

4. Fourth Submission

September 25, 2006

A copy of the above submissions is provided for the Commission's records.

DATED: Honolulu, Hawaii, October 18, 2006.

Respectfully submitted,

By *Cheryl S. Kikuta*
CHERYL S. KIKUTA
Utilities Administrator
DIVISION OF CONSUMER ADVOCACY

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY

FIRST SUBMISSION OF INFORMATION REQUESTS

INSTRUCTIONS

In order to expedite and facilitate the Consumer Advocate's review and analysis in the above matter, the following is requested:

1. For each response, the Company should identify the person who is responsible for preparing the response as well as the witness who will be responsible for sponsoring the response should there be an evidentiary hearing;
2. Unless otherwise specifically requested, for applicable schedules or workpapers, the Company should provide hard copies of each schedule or workpaper together with one copy of each such schedule or workpaper on electronic media in a mutually agreeable format (e.g., Excel and Quattro Pro, to name two examples); and
3. When an information request makes reference to specific documentation used by the Company to support its response, it is not intended that the response be limited to just the specific document referenced in the request. The response should include any non-privileged memoranda, internal or external studies, assumptions, Company instructions, or any other relevant authoritative source which the Company used.
4. Should the Company claim that any information is not discoverable for any reason:
 - a. State all claimed privileges and objections to disclosure;

- b. State all facts and reasons supporting each claimed privilege and objection;
- c. State under what conditions the Company is willing to permit disclosure to the Consumer Advocate (e.g., protective agreement, review at business offices, etc.); and
- d. If the Company claims that a written document or electronic file is not discoverable, besides complying with subparagraphs 4(a-c), identify each document or electronic file, or portions thereof, that the Company claims are privileged or will not be disclosed, including the title or subject matter, the date, the author(s) and the addressee(s).

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

FIRST SUBMISSION OF INFORMATION REQUESTS

General Information Requests

- CA-IR-1 For each of the HELCO witnesses who sponsor test period budgeted labor direct expense amounts, please provide the following information:
- a. Identify each employee involved in preparation of budgeted staffing and associated labor direct expense amounts included in the witnesses' portion of the rate case test period budget.
 - b. Provide complete copies of all calculations, spreadsheet files, "pencil" workpapers, surveys and other analyses performed by each of the employees identified in response to part (a), documenting all work done to determine required staffing levels and overtime hours by Department, RA, Activity and NARUC Account.
 - c. Describe the actual work force level that existed at the date the budget was prepared or otherwise served as a base for purposes of preparing the budget level.
 - d. For each budgeted employee position that is added to existing actual work force levels (as of the date the budget was prepared), **explain** the analyses undertaken to

determine that each added position was necessary and should be filled in order to meet present or anticipated work requirements. Also, please explain how the anticipated work requirements were defined and determined.

- e. Describe and, to the extent possible, quantify the backlog of work, unfinished projects, deferred maintenance and other labor requirements unfulfilled at present staffing levels, that will be satisfied by adding the employee positions identified in your response to part (d) of this information request.
- f. Provide complete copies of all studies, analyses, workpapers, projections, notes, correspondence, assumptions and other documents associated with your responses to parts (d) and (e) of this information request.

CA-IR-2

For each of the HELCO witnesses who sponsor test period budgeted non-labor direct expense amounts, please provide the following information:

- a. Identify each employee involved in preparation of budgeted non-labor direct expense amounts included in the rate case test period budget and sponsored by the witness.
- b. Provide complete copies of all calculations, spreadsheet files, "pencil" workpapers, surveys and other analyses performed by each of the employees identified in response

to part (a) of this information request, indicating the amounts by Department, RA, Activity and NARUC Account that such calculations support.

- c. For each budgeted non-labor amount in the test period forecast that exceeds \$50,000, please describe the basis for determining the budgeted amount (for example, bid solicitation, price times quantity estimation, historical cost escalated, etc.)
- d. For each item in your response to part (c) of this information request, where specific quantities and prices were discretely forecasted, explain the basis for and source of the budgeted quantity inputs and budgeted prices for each such item. Provide complete copies of all studies, reports and other documents that were relied upon.
- e. For each item in your response to part (c) of this information request where historical costs were escalated, provide all historical cost information that was considered and explain how such data was evaluated and escalated to derive test year proposed levels.
- f. For each item in your response to part (c) of this information request where a bid solicitation or other special analysis was conducted, explain what was done and provide complete copies of all supporting reports, bid solicitations, proposals,

analyses, workpapers and other documents associated with such efforts.

- g. Provide complete copies of all other information required to completely support and document the test year projected expense levels being proposed by the Company, including general assumptions and forecasting instructions that were employed.

CA-IR-3

Please provide a complete copy of the most current available HELCO management organization chart, illustrating reporting relationships among management personnel, departmental organizations and relative staffing levels within each department.

CA-IR-4

Please provide a complete copy of the most current available Hawaiian Electric Industries ("HEI") and Hawaiian Electric Company ("HECO") management organization chart, illustrating reporting relationships among management personnel, departmental organizations and relative staffing levels within each department, with an explanation of which departments are supportive of HELCO operations and the services/activities provided.

CA-IR-5

Please provide in hard copy and electronic media a complete table of HELCO, HECO and HEI Departmental and Responsibility Area "RA" reporting structure documentation, showing RA descriptions and indicating how each department/RA is aligned with the HECO and HEI organization charts provided in response to the preceding two information requests.

CA-IR-6

Please provide a chart showing each separate legal entity within HEI and provide the following additional information:

- a. Explain and quantify the types of recurring and non-recurring affiliate transactions that took place in 2003 through 2006 (to-date) between HELCO and each affiliated entity.
- b. Describe the basis of pricing each form of affiliate transaction listed in your response to part (a) of this information request, for example fully distributed cost, market price, appraised value, etc.
- c. If any affiliate service agreements exist in connection with HELCO affiliate transactions, please provide complete copies of same.
- d. Identify and describe each affiliate relationship of HELCO for which Hawaii PUC notification and/or approval has been sought or received.

- e. Provide complete copies of any documents associated with your response to part (d) of this information request.

CA-IR-7

Please provide complete copies of the consolidating financial statement workpapers (income statements and balance sheets) for the HEI financial statements issued publicly for calendar 2005. Include in your response the most detailed available stand-alone income statements and balances sheets for each legal entity within HEI for each period/date, as well as details regarding elimination entries and any reclassifications made in preparing consolidated public financial statements.

CA-IR-8

Please provide a complete and detailed description of the HEI/HELCO budget process and cycle, indicating the time line for each individually significant budget activity/step throughout a typical year and identifying the documents produced at each step of such process/cycle. Provide specimen copies of each type of document routinely created within the most recently completed budget cycle, including but not limited to budget assumption statements, calendars, input forms, staffing documentation, presentation graphics and budget review/approval documentation.

CA-IR-9 Please provide a detailed statement of HELCO, HECO and HEI actual employee levels on a quarterly basis for each year 2002 through 2006, to date, indicating the numbers of full-time, part-time and temporary employees in each department and responsibility area ("RA") and/or other reportable work groups and the comparable numbers of authorized, but unfilled positions of each type within each department, RA or work group.

CA-IR-10 Please provide a complete copy of the most recently filed Federal and State income tax returns for HEI, including all supporting schedules containing any data for HELCO operations.

CA-IR-11 Please provide a complete copy of employee benefit documentation associated with each existing employee health, welfare, incentive compensation or retirement plan, in the form currently provided to employees to advise them of such benefits.

CA-IR-12

- a. Has the Company initiated any individually significant efficiency or cost reduction programs since January 1, 2004?
- b. If affirmative, please identify and describe each such program and provide copies of all reports analyses, projections, workpapers and other documentation related to same.

Witness T-1 Mr. Lee.

CA-IR-13

Ref: T-1, page 11, lines 11-14.

- a. What is the present status of Company planning, permitting and other activities associated with preparing for construction of ST-7?
- b. Please provide an itemized listing of costs accumulated to date by work order/project associated with your response to part (a) of this information request.
- c. What specific plant facilities exist at Keahole station today to accommodate future equipment installation for ST-7?
- d. Please provide a descriptive listing and cost estimate for all space within buildings, site improvements and other facilities included in your response to part (c) of this information request.

CA-IR-14

Ref: T-1, page 22, lines 8-15.

Please explain all reasons why HELCO's Renewable Energy and Energy Efficiency Program for Affordable Homes ("REEEPAH") proposal is part of the rate case application, rather than being advanced by the Company within Docket No. 05-0069 (Energy Efficiency proceeding) that has been established to address policy issues on DSM programs.

CA-IR-15

Ref: T-1, page 27, line 4.

Please provide a complete and detailed copy of all documentation supporting the 2006 HELCO Operating Budget that was approved by the Company's Board of Directors and explain whether it includes the HELCO "O&M Expense Budget" that served as the beginning point for the rate case preparation.

CA-IR-16

Ref: T-1, page 28, lines 6-18.

Please provide complete copies of all documents developed and circulated among Company employees to inform them of common budget assumptions to be employed in the development of the rate case projections.

CA-IR-17

Ref: HECO 106 Proposed Rate Schedules.

Please provide the Company's proposed rate schedules in electronic Word format, indicating by "track changes" or other editing markups each change being proposed to the existing tariffs.

CA-IR-18

Ref: T-1, page 30, lines 22-25.

According to the testimony, "To facilitate a timely decision in this rate case proceeding, HELCO has limited the number of issues by using, in most instances, the methodologies adopted by the

Commission in past ratemaking proceedings.” Please provide the following information:

- a. Identify and describe each instance where HELCO did not fully employ, “methodologies adopted by the Commission in past ratemaking proceedings.”
- b. Explain the reasons for not adopting such “methodologies.”
- c. Provide complete copies of all studies, analyses, workpapers, projections, reports and other documents relied upon by the Company to determine that “methodologies adopted by the Commission in past ratemaking proceedings” are not appropriate in the current Docket.
- d. Provide a calculation of the rate base, operating income and/or revenue requirement impact of the Company’s decision to not fully employ, “methodologies adopted by the Commission in past ratemaking proceedings.”

Witness T-2 Mr. Beck.

CA-IR-19

Ref: HELCO-205.

Please provide, for each available month of 2005 and 2006 to-date, comparisons of actual versus forecasted monthly billed GWH sales for each rate code, with explanations for all known causes of differences between actual and forecasted values.

CA-IR-20

Ref: HELCO-208.

Please provide, for each available month of 2005 and 2006 to-date, comparisons of actual versus forecasted monthly customer counts for each rate code, with explanations for all known causes of differences between actual and forecasted values.

CA-IR-21

Ref: HELCO-202 and HELCO WP-202.

