

DIVISION OF CONSUMER ADVOCACY
Department of Commerce and
Consumer Affairs
335 Merchant Street, Room 326
Honolulu, Hawaii 96813
Telephone: (808) 586-2800

PUBLIC UTILITIES
COMMISSION

2005 JAN 26 P 3:32

FILED

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC.)
For Approval of Rate Increases and Revised)
Rate Schedules and Rules, and for Approval)
and/or Modification of Demand-Side and)
Load Management Programs and Recovery)
of Program Costs and DSM Utility)
Incentives.)

DOCKET NO. 04-0113

DIVISION OF CONSUMER ADVOCACY'S
MEMORANDUM IN SUPPORT OF DEPARTMENT OF DEFENSE'S MOTION TO
INTERVENE

Pursuant to the authority provided through Hawaii Revised Statutes ("HRS") § 269-51, the Division of Consumer Advocacy ("Consumer Advocate") respectfully offers this Memorandum in Support of Department of Defense's ("DoD") Motion to Intervene ("Motion"), received on January 20, 2005.

The Consumer Advocate provides its support of DoD's application to intervene because the Consumer Advocate offers that DoD has demonstrated satisfaction of the criteria set forth in Hawaii Administrative Rules ("HAR") § 6-61-55.

I. **DISCUSSION**

A. **Background.**

Hawaii Administrative Rules § 6-61-55 specifically provides that “[i]ntervention shall not be granted except on allegations which are reasonably pertinent to and do not unreasonably broaden the issues already presented.” Re: Hawaii Electric Light Co., Docket No. 7259, Order No. 12893 (December 2, 1993).

The Hawaii Supreme Court has observed that a potential party’s status as an intervening party, in a proceeding before the State of Hawaii Public Utilities Commission (“Commission”), “is not a matter of right but is a matter resting within the sound discretion of the Commission.” In re Hawaiian Electric Co., 56 Haw. 260, 262, 535 P.2d 1102 (1975).

B. **DoD Has Met the Criteria Provided by HAR § 6-61-55.**

In contrast to the Consumer Advocate’s opposition to Rocky Mountain Institute’s (“RMI”) Motion to Intervene, where the Consumer Advocate disagreed with RMI’s argument that their participation was necessary in this docket because they possessed a “deep expertise” in matters including “effeciency optimization that focus on DSM technologies, business models, and regulation strategies” and also disagreed with RMI’s assumption that the purpose of this docket was to “define the regulatory treatment of demand side management programs in the state of Hawaii...”, the Consumer Advocate supports DoD’s intervention in this docket because DoD has a significant interest by virtue of being one of the largest purchasers of electric services on the island of Oahu.

While the Consumer Advocate maintains that it is competent to represent the interests of rate payers in the State of Hawaii, the Consumer Advocate acknowledges that DoD represents the separate interest of the Federal Government and tax payers nationwide and may present special needs aside and apart from the general public due to their particular property and financial interests. In matters particularly dealing with cost allocation and rate design, the Consumer Advocate must consider the interests of all of HECO's ratepayers, which may result in not necessarily advancing the interest of an individual large power customer such as DoD.

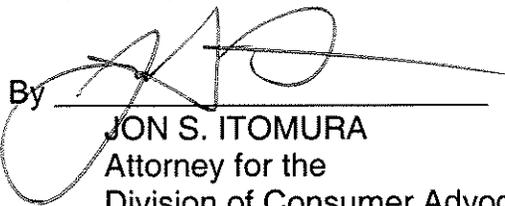
Therefore, considering the DoD's representation that their participation will not seek to broaden the issues of the instant docket nor lead to undue expansion of the scope of discovery. It is not foreseeable that the DoD's participation will cause a delay in the proceedings.

II. CONCLUSION

Based upon the foregoing, the Consumer Advocate respectfully requests that the Department of Defense be admitted as a party to the proceeding and that their Motion to Intervene be GRANTED.

DATED: Honolulu, Hawaii January 26, 2005.

Respectfully submitted,

By 

JON S. ITOMURA
Attorney for the
Division of Consumer Advocacy

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **DIVISION OF CONSUMER ADVOCACY'S MEMORANDUM IN SUPPORT OF DEPARTMENT OF DEFENSE'S MOTION TO INTERVENE** was duly served upon the following parties, by personal service, hand delivery, and/or U.S. mail, postage prepaid, and properly addressed pursuant to HAR § 6-61-21(d).

William A. Bonnet
Vice President, Government and Community Affairs
Hawaiian Electric Company, Inc.
P.O. Box 2750
Honolulu, Hawaii 96840

Patsy H. Nanbu
Director, Regulatory Affairs
Hawaiian Electric Company, Inc.
P.O. Box 2750
Honolulu, Hawaii 96840

Thomas W. Williams, Jr., Esq.
Peter Y. Kikuta, Esq.
Goodsill Anderson Quinn & Stifel
1800 Alii Place
1099 Alakea Street
Honolulu, Hawaii 96813

Dr. Kay Davoodi
Utilities Rates and Studies Office
NAVFAC Washington
1314 Harwood Street S.E.
Washington Navy Yard, DC 20374-5018

Randall Y.K. Young, Esq.
Associate Counsel (Code 09C)
Naval Facilities Engineering Command Pacific
258 Makalapa Drive, Suite 100
Pearl Harbor, HI 96860-3134

DATED: Honolulu, Hawaii, January 26, 2005.