

**G. Communications**

Chapter 61, Subchapter 3, Section 6-61-29 of the Commission's Rules of Practice and Procedure concerning ex parte communications is applicable to any communications between a party and the Commission. However, the parties may communicate with Commission counsel on matters of practice and procedure through their own counsel or designated official.

Communications between the parties should either be through counsel or through designated representatives. All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing party. All motions, supporting memoranda, and the like shall also be served on opposing counsel.

## **H. General**

These procedures are consistent with the orderly conduct of this docket. Pursuant to Chapter 61, Subchapter 3, Section 6-61-37 of the Commission's Rules of Practice and Procedure, this Stipulated Prehearing Order shall control the subsequent courses of the proceedings, unless modified at or prior to the hearing to prevent manifest injustice.

This Stipulated Prehearing Order may be executed by the parties and Participants 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 and Participants may execute this Stipulated Procedural Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

DONE at Honolulu, Hawaii, this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By \_\_\_\_\_  
Carlito P. Caliboso, Chairman

By \_\_\_\_\_  
Wayne H. Kimura, Commissioner

By \_\_\_\_\_  
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

By \_\_\_\_\_  
Catherine P. Awakuni  
Commission Counsel

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Stipulated Prehearing Order No. \_\_\_\_\_ upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
DIVISION OF CONSUMER ADVOCACY  
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Certificate of Service

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DAISY M. MURAI, SECRETARY  
KAPAHULU NEIGHBORS  
c/o 3039 Kaunaoa Street  
Honolulu, HI 96815

---

Karen Higashi

DATED: \_\_\_\_\_