For each of the Company's rate schedules, please provide the following information associated with the test year sales forecast:

- a. Provide complete copies of the 2006 HELCO Sales Forecast formal report and supporting workpapers prepared by the Energy Services Department.
- b. Provide complete copies of documents associated with the Forecast Planning Committee's review, analysis and approval of the 2006 HELCO Sales Forecast.
- c. Explain how the results of each of the GWH "Mathematical Trending" and "Econometric Models" listed in HELCO WP-202 were considered and weighted into determination of the final 2006 "Annual GWH Sales" and "Average Monthly Bills" included in the approved 2006 forecast amounts.

- d. Explain and provide calculation documentation for the 2006 “Acquired DSM” adjustment set forth in Table A of HELCO-202.
- e. Explain and provide calculation documentation for the 2006 “Future DSM” adjustment set forth in Table A of HELCO-202.
- f. Explain and provide calculation documentation for the 2006 “Acquired CHP” adjustment set forth in Table A of HELCO-202.
- g. Explain and provide calculation documentation for the 2006 “Future CHP” adjustment set forth in Table A of HELCO-202.
- h. Please calculate and compare the proposed 2006 test year kWh usage per average customer in HELCO-202 for Schedules R, G/J and H/K to the corresponding actual kWh usage per customer experienced in each of the last three calendar years (2003, 2004 and 2005).
- i. Explain the known reasons for any significant variances between recent actual average usage per Schedule R, G/J, or H/K customer (your response to part h) and the Company’s proposed test year kWh usage per average customer.

CA-IR-22

Ref: HELCO-202 and HELCO WP-202.

For **each** of the Company's rate schedules, please provide a copy of the recently completed updated June 2006 HELCO Sales Forecast formal report and supporting workpapers.

CA-IR-23

Ref: HELCO-203, page 5, "Market Analysis of Large Power (Schedule P) Accounts."

Please provide the following information regarding HELCO's market analysis associated with the test year sales forecast:

- a. A complete copy of the "market analysis workpapers" and other documents that were relied upon in preparing the forecast.
- b. A comparison of actual annual sales kWh sales volumes in each of the past three calendar years 2003, 2004 and 2005 to the test year projected sales for **each** Schedule P customer.
- c. Explain and quantify each known change in demand for individual Schedule P customers, relative to historical actual demand levels, that was incorporated into HELCO's test year forecasted sales.
- d. Please provide complete copies of all reports, correspondence, workpapers and other documents relied upon by Company personnel to prepare the adjustments set forth in part (c) of your response to this information request.

CA-IR-24

Ref: T-2, page 6, line 12 through page 9, line 22 (Schedule P Forecast Adjustments).

Mr. Beck describes in testimony a series of adjustments made to forecasted Schedule P sales for five listed instances involving updated information. Please provide complete copies of all reports, analysis, workpapers, correspondence, calculations and other documents relied upon by HELCO to identify and quantify each such Schedule P sales adjustment.

CA-IR-25

Ref: T-2 at pages 13 and 17; HELCO-203, page 7.

Please provide complete copies of University of Hawaii Economic Research Organization ("UHERO") reports, analyses, projections and other data relied upon by the Company in support of its determination of forecasted test year sales volumes, as well as more recent comparable information in the possession of HELCO or HECO from UHERO.

Witness T-3 Mr. Young.

CA-IR-26

Ref: HELCO-301 versus HELCO-109.

Please explain and provide supporting calculations and documentation for the \$50,800 increase to "Other Operating Revenues" that is shown on HELCO-109, but not in HELCO-301.

CA-IR-27

Ref: T-3, page 3.

Please provide a complete copy in magnetic media (Excel format) of the "recorded billing information for a 12-month period, October 2004 to September 2005" that was used to allocate test year forecasted sales and revenue levels.

CA-IR-28

Ref: HELCO WP-302.

Please confirm that the underlying billing determinants used as inputs for bill counts by service type, demand and energy volumes, and the various discount and bill adjustment calculations are based strictly upon actual October 2004 through September 2005 actual billing data or identify and describe the basis for each input amount not based upon such data.

CA-IR-29

Ref: Commission D&O No. 18365, Last HELCO Rate Order, page 85.

According to the Commission's Order in HELCO's 2000 rate case, "From the record, it appears that residential customers who are awaiting construction of their residences are billed at the higher, temporary Schedule G or other applicable commercial rate."

Please provide the following:

- a. Explain whether any residences are presently billed by HELCO on Rate Schedules other than Schedule R and explain the basis for such billings.

- b. Provide a calculation of the revenue impact of service provided to residential customers in the test year at rates other than Schedule R.
- c. Provide a complete copy of all information provided by HELCO with respect to the "joint investigation and report of findings" required by the Commission "by early April 2001."

CA-IR-30

Ref: HELCO WP-302, pages 42, 124, Power Factor.

Please explain the basis for the 85% base power factor level and the .0135 adjustment rate per 1% variance above/below 85% and provide complete copies of all studies, workpapers and other documents that are supportive of these values.

CA-IR-31

Ref: T-3, pages 3 - 9, Energy Cost Adjustment Clause.

Please identify and describe each change to its ECAC proposals and calculations that are planned as a result of the Commission's recent order filed in the HECO rate case, Docket No. 04-0113 on this matter, (i.e., Order No. 22537).

Witness T-4 Ms. Lisa Giang.

CA-IR-32

Ref: T-4, page 27, lines 3 – 4.

Please explain why the no charge energy for the test year of 1.7 GWh was chosen rather than the 2005 no charge energy of 1.65 GWh.

CA-IR-33

Ref: T-4, page 19, lines 14 - 25 and page 20, lines 1 - 16, HELCO 402.

- a. Please provide actual fuel prices for industrial fuel oil and diesel oil by month, since January 1, 2005.
- b. Please provide excerpts of pricing provisions for both industrial fuel oil and diesel fuel pursuant to the Chevron and Tesoro fuel contracts, as well as illustrative calculations, input value documentation and supporting market price or index documentation for the Company's determination of test year unit prices. Please include taxes, ocean transportation, land transportation, petroleum terminalling and wharfage costs that are included to determine the delivered-to-plant price shown in HELCO 402.
- c. Please provide a copy of confidential Workpaper HELCO-WP-402 pages 1 through 3.

- a. For the P-MONTH Production Simulation Model, please provide for the test year period, in electronic spreadsheet format and hard copy format the input data for the following:
1. total energy and hourly load of the HELCO electric system;
 2. energy and hourly load to be served by the HELCO firm and non-firm generating units;
 3. energy and hourly load to be served by firm and non-firm purchased power producers;
 4. load carrying capability for each HELCO and firm power producer-generating unit;
 5. please indicate which units in the model are on AGC;
 6. please provide the minimum run time for each individual generating unit used by HELCO, including HEP, PGV, wind hydroelectric and dispersed generation; and
 7. operating constraints such as must-run units and minimum energy purchases from purchased power producers.
- b. Please provide explanations of all the P-MONTH data file formats and provide a copy of the P-MONTH Production Simulation Model user manual.

CA-IR-35

Ref: T-4, pages 25 – 26.

Please provide all other input data files for the P-MONTH Production Simulation Model, for the test year period, in electronic format and hard copy that were not included in responses to the previous information request.

CA-IR-36

Ref: T-4.

Please provide the energy generated by Generating Unit by month for 2005 and 2006 year-to-date.

CA-IR-37

Ref: T-4.

Please provide actual monthly and annual heat rates, gross and net generation for each generating unit for the years 2004, 2005, and 2006 year-to-date.

CA-IR-38

Ref: HELCO-WP-404.

- a. Please explain any tests or related data that was used to develop the Heat Rate Constants for each unit.
- b. Please provide copies of all workpapers, analyses and source documents that support this information. The workpapers and analysis should set forth all computations, state all assumptions made in performing such calculations, and explain the basis for such assumptions.

CA-IR-39

REF: HELCO 403, Line 4 and WP-403, page 3.

Please provide a copy of any energy Loss Studies and other supporting documentation that support the energy losses shown in the referenced exhibit and workpaper.

CA-IR-40

Ref: HELCO Workpaper 403, page 3.

Please provide the actual system losses for the years 2001 through 2005 and 2006 year-to-date, provide explanations as to how the historical losses relate to the forecasted test year losses. Explain the basis for any deviations reflected in the test year forecast from the historical experience.

CA-IR-41

Ref: HELCO Workpaper 404, page 1.

Please provide in electronic spreadsheet format and hard copy format the hourly output of P-MONTH Production Simulation Model for each HELCO unit, including HEP, PGV, Wind, Hydro and dispersed generators.

CA-IR-42

Ref: HELCO WP – 408, pages 5 – 10.

Please provide the actual heat content in Mbtu per barrel of industrial fuel oil and diesel oil for the years 2001 through 2005 and provide explanations of any differences assumed in the test year from the historical heat content.

Witness T-5 Mr. Dan Giovanni.

CA-IR-43

Ref: HELCO WP – 545, page 26.

Please provide a copy of the referenced workpaper that contains confidential fuel pricing information.

CA-IR-44

Ref: HELCO T-5, page 11 – Wind Power Regulation - ESA.

Please describe the present status of the Electronic Shock Absorber (“ESA”) research and development project undertaken by HECO, indicating the activities and costs (total and allocated to HELCO) incurred to-date, milestones achieved and applicability of this technology to HELCO’s regulating reserve requirements.

CA-IR-45

Ref: HELCO T-5, page 12 – Underfrequency Load Shedding.

Please describe the specific customers involved and prioritization scheme employed to invoke load shedding and provide a summary of each event (including approximate duration and KWH magnitude) of such load shedding that has occurred in 2005 and 2006 to-date.

CA-IR-46

Ref: HELCO T-5, page 16, line 21 – Reduced Production O&M in 2000.

Please provide detailed comparisons and explanations of the production department labor expenses and non-labor expenses by RA, as proposed by HELCO in its last rate case (2000 test year),

versus comparable RA expense amounts actually incurred in each subsequent year (i.e., 2000, 2001, 2002, 2003, 2004, 2005, and 2006 year-to-date) and as proposed for the 2006 test year.

CA-IR-47

Ref: HELCO T-5, page 18, line 21 – PGV Capacity Issues.

Please explain and quantify what is meant by the referenced, “capacity issues with PGV” and provide the amounts of any reduction in capacity payments made to PGV in each year when such “capacity issues” were being experienced.

CA-IR-48

Ref: HELCO T-5, page 20, lines 1-9 – Production Staffing Changes.

Please provide actual HELCO production department staff level (headcount) statistics on a quarterly basis by RA for the period January 2000 through March 31, 2006, indicating how each of the changes described in testimony are reflected within the quarterly statistics being provided.

CA-IR-49

Ref: HELCO T-5, pages 33-36, Generation Asset Management (“GAM”) Program.

Please provide the following documents related to the GAM Program:

- a. A copy of the contract(s) for Sargent & Lundy to perform the initial engineering analysis.

