

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

PUBLIC UTILITIES  
COMMISSION

2005 JAN 31 P 4: 19

FILED

MEMORANDUM IN RESPONSE TO  
(1) MOTION FOR ENLARGEMENT OF TIME TO REQUEST PERMISSION TO  
RESPOND TO MEMORANDA, (2) MOTION TO REQUEST PERMISSION TO  
RESPOND TO MEMORANDA OPPOSING ROCKY MOUNTAIN INSTITUTE'S  
MOTION TO INTERVENE, AND (3) RESPONSE TO MEMORANDA BY THE  
CONSUMER ADVOCATE AND HAWAIIAN ELECTRIC COMPANY, INC. OPPOSING  
ROCKY MOUNTAIN INSTITUTE'S MOTION TO INTERVENE BY THE  
ROCKY MOUNTAIN INSTITUTE

AND

CERTIFICATE OF SERVICE

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**MEMORANDUM IN RESPONSE**

This Memorandum is respectfully submitted by HAWAIIAN ELECTRIC COMPANY, INC. ("HECO") in response to the Motion for Enlargement of Time to Request Permission to Respond to Memoranda ("Motion for Enlargement of Time"), Motion to Request Permission to Respond to Memoranda Opposing Rocky Mountain Institute's Motion to Intervene ("Motion for Permission to Respond"), and Response to Memoranda by the Consumer Advocate and Hawaiian Electric Company, Inc. Opposing Rocky Mountain Institute's Motion to Intervene ("Response") by the Rocky Mountain Institute ("RMI"), dated January 21, 2005.

HECO does not object to RMI's filing of its Response to Memoranda. At the same time, HECO's position on RMI's motion to intervene dated December 6, 2004 (as stated in HECO's Memorandum in Opposition to the Motion to Intervene of Rocky Mountain Institute ["HECO's Memorandum"], dated December 15, 2004) remains the same.

HECO opposes RMI's request to intervene as a party in this docket. However, as stated in HECO's Memorandum, if the Commission finds that RMI should be allowed to participate in this proceeding and that the Consumer Advocate would not adequately represent RMI's interest

involving HECO's proposed DMS programs, then RMI should be designated a participant and not an intervenor, and RMI's participation should be limited to HECO's proposed demand-side management ("DSM") programs (including HECO's proposed mechanisms for DSM program cost recovery and to incent HECO to implement DSM programs). In addition, RMI's participation should not be permitted to affect the schedule of proceedings or the statement of the general rate case issues, and RMI should be required to comply with the Commission's Rules of Practice and Procedure.<sup>1</sup>

RMI stated that it "is not adverse to having limited participation in this docket, contingent on being able to fully participate in the creation of an evidentiary record regarding DSM." RMI's Response at 13. RMI stated that the specific issues that it is interested in "pertain[] to the proposed DSM programs and the DSM program financial recovery mechanisms. RMI does not need formal standing as an intervener regarding the many other issues in this docket that are only the subject of the remainder of the rate case." RMI's Response at 12.

If RMI (or any other person) is granted participant status with respect to HECO's proposed energy-efficiency DSM programs, and the regulatory treatment of DSM programs proposed by HECO, then the parties (HECO and the Consumer Advocate) and any participants, and/or the Commission should establish a separate schedule (with separate hearing date, if necessary) for such issues.

RMI also identified the extent of its participation in this docket if it was granted participant status concerning the DSM issues it identified. RMI stated that "[b]y full participation in the development of the evidentiary record RMI means fully participating, within the scope of the specific identified issues, in discovery, filing testimony that will become part of

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<sup>1</sup> Title 6, Chapter 61 of the Hawaii Administrative rules ("H.A.R.") is referred to as the "Commission's Rules of Practice and Procedure".

the evidentiary record, cross examination of witness, filing briefs, motions and pleadings and participation in the development of any stipulated proposed pre-hearing order and schedule of proceedings.” RMI’s Response at 12. If the Commission grants RMI the status of a participant with respect to HECO’s proposed DSM programs, and a separate schedule is established for the DSM program issues, then HECO will not object to RMI’s participation to this extent.

DATED: Honolulu, Hawaii, January 31, 2005.



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THOMAS W. WILLIAMS, JR.  
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Attorneys for  
HAWAIIAN ELECTRIC COMPANY, INC.

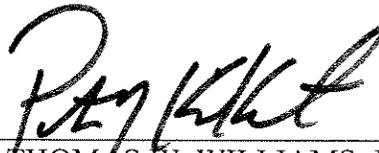
**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served a copy of the foregoing **MEMORANDUM IN RESPONSE TO (1) MOTION FOR ENLARGEMENT OF TIME TO REQUEST PERMISSION TO RESPOND TO THE MEMORANDA, (2) MOTION TO REQUEST PERMISSION TO RESPOND TO MEMORANDA OPPOSING ROCKY MOUNTAIN INSTITUTE'S MOTION TO INTERVENE, AND (3) RESPONSE TO MEMORANDA BY THE CONSUMER ADVOCATE AND HAWAIIAN ELECTRIC COMPANY, INC. OPPOSING ROCKY MOUNTAIN INSTITUTE'S MOTION TO INTERVENE BY THE ROCKY MOUNTAIN INSTITUTE**, together with this Certificate of Service, by hand delivery and/or by mailing a copy by United States mail, postage prepaid, to the following

Division of Consumer Advocacy (2)  
Department of Commerce and Consumer Affairs  
335 Merchant Street, Room 326  
Honolulu, Hawaii 96813

Kyle Datta  
Rocky Mountain Institute  
Managing Director of Research and Consulting  
P.O. Box 390303  
Keauhou, HI 96739

DATED: Honolulu, Hawaii, January 31, 2005



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