

LOL-HECO-IR-11

Ref: “Thus, this East Oahu Transmission Project is clearly consistent with HECO’s first and second cycle IRP Plans, which implicitly assumed that the transmission requirements identified in the studies proceeding the plans would be implemented.” (HECO Application, page 50).

Question(s):

- a. When earlier IRP plans explicitly cover an issue that later IRP plans are silent on, how do the earlier plans determine, guide, or otherwise affect the issue?
- b. Do subsequent IRP Plans totally or partially replace earlier plans?
- c. If IRP Plans are “guidelines” how can they implicitly assume a given transmission line will be built?

HECO Response:

- a. HECO objects to this information request on the grounds that it is vague and ambiguous. It is not clear what “issue” that Life of the Land is referring to. Without waiving its objections, HECO can only speculate that an “issue” would no longer be addressed in subsequent IRP Plans because it has been addressed or is no longer relevant.
- b. Subsequent IRP Plans update earlier IRP Plans, so, in effect, it can be characterized that the subsequent IRP Plan replaces the earlier IRP Plan by providing updated information and a new 20-year time frame.
- c. HECO objects to this information request on the grounds that HECO has not characterized its IRP Plans as “guidelines”. IRP Plans may be better characterized as planning “strategies”, rather than fixed courses of action. The plans identify what information is critical to the decision making process, and also identify when the strategic decisions need to be made. A critical element of each plan is the recognition that the planned generating additions can be altered as the utility pursues other options, such as renewable technologies, additional cost-effective DSM programs, or Combined Heat and Power (“CHP”) Programs.

This planning strategy allows the development of alternate options to address alternate futures. The Commission has recognized in other types of proceedings that IRP Plans are dynamic and not fixed plans. For example, the resource plan used to compute avoided costs is not necessarily the utility's approved IRP Plan, but is its most current resource plan, which takes into account current circumstances such as those that are reflected in an IRP plan evaluation, or a biennial PURPA data filing.

Without waiving its objections, HECO responds that the referenced statements are self-explanatory, i.e., HECO believed it reasonable to assume that the transmission requirements identified in the studies that preceded the first and second cycle IRP Plans would be implemented.