- b. A copy of all reports prepared by Sargent & Lundy for HELCO in connection with initiation and continued support of GAM.
- c. A complete and detailed statement of all GAM Program initiatives, objectives, specific projects and planned milestones at Program inception in 2003.
- d. A copy of summary reports produced by HELCO for senior management to track performance relative to GAM Program objectives, project schedules and milestones in each year since 2003.
- e. The anticipated annual GAM Program spending by project in each year 2003 through 2008, at the inception of the Program.
- f. The actual GAM Program spending by project in each year since inception in 2003, broken down between capital and expense spending on each project in each year.
- g. A detailed description of HELCO's overall status relative to each of the established GAM Program objectives and milestones as of May 2006.

CA-IR-50

Ref: HELCO T-5, page 37 – Alternative Fuel Additives.

- a. Please provide complete copies of all economic studies performed by or for HELCO to determine that the described fuel additive utilization is cost effective.
- b. State with specificity where the scheduled outage reduction savings from this measure is reflected within HELCO's proposed test year O&M estimates.

CA-IR-51

Ref: HELCO T-5, pages 38-41, Asset Optimization ("AO") Program.

Please provide the following documents related to the AO Program:

- a. A complete copy of the maintenance assessment that was performed by EPRI Solutions for the HELCO Production Department in 2003.
- b. A copy of all reports prepared by Emerson Process Controls ("EPC") for HELCO in connection with initiation and continued support of AO Program.
- c. A complete and detailed statement of each of the AO Program initiatives, objectives, specific projects and planned milestones within each Phase of the Program, at inception of AO work in 2005.
- d. A copy of all summary reports produced by HELCO for senior management to track performance relative to each

phase of the AO Program, relative to established objectives, project schedules and milestones for each phase.

- e. The anticipated annual AO Program spending by project in each year and phase of the overall Program, at the inception of the Program.
- f. The actual AO Program spending by project in each phase of the Program to date, broken down between capital and expense spending on each project.
- g. A detailed description of HELCO's overall status relative to each of the established AO Program objectives and milestones as of May 2006.

CA-IR-52

Ref: HELCO T-5, pages 41 and 42, Corrective, Preventive and Predictive Maintenance.

Please provide the following information related to these categories of maintenance:

- a. Describe the systems used to track and manage work in each category.
- b. Provide specimen copies of reports and other documents used in the processes described in your response to part (a) of this information request.
- c. Explain how HELCO prioritizes work in each category and provide a detailed reporting of such prioritized work at the current time.

- d. Provide all available measures of backlog work in each category as of 12/31/2004 and 12/31/2005.
- e. Explain whether the information provided in response to part (d) of this information request indicates progress in reducing backlog during 2005 in each important high-priority work area.

CA-IR-53

Ref: HELCO T-5, page 43, Infrastructure Maintenance.

Please provide the information related to infrastructure maintenance:

- a. Describe the systems used to track and manage infrastructure maintenance work.
- b. Provide specimen copies of reports and other documents used in the processes described in your response to part (a) of this information request.
- c. Explain how HELCO prioritizes infrastructure maintenance and provide a current reporting of such prioritized work at the current time.
- d. Provide all available measures of backlog of infrastructure maintenance as of 12/31/2004 and 12/31/2005.
- e. Explain whether the information provided in response to part (d) of this information request indicates progress in reducing infrastructure work backlog during 2005.

CA-IR-54

Ref: HELCO T-5, page 4, HELCO-502 Summary of Generating Units.

Please provide the following additional information in Excel format related to each of the listed HELCO generating units:

- a. Actual operating hours in each year, 2000 through 2006 to-date.
- b. Projected operating hours for the test year dispatch simulation.
- c. Actual annual capacity factors in each year, 2000 through 2006 to-date.
- d. Projected annual capacity factor for test year simulation.

CA-IR-55

Ref: HELCO T-5, pages 47-48, HELCO-524 O&M History.

Please provide the following additional information related to the annual amounts shown in each year in Excel format:

- a. Breakout of "Operation" labor amounts by RA for each year.
- b. Breakout of "Maintenance" labor amounts by RA by year.
- c. Breakout of "Operation" non-labor amounts by RA by year.
- d. Breakout of "Maintenance" non-labor amounts by RA by year.
- e. Descriptive Listing of Project "Maintenance" amounts by Project and by RA for each year.

Ref: HELCO T-5, page 43, CA-IR-2, Attachment 1B, HELCO-WP-510, Planned Outages (“PO”).

Please provide the following documents related to Planned Outages:

- a. Explain the normal outage intervals for each HELCO unit (as listed in HELCO-502) within the outage scheduling process, with reference to the types of periodic PO's that are performed on each unit type (steam, CT, DG, etc.) and the number of months, years or operating hours between each type of outage at each unit.
- b. Provide the initiation and completion dates and actual expensed costs incurred by HELCO in connection with the most recent PO for each HELCO generating unit (as listed in HELCO-502), broken down between labor, materials, contract services, etc.
- c. Confirm that the response to CA-IR-2 (T-5) Attachment 1B contains the test year projected PO schedule and the amounts of expensed costs for each HELCO generating unit scheduled for a PO in 2006, prior to any revisions or normalization adjustments.
- d. Provide complete copies of all studies, reports and other information relied upon by HELCO to conclude that, “The 2006 test year overhaul schedule shown in attachment HELCO-527 represents a normalized overhaul year.”

- e. Explain in detail each "Rate Case Adjustment" made to the test year projected PO schedule and expense estimate (item c) set forth in HELCO-WP-510, page 2, elaborating upon the "Reason For Adjustment" set forth in that workpaper.
- f. Explain in detail each "Rate Case Normalizations" made to the test year projected PO schedule and expense estimate (item c) set forth in HELCO-WP-510, page 3, elaborating upon the "Reason For Adjustment" set forth in that workpaper.
- g. Provide complete copies of all supporting calculations, workpapers and other documents supportive of all amounts shown in the "NORMALIZED COST" column of HELCO-WP-510, page 8.
- h. Explain and reconcile differences in "NORMALIZED COST" set forth in your response to part (g) as compared to experienced actual expense levels in your response to part (b) of this information request.

CA-IR-57

Ref: HELCO-525, page 2 – 2004 Overhaul Schedules.

For each of the five individual most costly (including capital plus expense spending) generating unit overhaul outages that occurred

in 2004, please provide complete copies of the overhaul reports produced by HELCO in the normal course of business to:

- a. summarize the work performed;
- b. explain the condition of the equipment before and after the overhaul;
- c. identify the amounts spent by major element; and
- d. describe any continuing maintenance issues being tracked for future work.

CA-IR-58

Ref: HELCO-526, page 2 – 2005 Overhaul Schedules.

For each of the five individual most costly (including capital plus expense spending) generating unit overhaul outages that occurred in 2005, please provide complete copies of the overhaul reports produced by HELCO in the normal course of business to:

- a. summarize the work that was performed;
- b. describe the condition of the equipment before and after overhaul;
- c. identify the amounts spent by major element; and
- d. describe any continuing maintenance issues being tracked for future work.

Ref: HELCO T-5, page 46, Line 5.

According to the testimony, "Rapidly growing demand into the foreseeable future (HELCO-507 through 510). As a primary example, higher load growth has lead HELCO to the re-staffing of Shipman Power Plant in 2006...costs to refurbish Shipman Plant (i.e., GAM and other) are reflected in Production O&M, and are budgeted at approximately \$654,000." Please provide the following information with respect to this statement:

- a. State whether or not actual recent "rapidly growing demand" has, in fact, increased actual Other Production O&M expenses at Shipman and provide copies of all studies, reports, analyses, workpaper and other documents associated with your response.
- b. Regarding the "re-staffing," please state whether increased staffing levels are planned based upon any studies, analyses, workpapers, projections or other empirical data.
- c. If your response to part (b) of this information request is affirmative, please provide complete copies of all studies, reports, analyses, workpaper and other documents associated with your response.
- d. Provide Shipman Plant actual O&M expenses by RA for each year 2000 through 2006 year-to-date.

- e. Provide Shipman Plant actual O&M labor hours by RA for each year 2000 through 2006 year-to-date.
- f. Provide comparable (to parts d and e of this information request) test year proposed Shipman Plant expenses and labor hours by RA and explain the reasons for any budgeted amounts that are not consistent with historical trends.

CA-IR-60

Ref: HELCO T-5, page 57, CA-IR-2, Attachment 2F, Page 7, Emissions Fee Normalization.

According to the testimony, "HELCO was granted waivers for two of the 10 years. The granting of waivers is not predictable. Thus, for ratemaking purposes, the normalized amount was based on taking 80% of the 2006 forecast amount to derive the 2006 TY normalization cost of \$245,000." Please provide the following information:

- a. Calculations and source documents supportive of the 2006 forecast amount of \$306,081.
- b. Actual fee payments made by year for each of the referenced 10 years, as well as 2005 and 2006 to-date.
- c. A copy of the actual billings for emission fees for each of the above years.
- d. Copies of HELCO submitted calculations for the amounts in your response to parts (b) and (c) of this information request, if the payments (part b) differed from the billing (part c).

Ref: HELCO T-5, pages 60-69, Line 11; HELCO-539.

HELCO-539 indicates test year projected total production labor hours of 274,495 (page 2 total overtime 62,335 plus straight time 212,160), which amount is at least 29% higher than every prior historical year shown in that Exhibit. According to the testimony, these increased hours are needed for several reasons, as listed below. For each stated reason, please explain in detail each changed circumstance since the 2003-2005 period that is being cited and provide complete copies of supporting documentation and calculations to illustrate why adding more labor in 2006 is cost-effective due to such changed circumstances:

- a. Expansion of Keahole Power Plant” (Page 62, line 5);
- b. “increased reliance on HELCO’s older generating units” (Page 62, line 6);
- c. “investment to improve reliability” (Page 62, line 7) (Page 67, line 10);
- d. “significant increase in customer demand” (Page 62, line 8);
- e. “economically justified to operate Puna three shifts” (Page 62, line 12);
- f. “economically justified to operate ... Shipman two shifts per day” (Page 62, 13) (Page 66, line 1);
- g. “economically justified to operate ... CT-4 and CT-5 two shifts for economics and grid stability” (Page 62, 14);

- h. "overtime trends as shown in HELCO-536 are high at the Keahole, Puna and Hill power plants." (Page 63, line 3);
- i. "the plan to operate Shipman 3 and 4 more in 2006" (and beyond) (Page 64, line 19) (Page 65, line 11); and
- j. "an additional resource planner 2006 to support maintenance planning and increased Predictive Maintenance" (Page 64, line 24).

CA-IR-62

Ref: HELCO T-5, page 65, line 14, Shipman Staffing.

According to the testimony, "For the past five years Shipman Power Plant has been operated exclusively by operators from Hill Power Plant and Puna Steam Plant that work overtime." Please provide the following information with respect to this statement:

- a. For each of the five years, provide the labor hours by RA associated with Hill Plant personnel used to operate Shipman.
- b. For each of the five years, provide the labor hours by RA associated with Puna Steam Plant personnel used to operate Shipman.
- c. Explain why projected Hill and Puna overtime hours in 2006 on HELCO-539 are not proportionately lower than in prior years, given the assumed addition of 9 new personnel to

staff operations at Shipman and reduce or eliminate staffing with overtime labor from Hill and Puna.

- d. Provide complete copies of all calculations, workpapers and other documents associated with your response to part (c) of this information request, and which are supportive of any further ratemaking adjustments that may be required.

CA-IR-63

Ref: HELCO T-5, page 26, line 15 and HELCO-540.

According to the testimony, "CT-4 became commercially available on May 25, 2004, and CT-5 became commercially available on June 30, 2004." HELCO-540 explains the proposed 48.3% increase in "material" cost in 2006 over 2005 at line 1 as, an increase that "is mainly attributable to the net impacts of the Keahole expansion and full operation for the year." Please provide the following information with respect to these statements:

- a. Explain whether or not Keahole was fully "expanded" by the installation of CT-4 and CT-5 throughout 2005, given the commercial availability of both new units in mid-2004.
- b. Provide copies of all studies, reports, analyses, workpaper and other documents associated with your explanation of increased material costs being due to the "Keahole expansion and full operation for the year."

CA-IR-64

Ref: HELCO T-5, page 55, Waiiau and Puueo Penstock Repairs.

According to the testimony, "The cumulative increase of \$350,000 for Waiiau and Puueo penstock repairs are due to the immediate need for inspection and maintenance of the entire penstock right-of-ways...." Please provide the following information with respect to this adjustment:

- a. Describe and quantify all comparable penstock-related work done and expenses incurred in each of the past 5 years at each of these hydro units.
- b. Explain whether or not HELCO expects to perform \$350,000 of annual, ongoing expensed penstock work at these two units.
- c. State whether or not any normalization was proposed for hydro penstock repairs in the Company's filing, and the basis for making (or not making) any such normalizations.
- d. Provide the monthly expenditures in 2006 for the referenced work at each unit, by NARUC Account and expense element.

CA-IR-65

Ref: HELCO 540, line 2 and HELCO-523.

According to the explanation given for increased "Intercompany Charges, "It is projected that HECO will be charging over \$130,000 more than they did in 2005 for environmental services regarding

increased air, wastewater and noise permitting issues for Keahole and Hill plants.” Please provide the following information with respect to this statement:

- a. Identify and quantify the specific changes in work being done by HECO in these areas.
- b. Provide HECO total actual **and** projected costs by RA for each year from 2003 through 2006 year-to-date that are relevant to such allocations.
- c. Provide workpapers showing the allocations of the total HECO departmental costs by RA for each year from 2003 through 2006 year-to-date to correspond to the amounts provided in response to part (b) of this information request.
- d. Provide additional supporting information and calculations underlying the amounts shown in the response to CA-IR-2, Attachment 2G, page 1 for “Environmental Support.”
- e. Provide the monthly actual Project 001 “Environmental Support” charges from HECO for all available months to-date in 2006.
- f. Are any of the regulations that are summarized on HELCO 523 newly effective or significantly revised since January 1, 2003?

- g. If your response to part (d) of this information request is affirmative, please explain and provide specific reference to such regulation changes.
- h. Are there any new or revised regulations for which HELCO will be required to incur additional costs in the future?
- i. If your response to part (f) of this information request is affirmative, please explain and quantify all planned activities that will be necessary to address the new or revised regulations, the timelines for the completion of such planned activities and the anticipated new costs that will be incurred.

CA-IR-66

Ref: HELCO T-5, page 71, lines 16-18; Production Maintenance Expense.

According to the testimony, "The budget for production maintenance expense is the summation of the labor and non-labor forecasts for work to be done by maintenance personnel at five generating stations and three non-firm generating stations." Please provide the following:

- a. State whether there is any objective overall measure of "work to be done" that can be documented, or if instead measurement of required "work to be done" is a subjective determination based upon knowledge of project backlogs, equipment condition, outage schedules, etc.

- b. Provide a complete copy of all documents that exist (if any) to quantify overall "work to be done" in 2006 pursuant to the forecast, in comparison to measures of amounts of work that was done in 2004 or in 2005.
- c. Explain how HELCO management tracks and monitors production maintenance workloads during in the normal course of business.
 - 1. Relative to specific approved maintenance project work backlogs;
 - 2. Measuring progress against prioritized preventive and predictive maintenance objectives; or
 - 3. Other measures used to optimize maintenance resources.
- d. Provide specimen copies of the primary documents used in the processes described in your response to part (c) of this information request, as of 12/31/2004 and 12/31/2005.
- e. Using the documents provided in response to part (d) of this information request, explain whether actual maintenance spending levels in 2005 produced positive or negative progress in achieving the maintenance goals established by management.

CA-IR-67

Ref: HELCO T-5, page 71, Lines 1-3; Production Operations Expenses.

According to the testimony, "The estimate is reasonable because it was derived from a review of the resources required to operate HELCO's generating units reliably and efficiently while complying with all environmental and other regulatory agencies." Please respond to the following:

- a. Provide complete copies of all documentation produced in the referenced "review of the resources required," to the extent not provided in response to other information requests.
- b. Explain and provide copies of all documentation for any specific changes in the "resources required" in test year 2006, relative to 2005.
- c. State whether HELCO successfully operated all of its generating units reliably and efficiently while complying with all environmental and other regulatory agencies in 2004 and in 2005.

CA-IR-68

Ref: HELCO-539 and HELCO T-5, page 71, Lines 3-6; Production Operations Reduced Overtime.

- a. Please explain with specificity how and within which RAs overtime is being reduced in test year 2006, relative to prior

year overtime levels, due to “increasing the staffing to allow 14 shifts per week of Shipman...”

- b. Explain why the “2006 Budget” for Overtime Hours and the Proportion OT/ST Hrs % shown is higher than 2005 actual values.
- c. Why is there no reduction in overtime achieved in the 2006 Budget?

CA-IR-69

Ref: HELCO-539; O&M hours by Production RA.

- a. Please provide a “Breakdown of Straight Time Hours” table, as set forth on page 2 of the Exhibit for 2006, for each of the prior Actual years 2003, 2004 and 2005.
- b. In addition, please provide a corresponding “Breakdown of Overtime Hours” table isolating “O&M Hrs” from “All Oth Hrs” for overtime in each actual year 2003-2005 and for the test year 2006.

CA-IR-70

Ref: HELCO 527 Production Maintenance Schedule – Test Year.

- a. Please provide the labor hours by RA and non-labor costs by RA for each schedule overhaul in the test year, before and after the “normalization” adjustments described in the “notes.”

- b. If any revisions have been made to the Overhaul Schedule and related cost estimates since the preparation of the Company's rate filing, please identify and quantify each change and explain whether such revisions are properly recognized in the rate case Docket.

CA-IR-71

Ref: HELCO T-5, page 72, Line 17.

According to the testimony, "The increase between the 2005 actual and test year 2006 is mainly attributed to a vacancy due to a termination and an increase in maintenance staffing to support maintenance crews at Kanoelehua and Keahole Power Plants to perform off-peak maintenance, and higher volumes of work attributed to concurrent and back-to-back schedule and unscheduled outages." Please provide the following information:

- a. Explain the extent to which added employees are for the replacement of vacancies.
- b. Provide complete copies of all studies, reports, analyses, workpapers, projections, correspondence and other documentation supporting the decision to fill each of the vacancies identified in your response to part (a) of this information request.
- c. Explain and quantify the additional labor hours to perform off-peak maintenance, indicating whether any maintenance

work has been deferred from years prior to 2006, to now be done in 2006.

- d. Explain and quantify the extent to which higher staffing for maintenance is intended to remedy high overtime rates experienced in 2004 and 2005 and quantify the cost savings in avoided overtime expense that is reflected in the budget for such savings.

CA-IR-72

Ref: HELCO T-5, page 75, Lines 10-16.

- a. Please state with specificity what is meant by “anticipated increased workload requirements” in 2006, relative to previous years, indicating separately the known cause for each discrete increase in workload that is budgeted.
- b. For each workload increase element identified in your response to part (a) of this information request, provide the additional hours by RA that are included in the 2006 forecast.
- c. State specifically what is meant by “a function of work requirements” and provide a detailed statement of each measure of “work requirements” that was quantified in preparing the 2006 labor forecasts.

CA-IR-73

Ref: HELCO T-5, page 75, Lines 18-25.

Please provide a complete copy of all studies, reports, analyses, workpapers and other information relied for the following statements in testimony.

- a. "The levels of outside services costs is expected to remain high and/or increase due to the need to overlap unit outages," even though staffing levels are being increased.
- b. "HELCO's additional staffing requirements forecasted in 2006 is the minimum staffing level required to keep up with multiple planned outages (PO), maintenance outages (MO) and the occasional forced outage (FO)."

CA-IR-74

Ref: HELCO T-5, page 74, Lines 13-19.

- a. Please provide copies of all studies, reports, analyses, projections and other information relied upon in making the statement, "Due to high overtime rates experienced in 2004 and 2005, it was determined that the following additional positions were needed and would result in a more cost-effective way to perform the necessary maintenance work: (list of positions omitted)."
- b. How much of the "high overtime" in 2004 and 2005 is intended to be avoided upon filling these new positions

in 2006? Provide copies of all documentation to support your response.

CA-IR-75

Ref: HELCO T-5, page 78, line 3; HELCO-535 and HELCO-542.

- a. Please itemize the positions by Site that were assumed to be filled at the beginning of 2006 that were, in fact, not filled at that time.
- b. Provide a listing of all of the authorized, but unfilled positions by Site (using the format of HELCO 535/542 that existed on January 1, 2003, January 1, 2004 and January 1, 2005).
- c. Explain whether HELCO has historically managed to consistently maintain full employment within every single authorized position, in spite of retirements, resignations and unanticipated terminations.

CA-IR-76

Ref: HELCO T-5, page 76, line 20.

According to the testimony, "Backlog is a general term used to identify work that requires an outage and that is held in abeyance until it can be scheduled as an upcoming MO or PO." Please provide the following information:

- a. Describe each statistical and financial measure of the amount of "Backlog" that is tracked by HELCO production maintenance department management personnel.

- b. Provide complete copies of comparative statistic and financial “backlog” data for HELCO production maintenance as of 12/31/2003, 12/31/2004 and at 12/31/2005.
- c. Explain and quantify whether the amount of “backlog” work was increasing, stable or declining, based upon the data provided in your response to part (b) of this information request.
- d. Identify and describe the optimal balance that is sought between backlog work, staffing levels, overtime levels and production asset reliability.
- e. Explain how anticipated increased staffing is expected to impact “backlog” work as of 12/31/2006 and 12/31/2007, if full staffing at test year levels is achieved by mid-year.

CA-IR-77

Ref: HELCO-544 Outside Services – Production Maintenance Material 135.5% increase over 2005.

- a. Please provide a complete copy of all analyses for the “differences in the scope of normal and recurring work forecasted in the 2006 test year vs. 2005 actual material expenditures,” as referenced in the “Reason” column.
- b. What specific work is to be done at each [identified] generating unit/station in 2006 that was not done in 2005, that contributes to the 135.5% projected increase in spending?

- c. Please provide a monthly breakdown of the projected 2006 materials expense by RA, indicating the major individual items included in the estimated amounts for each month.
- d. Please provide a monthly breakdown of the actual 2006 to-date materials expense by RA.
- e. Explain the known causes of variances revealed by your response to parts (c) and (d) of this information request.

CA-IR-78

Ref: CA-IR-2 (T-5) Attachment 1, page 5 of 5, Non-project, Direct Non-labor Inputs by Expense Element.

The amounts input for the test year forecast by expense element appear to be derived from a series of spreadsheets summarizing the actual comparable amounts for prior years 1999 through 2004, with a computed average of such costs for the years 2001 through 2004, utilizing either the calculated average, an escalated 2004 value or a separately calculated input amount.

Please provide the following information:

- a. Confirm or correct the description provided above regarding the procedures used to derive estimated test year values.
- b. Provide an update to the Attachment 2A, pages 9-21, EE=201 materials, spreadsheet in Excel format, with 2 columns added after "FY04 actual" that contain comparable 2005 actual data and half-year January-June 2006 actual data.

- c. Provide an update to the Attachment 2B, pages 6-18, EE=205 procard materials, spreadsheet in Excel format, with 2 columns added after "FY04 actual" that contain comparable 2005 actual data and half-year January-June 2006 actual data.
- d. Provide an update to the Attachment 2C, page 6, EE=900 financial entries, spreadsheet in Excel format, with 2 columns added after "FY04 actual" that contain comparable 2005 actual data and half-year January-June 2006 actual data.
- e. Explain each individual entry in excess of \$100,000, as listed in your response to part (d) of this information request, for all years from 1999 through 2006.
- f. Provide an update to the Attachment 2D, pages 9-29, EE=501 outside services, spreadsheet in Excel format, with 2 columns added after "FY04 actual" that contain comparable 2005 actual data and half-year January-June 2006 actual data.
- g. Provide an update to the Attachment 2F, pages 4-7, EE=508 environmental, spreadsheet in Excel format, with 2 columns added after "FY04 actual" that contain comparable 2005 actual data and half-year January-June 2006 actual data.

- h. Provide an update to the Attachment 2H, page 1, Lalamillo Wind Farm spreadsheet in Excel format, with 2 columns added after "FY04 actual" that contain comparable 2005 actual data and half-year January-June 2006 actual data.

CA-IR-79

Ref: CA-IR-2 (T-5) Attachment 2K, CHP Budget.

Please provide the following information:

- a. Explain the intended treatment of CHP fuel and other O&M costs in the Company's filing.
- b. State whether the \$157,333 amount under the column "Fuel Costs" is included in the Company's test year projected O&M, after all adjustments and normalizations are considered.
- c. Explain how/if CHP fuel costs are treated in the Company's calculation of ERAC fuel expense.
- d. Describe the Company's accounting for such costs on its books, indicating the NARUC accounts being used.

CA-IR-80

Ref: CA-IR-2 (T-5) Attachment 2I, page 2, Outside Legal PPA.

Please provide the following information regarding the \$250,000 included for outside legal services:

- a. A detailed explanation of all services anticipated.

- b. Calculations and supporting documentation for the amount being proposed.
- c. Actual comparable expenses incurred by HELCO in each of the historical years 1999 through 2005.
- d. Actual comparable expenses incurred in each month of 2006 to-date.
- e. All available information relied upon by HELCO to reach the apparent conclusion that the Company will normally incur \$250,000 annually in outside legal services in connection with PPA administration.

CA-IR-81

Ref: HELCO-WP-509, Production M&S Inventory.

Please provide the following information regarding production M&S inventories:

- a. A breakdown of actual per-books inventory balances at 12/31/2004, 12/31/2005 and 6/30/2006 by station/location.
- b. Explain HELCO's policy regarding the conduct of physical inventory audits to verify the existence and non-obsolescence of recorded assets.
- c. Provide a copy of the most recent physical audit report and accounting adjustment entries made in connection with such production M&S audits for each HELCO inventory location.

- d. Please update HELCO-WP-509 with actual data for all available months of 2006.

CA-IR-82

Ref: T-5, page 97, lines 1-4; Production Materials Inventory Changes.

Please provide a detailed explanation and quantification for any projected changes to historical inventory levels or inventory content items to add new inventory items for newly added equipment or designs or to otherwise depart from trending of historical information.

CA-IR-83

Ref: HELCO WP-511; Runtime Hours.

The workpaper indicates increased budgeted runtime hours for Shipman 3 and 4 units, as described throughout T-5 testimony, as well as significantly reduced runtime hours for several other units.

Please provide the following information:

- a. Given the projected lower (than historical levels) runtimes budgeted for Keahole CT2, Waimea, Kanoelehua and Dispersed Generation, please explain how/if such reduced utilization has been considered in budgeting labor and non-labor operations expenses for each unit.
- b. Given the projected lower (than historical levels) runtimes budgeted for Keahole CT2, Waimea, Kanoelehua and Dispersed Generation, please explain how/if such reduced

utilization has been considered in budgeting labor and non-labor maintenance expenses for each unit.

- c. Provide historical actual production non-fuel operations expenses separately for each of the units Keahole CT2, Waimea, Kanoelehua and Dispersed Generation, for each year 2003, 2004, 2005 and 2006 year-to-date by cost type and RA.
- d. Provide historical actual production maintenance expenses separately for each of the units Keahole CT2, Waimea, Kanoelehua and Dispersed Generation, for each year 2003, 2004, 2005 and 2006 year-to-date by cost type and RA.
- e. Provide comparable test year projected O&M by unit and explain variations in such data relative to your response to parts (c) and (d) of this information request, indicating how reduced runtime assumptions are considered in such comparisons.

Witness T-6 Mr. Jay Ignacio.

CA-IR-84

Ref: T-6, page 3 (Standard Labor Rates).

T-6 states that HELCO utilizes Standard Labor Rates to convert man-hours into direct labor dollars. Please describe what role, if any, Distribution Department personnel served in the quantification of standard labor rates applied in the 2006 test year forecast.

Ref: T-6, pages 4, 28-30, 64-66 & HELCO-602 (Trouble Inspectors).

The referenced testimony describes the role of Trouble Inspectors and describes HELCO's plan to expand trouble inspector coverage from 16-hours per day (i.e., from 7:00 am to 11:00 pm) to 24-hours per day. At page 29, the referenced testimony indicates that increased coverage should improve response to automobile accidents that damage HELCO facilities. At pages 64-66, HELCO had six (6) trouble inspector positions filled at year end 2005, with ten (10) planned by year-end 2006. Please provide the following:

- a. Please explain when HELCO first began using trouble inspectors and how many were added in 2004 and 2005.
- b. At page 28, T-6 indicates that HELCO-610 shows that customer hours of interruption, due to automobile accidents, increased from 14,822 in 2000 to 57,127 in 2005. Since the current trouble inspector coverage is from 7:00 am to 11:00 pm, please provide the following information for 2005 automobile accidents. [Note: If the request automobile accident information is not available, please so state and instead provide hours of customer service interruption.]
 1. Please provide the total number of automobile accidents that occurred in 2005 which caused the interruption of service to HELCO customers.

2. Referring to the response to part (b)(1) of this information request, please provide the number of automobile accidents during period of 7:00 am to 11:00 pm.
3. Referring to the response to part (b)(1) of this information request, please provide the number of automobile accidents during period of 11:00 pm to 7:00 am.

CA-IR-86

Ref: T-6, page 9 & HELCO-608 (T&D Overtime).

At lines 8-12, the referenced testimony states: "To meet the new customer demand in 2005, HELCO construction and maintenance employees worked at 35%, 35% and 29% overtime levels in Hilo, Kona and Waimea respectively and still could not keep up with the demand. The Company contracted crews from the mainland to mitigate the work load. As shown in HELCO-608, this level of overtime has continued into 2006." Please provide the following:

- a. In developing the 2006 test year rate case forecast, did the Company reduce the forecast level of overtime to be worked as a direct result of the additional employees included in the 2006 rate case forecast?

1. If so, please provide a quantification of the reduced overtime level attributed to the planned hiring of additional employees.
 2. If not, please explain why the addition of new T&D employees is not expected to distribute work requirements over a larger employee pool thereby reducing the level of overtime worked.
 3. Please provide a copy of all workpapers, spreadsheets and all other supporting documents associated with the responses to parts (a)(1) and (a)(2) of this information request.
- b. In developing the 2006 test year rate case forecast, did the Company reduce the forecast level of mainland contract work crews as a direct result of the additional employees included in the 2006 rate case forecast?
1. If so, please provide a quantification of the reduction in contract work crews attributed to the planned hiring of addition employees.
 2. If not, please explain why the addition of new T&D employees is not expected to distribute work requirements over a larger employee pool thereby reducing the need for contract work crews.

3. Please provide a copy of all workpapers, spreadsheets and all other supporting documents associated with the responses to parts (b)(1) and (b)(2) of this information request.

CA-IR-87

Ref: T-6, page 9 & HELCO-608 (T&D Overtime & Contractors).

At lines 8-12, the referenced testimony states: "To meet the new customer demand in 2005, HELCO construction and maintenance employees worked at 35%, 35% and 29% overtime levels in Hilo, Kona and Waimea, respectively and still could not keep up with the demand. The Company contracted crews from the mainland to mitigate the work load. As shown in HELCO-608, this level of overtime has continued into 2006." Please provide the following

- a. The electronic file supplied by the Company in support of HELCO-608 is a Word file, rather than a spreadsheet file.
 1. If available, please provide a spreadsheet file containing the overtime and straight time hours used to calculate the overtime percentage set forth on HELCO-608 for calendar years 2000-2005 (actual) and the 2006 forecast.
 2. If the requested spreadsheet is not available, please provide the level of T&D straight time hours used in

computing the overtime percentage of straight time pay by RA for each period set forth on HELCO-608.

- b. Does the 2006 forecast data set forth on HELCO-608 represent the straight time and overtime hours included in HELCO's 2006 test year rate case forecast?
 - 1. If not, please provide comparable data attributable to the rate case forecast.
 - 2. If this information cannot be provided, please explain why.
- c. For each year from 2000-2005 (actual) and 2006 (forecast), please provide the relative distribution of straight time and overtime hours between O&M and non-O&M accounts.
- d. Please provide the level of T&D contract expense included in HELCO's 2006 test year rate case forecast.

CA-IR-88

Ref: T-6, page 11, HELCO-609 & HELCO-610 (T&D Reliability).

At lines 10-24 of the reference testimony, HELCO T-6 indicates that the Company "normalizes" its service reliability data to remove "abnormal" situations, which provides "a clearer picture of how the Company's systems are performing under typical conditions and enable more dependable identification of system problems and strengths." Please provide the following:

- a. Please confirm that the above description accurately characterizes the referenced testimony. If this cannot be confirmed, please explain.
- b. The T&D system reliability data presented on HELCO-609 and HELCO-610 is identified as “not normalized.” Please confirm that these documents are accurately identified as “not normalized.”
- c. Although “normalized” data provides a “clearer picture” of how the Company’s systems are performing under typical conditions, please confirm that HELCO does not maintain the data required to present HELCO-609 and HELCO-610 on a “normalized” basis. If this cannot be confirmed, please provide the data set forth in HELCO-609 and HELCO-610 on a normalized basis.
- d. Please provide the electronic spreadsheet file (with all cell formulae, workpaper tabs and file link intact and not converted to values) supporting HELCO-609 and HELCO-610, as filed by HELCO. [Note: The electronic files previously provided by the Company are in Word and Powerpoint formats.]

Ref: T-6, page 62, HELCO-608 & HELCO-619 (Overtime).

At page 62, T-6 states: "HELCO-619 provides the level of overtime worked by the entire HELCO Distribution Department work force for years 2000 to 2005. HELCO-608 presents the overtime hours worked in the Technical Division (HDC) and Hilo, Kona, and Waimea Construction and Maintenance Divisions (HDH, HDK and HDW) for years 2000 to 2005. It is clear that all of the listed divisions have sustained high levels of overtime since year 2002."

Please provide the following:

- a. Please confirm that HELCO-608 does not reflect overtime hours for all Distribution department divisions. If this cannot be confirmed, please explain.
- b. Please confirm that HELCO-619 reflects overtime pay for all Distribution department divisions. If this cannot be confirmed, please explain.
- c. Referring to the response to part (a) of this information request, please revise HELCO-608 to reflect overtime hours worked by each division within the HELCO Distribution Department, so that the total overtime hours worked are comparable to the overtime pay set forth on HELCO-619.
- d. Referring to HELCO-619, the overtime dollars set forth on page 1 represent the sum of "penalty" and "overtime"

amounts from page 2. Please explain and describe the form and nature of the compensation identified as “penalty.”

- e. Referring to page 2 of HELCO-619, the “overtime” and “Staff ST” compensation categories are followed by “\$100K.” Please explain and describe the reference to “\$100K” in the context of the amounts provided for each category.

CA-IR-90

Ref: T-6, page 62, HELCO-612, HELCO-WP-612 & HELCO-619 (T&D Contract Labor).

At page 62, T-6 states: “HELCO-619 presents the expenditures for use of contractors for pole and line construction and substation maintenance for the years 2000 to 2005, and the year-to-date expenditures for 2006. It shows that expenditures for contract services have increased significantly in years 2002 to 2005, and the year-to-date expenditures are on track to meet or exceed the 2006 test year estimate...Thus, the expenditures for contract services reflect the labor and equipment costs.” Please provide the following:

- a. Although the referenced testimony and the title for HELCO-619 indicates that the contractor expenditures encompass both construction and substation maintenance, page 2 of HELCO-619 appears to indicate that the contractor costs are associated with construction activity. Please

explain this apparent inconsistency and correct HELCO-619, page 2, as necessary.

- b. Please confirm that the vendor amounts shown on HELCO-619, page 2, are only for linemen type work. If this cannot be confirmed, please explain.
- c. HELCO-612 presents a historical comparison of contract vegetation costs for each year from 2000-2005 (actual) and 2006 test year (forecast). The contract vegetation costs for 2000 and 2001 alone exceed the total contract services amounts set forth on HELCO-619, page 2, for those same years. Please confirm that the vendor amounts presented on HELCO-619 exclude vegetation management contractor costs. If this cannot be confirmed, please explain.
- d. Please revise HELCO-619, page 2, to show all Distribution contract service amounts (separately listing expense and capital accounts) by contractor. If possible, please identify the nature of the work conducted by each contractor (e.g., vegetation maintenance, line construction, pole replacement, trouble call support, etc.).
- e. Referring to the response to part (d) of this information request, please break down the contract vendor services between labor and equipment costs. If the requested

information is not available, please explain and describe what information might exist to provide such data.

CA-IR-91

Ref: T-6, pages 75-76, HELCO-604 & HELCO-WP-606 (T&D Inventory).

At page 76 witness T-6 generally identifies the components of the \$457,000 increase in T&D materials inventory in 2006. Please provide the following:

- a. Referring to pages 3 and 5 of HELCO-WP-606, please provide general ledger information supporting the actual T&D inventory monthly balances for calendar years 2004 and 2005 set forth thereon.
- b. At page 76, HELCO T-6 indicates that the stocking levels for underground materials and poles (35', 40' and 45') were increased to improve availability of materials for projects and emergencies.
 1. Has HELCO actually experienced shortages or chronic deficiencies in the available inventory of underground materials and/or poles?
 2. If so, please provide a detailed description of those shortages and the impact on HELCO's ability to timely meet the requirements of ongoing projects or emergencies.

- c. Please provide additional support for the determination that the stocking level for underground materials should be increased by \$135,000.
- d. Please provide additional support for the determination that the stocking level for 35', 40' and 45' poles should be increased by \$95,000.

CA-IR-92

Ref: T-6, page 19 (T&D Tree Trimming).

The referenced testimony indicates that HELCO supplements its workforce with contractors to expedite power restoration. Please provide the following:

- a. Please provide the actual tree/brush trimming expense, by NARUC account, for calendar years 2001-2005 and the 2006 test year forecast.
- b. Referring to the response to part (a) of this information request, please provide the amounts included therein for tree trimming and vegetation management contractors.
- c. If the information requested in parts (a) and (b) of this information request are contained in the exhibits or workpapers previously provided by HELCO, please provide a pinpoint reference to the responsive data.

Ref: T-6, page 61, HELCO-611 & HELCO-619 (T&D Staffing).

At page 61, the referenced testimony describes how HELCO determines the appropriate staffing level and contractor utilization, as follows: "HELCO monitors parameters such as the level of overtime being worked by HELCO employees, extent of use of contractors, projected work requirements in future years, HELCO employee retirement projections, economic outlook, response to trouble and emergencies, and the skill level of the HELCO work force. Based on those parameters HELCO determines staffing levels to increase or decrease available HELCO labor resources."

Please provide the following:

- a. How did historical overtime levels impact HELCO's determination of the staffing levels included in the 2006 test year Distribution forecast? Please explain and provide copies of documentation (e.g., resource leveling reports) relied upon in preparing said forecast.
- b. How did the use of contractors impact HELCO's determination of the staffing levels included in the 2006 test year Distribution forecast? Please explain and provide copies of documentation relied upon in preparing said forecast.
- c. How did work requirements impact HELCO's determination of the staffing levels included in the 2006 test year

Distribution forecast? Please explain and provide copies of documentation (e.g., resource leveling reports) relied upon in preparing said forecast.

1. Referring to subpart (c) above, please identify and define the term "work requirements," as used in this context.
 2. Please provide Distribution work requirements for calendar years 2002-2005 and forecast for 2006.
- d. How did employee retirement projections impact HELCO's determination of the staffing levels included in the 2006 test year Distribution forecast? Please explain and provide copies of documentation (e.g., resource leveling reports) relied upon in preparing said forecast.
1. Please provide projections of Distribution employee retirements, as considered in determining actual Distribution staffing levels in calendar years 2002-2005.
 2. Please provide projections of Distribution employee retirements, as considered in determining the staff level forecast for 2006.
- e. How did the economic outlook impact HELCO's determination of the staffing levels included in the 2006 test year Distribution forecast? Please explain and provide

copies of documentation relied upon in preparing said forecast.

1. Please provide economic outlook projections, as considered in determining actual Distribution staffing levels in calendar years 2002-2005.
 2. Please provide economic outlook projections, as considered in determining the Distribution staff level forecast for 2006.
- f. How did trouble and emergency response impact HELCO's determination of the staffing levels included in the 2006 test year Distribution forecast? Please explain and provide copies of documentation relied upon in preparing said forecast.
1. Please provide trouble and emergency response data, as considered in determining actual Distribution staffing levels in calendar years 2002-2005.
 2. Please provide trouble and emergency response projections, as considered in determining the Distribution staff level forecast for 2006.
- g. How did the skill level of HELCO's employees impact HELCO's determination of the staffing levels included in the 2006 test year Distribution forecast? Please explain and

provide copies of documentation relied upon in preparing said forecast.

1. Please provide data regarding the skill level of HELCO's employees, as considered in determining actual Distribution staffing levels in calendar years 2002-2005.
2. Please provide data projections regarding the skill level of HELCO's employees, as considered in determining the Distribution staff level forecast for 2006.

CA-IR-94

Ref: T-6, page 62, HELCO-608 & HELCO-619 (T&D Overtime).

At page 62, T-6 indicates that "HELCO-619 provides the level of overtime worked by the entire HELCO Distribution Department work force for years 2000 to 2005," while "HELCO-608 presents the overtime hours worked" in certain Distribution divisions during this same time frame. Please provide the following:

- a. Please supplement or update HELCO-619 to replace the "03/06 ytd" chart and underlying data with the 2006 rate case test year forecast values (i.e., contract services, overtime, straight time, total and employee count). If all data elements are not available from the 2006 test year forecast,

please explain why specific data cannot be determined from said forecast and provide the forecast data that is available.

- b. Please supplement or update HELCO-608 to replace the "03/06 ytd" data with 2006 rate case test year forecast data. If all data elements are not available, please explain why the specific data cannot be determined from said forecast and provide the data that is available.

CA-IR-95

Ref: T-6, page 62, HELCO-608 & HELCO-619 (T&D Overtime).

At page 62, HELCO T-6 indicates that "HELCO-619 provides the level of overtime worked by the entire HELCO Distribution Department work force for years 2000 to 2005," while "HELCO-608 presents the overtime hours worked" in certain Distribution divisions during this same time frame. Please provide the following

- a. Does the 2006 test year T&D forecast recognize the reduced overtime pay and lower contract work that is expected as a direct result of the higher staffing forecast?
 1. If not, explain why not.
 2. If yes, please explain how the reduction in overtime and contract work was quantified and recognized in the forecast. [Please provide a pinpoint reference to any workpapers that have already been provided containing the requested information.]

- b. Please explain and provide calculations showing how the increase in Distribution employee levels from 2004 into 2005 and then to 2006 test year forecast was translated into a reduction in:
 - 1. overtime pay; and
 - 2. use of contractors.

CA-IR-96

Ref: T-6, HELCO-611 (Distribution Staffing).

HELCO-611 compares historical Distribution Department employee levels with the 2006 Budget and 2006 test year forecast levels.

Please provide the following:

- a. Do the employee levels during the years 2000-2005 represent average or year-end employee counts?
 - 1. If average, please provide the actual monthly employee counts used to determine the annual averages.
 - 2. If the levels represent a specific point in time, please identify the valuation months used.
- b. Please update HELCO-611 to include the actual 2006 monthly employee data.

Ref: T-6, HELCO-611 & HELCO-619 (Distribution Staffing).

HECO-611 shows that the 2006 test year staffing level (123) will exceed 2005 actual (109) by 14 employees and that 2005 was 15 employees higher than 2004 actual (94). Although page 2 of HELCO-619 does not contain contract services for the 2006 test year forecast, it does indicate that contract services almost tripled (i.e., 2.88 times) between 2004 and 2005. Please provide the following:

- a. Please segregate the contract work in each calendar year between O&M and capital related projects. If the requested information is not available, please explain.
- b. Please explain and reconcile the increase in contract services between 2004 and 2005, specifically identifying any material capital projects.
- c. Was any of the contract services work conducted in 2005 associated with catch-up projects or other work deferred from prior years? If so, please identify such work and the related costs incurred in 2005.
- d. Does HELCO anticipate that the addition of 14 employees in 2005 and 14 more employees in the 2006 forecast will result in a reduced reliance on contract services? Please explain.

- e. If the response to subpart (d) above is no, please provide the specific basis and copies of any documentation supporting said conclusion.

Witness T-7 Mr. Paul Fujioka.

CA-IR-98

Ref: T-7, page 2; Board Approved Operating Budget.

Please provide a complete copy of the referenced "2006 Board approved Operating Budget" along with a complete statement of all assumptions included therein.

CA-IR-99

Ref: T-7, page 4, lines 14-23; Customer Growth and Volume of Transactions Increases.

Please provide, for each of the years 2002, 2003, 2004 and 2005, the following statistics on a comparable basis:

- a. The number of service orders processed (Starts, changes and terminations);
- b. The number of High Bill Investigations processed;
- c. The number of Customer Inquiries handled; and
- d. The number of Customers being served at year-end.

CA-IR-100

Ref: T-7, page 7; Authorized Positions and Unfilled Vacancies.

Please provide, for each calendar quarter of the years 2002, 2003, 2004 and 2005, the following statistics on a comparable basis:

- a. The number of Customer Service Department authorized positions by RA and job title.
- b. The positions in your response to part (a) of this information request, should be within each RA and job title that were unfilled and vacant at quarter-end.
- c. Comparable data regarding test year proposed staffing by RA and job title, as included in the rate filing.

CA-IR-101

Ref: T-7, page 21-22, HELCO-924; CIS Project, Stage 1.

Please provide the following information regarding the CIS Project that is the subject of Docket No. 04-0268 (or provide specific reference into document filed in that Docket, as applicable):

- a. Please confirm that other than what was provided in Docket No. 04-0268 (e.g., in response to CA-IR-1, CA-IR-5, CA-IR-7, CA-IR-8, CA-IR-10, etc. as well as in response to CA-SIR-2, CA-SIR-5, CA-SIR-7, CA-SIR-8, etc.) business case, cost/benefit studies and other economic analyses relied upon by the Company to evaluate billing system alternatives and select vendors and technologies for the pending project. If there are any such support not already provided, please provide a complete copy of each item.
- b. Detailed project capital and expense budgets in total and with allocations among the HEI participating companies

reflecting the updated information related to costs as disclosed in the May 12, 2006 filing in Docket No. 04-0268, indicating the assumptions and sources of input values used in preparing such estimates.

- c. A detailed statement of actual costs incurred to date, by FERC Account and after distribution among HEI entities.
- d. Discuss any updates, significant changes (e.g., in scope, cost, etc.) or other implementation issues since the May 12, 2006 filing in Docket No. 04-0268.
- e. Please discuss and provide support as to why the Phase I project costs should be included as normalized test year expenses. Please include any analyses, if available, that demonstrate that the expenses specific to this project are not additional to allocated normalized IT expenses.

CA-IR-102

Ref: T-7, pages 33-35; Miscellaneous Revenues – Account Nos. 450 and 451.

According to the testimony, no rate changes are proposed for HELCO field collection, late payments, returned checks, service establishment, reconnection, temporary facilities or other charges. Please explain whether any cost of service analyses were performed to determine that existing rate levels are reasonable and provide complete copies of all such studies (if any).

CA-IR-103

Ref: T-7, page 29-30, Uncollectibles Mitigation Measures.

- a. For each of the listed measures taken by management to minimize uncollectibles expense, please state the effective date(s) for the described change.
- b. Provide copies of documentation for all changed policies and operating procedures.
- c. Provide a complete copy of the current HELCO procedures manual governing customer application, credit and collection policies.
- d. State whether HELCO commences new service to a customer where a deposit is required, but waits to bill and collect the deposit in arrears, such that no security exists for such new service unless the customer elects to pay the deposit after it is billed.
- e. If your response to part (d) of this information request is affirmative, please explain and provide documentation for any authority relied being relied upon.

CA-IR-104

Ref: HELCO WP-701, page 3, Account 903 in 2001.

Please explain and provide documentation for all known unusual transactions or other reasons for the large increase in Account 903 charges in 2001, causing the expense in that year to far exceed all other years shown.

Witness T-8 Mr. Curtis Beck.

CA-IR-105

Ref: T-8, page 6, Intercompany Charges from HECO.

Please provide a detailed breakdown of HECO projected costs by RA, indicating the basis for all amounts estimated to be incurred by HECO and then charged to HELCO for market research, sales and load forecasting, development of a combined heat and power (CHP) program, REEPAH, IRP, DSM and for vehicle materials and outside services to support customer relationship activities.

CA-IR-106

Ref: T-8, pages 6-9, Renewable Energy and Energy Efficiency Program for Affordable Homes "REEPAH".

Please provide complete copies of all reports, studies, analyses, workpapers, projections and other documents relied upon by HELCO to evaluate the need for and design of the proposed REEPAH program.

CA-IR-107

Ref: T-8, pages 16 and 17, Integrated Resource Planning "IRP" expenses and cost recovery.

Please provide the following information regarding HELCO's Integrated Resource Planning expenses:

- a. Actual recorded IRP expenses, by expense element, in each year from 2000 through 2005 and June 30, 2006 YTD.

- b. Calculations supportive of the 2006 test year estimated IRP expenses, by expense element, prior to the adjustment as described at page 16, line 15.
- c. Explain whether/why the Company believes the IRP expense of \$450,000 allowed in the prior rate case is representative of ongoing conditions and should again be allowed by the Commission.
- d. Provide complete copies of all information relied upon in support of your response to part (c) of this information request.
- e. State with specificity the Company's definition and accounting criteria used to isolate IRP costs from other incurred costs.

CA-IR-108

Ref: T-8, pages 18 through 24, Demand Side Management "DSM" Program Expenses and Cost Recovery.

Please provide the following information regarding HELCO Demand Side Management expenses:

- a. Actual recorded DSM expenses, by program and by expense element, in each year from 2000 through 2005 and for June 30 2006 YTD.
- b. Provide a detailed reconciliation of actual DSM surcharge revenues recorded in each year from 2000 through 2005 and June 30, 2006 YTD, relative to the recorded DSM expenses

set forth in your response to part (a) of this information request.

- c. Provide a detailed reconciliation of actual DSM base rate revenues recorded in each year from 2000 through 2005 and June 30 2006 YTD, relative to the recorded DSM expenses set forth in your response to part (a) of this information request.
- d. Provide calculations supportive of the 2006 test year estimated DSM expenses, by program and expense element, prior to the adjustment as described at page 18, line 12.
- e. State with specificity the Company's definition and accounting criteria used to isolate DSM Program costs, which are recoverable through the surcharge tariff, from other incurred costs.
- f. State with specificity the Company's definition and accounting criteria used to isolate DSM Program costs, which are recoverable through the base rate tariff allowance, from other incurred costs.
- g. Provide complete copies of all accounting manuals, charts of account, accounting memoranda and other documents prepared for use by Company accounting personnel to isolate and properly account for DSM costs.

CA-IR-109

Ref: HELCO-WP-801, page 3, Demand Side Management "DSM" Expense Element 900 Entries.

Please provide an explanatory analysis of the Company's accounting for DSM costs and any deferrals/amortization associated with same, for the years 2000 through 2005, including in such analysis supporting calculations for the expense element 900 amounts shown in each year of recorded data.

Witness T-9, Mr. Paul Fujioka

CA-IR-110

Ref: T-9, page 42, & HELCO-909 (Other Public Claims).

Please provide the following:

- a. Documentation showing a historical breakdown of the claims payment and accrual history.
- b. Documentation quantifying the \$568,500 budget for 2006.
- c. Documentation showing the calculation of the \$267,000 reduction to arrive at the proposed test year amount.

CA-IR-111

Ref: T-9, pages 84-86, & HELCO-WP-918 (Standard Labor Rates).

The referenced testimony generally discusses the use of standard labor rates by HELCO, while HELCO-WP-918 calculates an overtime related adjustment to the standard labor rates. Please provide the following:

- a. Please provide a listing of the standard labor rates, by labor class, input into Pillar for purposes of preparing the 2006 budget.
- b. Are the standard labor rates, by labor class, used by the Company in preparing the 2006 test year forecast different from the standard labor rates input into Pillar for preparing the 2006 budget?
 1. If so, please provide a listing of the standard labor rates, by labor class, input into Pillar for purposes of preparing the 2006 test year forecast.
 2. Please identify and describe the various changes between the standard labor rates used for 2006 general budgeting purposes and 2006 rate case test year purposes.
- c. Please provide a listing of the standard labor rates, by labor class, actually used by HELCO in calendar 2005.
- d. Please confirm that the standard labor rates used for 2006 test year purposes were based on labor hours and payroll dollars for calendar year 2004, which then were adjusted to reflect changes in wage rates and overtime levels through 2006. If this cannot be confirmed, please explain.

- e. Referring to subpart (d) above, please provide a copy of the source documentation supporting the 2004 labor hours and payroll dollars, by labor class.

CA-IR-112

Ref: T-9, pages 84-86, & HELCO-WP-918 (Standard Labor Rates).

The referenced testimony generally discusses the use of standard labor rates by HELCO for accounting and budgeting purposes.

Please provide the following

- a. Please provide the integrated electronic spreadsheet files (i.e., with cell formulae, workbook tabs and links to other files intact and not converted to values) and other supporting documents used in developing the standard labor rates (hours and dollars), by labor class, actually used by HELCO in preparing the 2006 rate case test year forecast. Such documentation should support and clearly show how wage increases and overtime adjustments were considered in developing the standard labor rates, by labor class.
- b. In quantifying the Standard Labor Rates applied in the 2006 test year forecast, did HELCO develop said rates by dividing actual 2004 regular and overtime pay (as adjusted for subsequent wage and salary increases) by actual 2004 productive hours? Please explain.

- c. Referring to subpart (b) above, does the calculation of the standard labor rate exclude both nonproductive pay and hours from the numerator and denominator? Please explain.
- d. Referring to subpart (c), please confirm that the calculated standard labor rate, based on productive pay and hours, is also applied to nonproductive hours in the Company's 2006 test year forecast. If this cannot be confirmed, please explain.

CA-IR-113

Ref: T-9, pages 84-86, & HELCO-WP-918 (Standard Labor Rates).

Referring to HELCO-WP-918, the overtime adjustment appears to calculate a percentage change in the labor rate, by labor class, premised solely on productive time. Please explain how this percentage change calculation provides for the correction of overtime pay embedded in the standard labor rate that is otherwise applied to nonproductive hours.

CA-IR-114

Ref: T-9, pages 82-84, & HELCO-904 (Wage Increase & Standard Labor Rates).

The referenced testimony generally discusses the general wage increases included in the 2006 budget and refers to HELCO-904 for the bargaining unit and merit increases. Please provide the following:

- a. Were the wage increase factors set forth on HELCO-904 actually applied in quantifying the standard labor rates input into Pillar for the 2006 test year forecast? If not, please explain.
- b. If the response to subpart (a) above is negative, please provide a schedule similar to HELCO-904 showing the development of the factors used to escalate the 2004 wage base, by labor class, to the 2006 wage base.

CA-IR-115

Ref: T-9, pages 84-86, & HELCO-WP-918 (Standard Labor Rates).

HELCO-WP-918 adjusts 2004 historical labor rates, by labor class, in order to restate overtime included in the standard labor rates consistent with 2006 budget year conditions. Using the BUOC labor class for illustration purposes, please provide the following:

- a. Please confirm the above summary. If this cannot be confirmed, please explain.
- b. Please confirm that the "hours" (i.e., total supply, NPW, total productive, overtime, etc.) shown on the left side of HELCO-WP-918 represent HELCO's 2006 rate case forecast. If this cannot be confirmed, please explain.
- c. The 2006 Total Supply Hours (83,200), Total NPW Hours (11,587) and Total Productive Hours (75,488) represent

input values in the spreadsheet file ("918WP.xls") supporting HELCO-WP-918. Please provide the following:

1. Please identify the data source(s) for these input hours.
2. If the response to part (c)(1) of this information request identifies departmental resource leveling reports supporting the 2006 budget, please provide a copy of all resource leveling reports (i.e., both hard copy and spreadsheet files with intact formulae) for each Department and clearly show how that data was used to quantify the 2006 input values on HELCO-WP-918.
3. If the response to part (c)(1) of this information request identifies data sources other than departmental resource leveling reports, please provide a copy of the identified source documents (i.e., both hard copy and spreadsheet files with intact formulae) for each Department and clearly show how that data was used to quantify the 2006 input values on HELCO-WP-918.

Ref: T-9, pages 84-86, & HELCO-WP-918 (Standard Labor Rates).

HELCO-WP-918 adjusts 2004 historical labor rates, by labor class, in order to restate overtime included in the standard labor rates consistent with 2006 budget year conditions. Using the BUOC labor class for illustration purposes, please provide the following

- a. Please confirm that the hours and payroll dollars on the right side of HELCO-WP-918 represent actual 2004 information. If this cannot be confirmed, please explain.
- b. The 2004 productive amount (\$1,913,238), productive hours (79,370), overtime amount (\$178,276) and overtime hours (4,345) represent input values in the spreadsheet file ("918WP.xls") supporting HELCO-WP-918. Please provide the following:
 1. Please identify the data source(s) for these input dollars and hours.
 2. If the response to part (b)(1) of this information request identifies departmental resource leveling reports supporting the 2004 values, please provide a copy of all resource leveling reports for each Department and clearly show how that data was used to quantify the 2004 input values on HELCO-WP-918.
 3. If the response to part (b)(1) of this information request identifies data sources other than

departmental resource leveling reports, please provide a copy of the identified source documents for each Department and clearly show how that data was used to quantify the 2004 input values on HELCO-WP-918

CA-IR-117

Ref: T-9, pages 84-86, & HELCO-WP-918 (Standard Labor Rates).

HELCO-WP-918 adjusts 2004 historical labor rates, by labor class, in order to restate overtime included in the standard labor rates consistent with 2006 budget year conditions. Using the BUOC labor class for illustration purposes, please provide the following

- a. Column C of HELCO-WP-918 is labeled "OT adj \$" which implies that the overtime dollars in that column have been adjusted from the actual 2004 values. Please confirm that the overtime dollars in Column C represent actual, not adjusted, overtime dollars in calendar 2004 for each labor class. If this cannot be confirmed, please provide a detailed explanation of the OT dollars in this column
- b. Column D of HELCO-WP-918 is labeled "OT adj hrs" which implies that the overtime hours in that column have been adjusted from the actual 2004 values. Please confirm that the overtime hours in Column D represent actual, not adjusted, overtime hours in calendar 2004 for each labor

class. If this cannot be confirmed, please provide a detailed explanation of the OT hours in this column.

CA-IR-118

Ref: T-9, pages 84-86, & HELCO-WP-918 (Standard Labor Rates).

The "Sheet2" tab of spreadsheet "918WP.xls" supporting HELCO-Wp-918 contains "Tran_Type" codes. "LAB" represents labor costs. Please describe the following "Tran_Type" codes:

- a. +TL
- b. -TL
- c. +TM
- d. -TM
- e. LCR
- f. MPJ

CA-IR-119

Ref: T-9, page 92, & HELCO-920 (Pension Asset).

Beginning at line 23 of the referenced testimony, Mr. Fujioka indicates that the Company has a policy to make pension fund contributions in an amount not less than the minimum funding requirements under ERISA and not greater than the maximum tax-deductible amount. Referring to HELCO-920, please provide the ERISA minimum and IRC maximum tax deductible amount for each year during the period 1987 through 2006. If the requested information is not available, please explain.

Ref: T-9, page 92, & HELCO-920 (Pension Asset).

HECO-920 provides a multi-year comparison of pension trust contributions and NPPC accruals. Please provide the following:

- a. Please identify and describe the impact of revisions to key assumptions, actual returns, plan amendments or other key factors causing the dramatic change in NPPC from a positive \$1.1 million in 1998 to negative levels in 2000-2002.
- b. Please identify and describe the impact of revisions to key assumptions, actual returns, plan amendments or other key factors causing the dramatic change in NPPC from \$76,000 (2004) to \$875,000 (2005) to \$2.7 million (2006 forecast).
- c. No pension contributions were made in calendar years 1999-2002 or are estimated for 2006. Please provide the following:
 1. Was the Company restricted from making pension fund contributions in any of these years? Please explain.
 2. If the response to part (c)(1) of this information request does not identify any restrictions prohibiting the Company from making fund contributions, please identify and describe the key factors that caused HELCO to not make any fund contributions in the identified years.

CA-IR-121

Ref: T-9, page 93 (Pension Asset).

Beginning at line 13, the referenced testimony discusses why HELCO believes that it is proper to include a prepaid pension asset in rate base. The first item states: "rate base inclusion is consistent with the ratemaking treatment of the pension expense under the guidance set forth in SFAS 87." Please provide the following:

- a. Is it the intention of HELCO T-9 to represent that SFAS 87 (i.e., FAS87) contains guidance that specifically discusses the ratemaking treatment of pension expense? Please explain.
- b. Is it the opinion of HELCO T-9 that FAS87 imposes ratemaking requirements on regulatory agencies, such as the HPUC, in determining overall revenue requirement? Please explain.
- c. If the responses to parts (a) or (b) of this information request are affirmative, please provide a pinpoint citation to the paragraphs of FAS87 that are believed to be controlling for ratemaking purposes. If none, please so state.

CA-IR-122

Ref: T-9, page 93 (Pension Asset).

Beginning at line 13, the referenced testimony discusses why HELCO believes that it is proper to include a prepaid pension asset

in rate base. The second item states: "the prepaid pension asset reflects a prudent investment, funded by investors, that is used or useful in providing electric utility service." Please provide the following:

- a. Please define the phrase "used and useful" as employed in this context.
- b. Please explain how the pension asset is used and useful in providing utility service.
- c. In the absence of the pension asset, would HELCO be unable to provide safe and adequate service to its utility customers? Please explain.

CA-IR-123

Ref: T-9, pages 93 & 113 (Pension Asset).

Beginning at line 13 of page 93, the referenced testimony discusses why HELCO believes that it is proper to include a prepaid pension asset in rate base. The third item states: "the prepaid pension asset benefits the ratepayers." Please provide the following:

- a. Please define the word "benefit" as used in this context.
- b. Please quantify the benefits that ratepayers have received from the existence of the pension asset, beginning in calendar year 1998 (see HELCO-920).

- c. Referring to part (b) of this information request, please provide a copy of all supporting documents and workpapers, including spreadsheet files with intact cell formulae.

CA-IR-124

Ref: T-9, pages 93 & 115 (Pension Asset).

Beginning at line 13 of page 93, the referenced testimony discusses why HELCO believes that it is proper to include a prepaid pension asset in rate base. The fourth item states: "other jurisdictions have allowed a prepaid pension asset to be included in rate base." At page 115, HELCO T-9 states that the pension asset treatment by other jurisdictions was discussed in the opening and reply briefs of the parties in HECO's 2005 test year (Docket No. 04-0113). Please provide the following:

- a. Has any research into the regulatory treatment of the pension asset by other jurisdictions been conducted by, or for, HELCO specifically for the pending rate case docket? Please explain.
 1. If so, please identify and describe the nature and extent of that research.
 2. If so, please provide the results of said research, along with a copy of all documentation obtained, reviewed and relied upon.

- b. Referring to the opening and reply briefs filed by the parties in HECO's 2005 rate case test year (Docket No. 04-0113), it appears that the referenced research is contained in the responses to DOD-RIR-36 and HECO/CA-IR-204.
1. Is HELCO aware of any additional research surrounding the pension asset issue other than these two responses?
 2. If so, please identify and provide a copy of any such documentation.
- c. Did HELCO T-9 review the responses to DOD-RIR-36 and HECO/CA-IR-204 (i.e., containing pension asset research from Docket No. 04-0113) in the preparation and presentation of HELCO's pension asset recommendation for purposes of the pending rate case (Docket No. 05-0315)? Please explain.

CA-IR-125

Ref: T-9, page 93 (Pension Asset).

At lines 19-22, HELCO T-9 indicates that the Commission allowed the prepaid pension asset in rate base in HELCO's 2000 test year rate case. Please provide the following:

- a. Please provide the amount of the prepaid pension asset included in rate base in HELCO's 2000 test year rate case.

- b. Please provide the amount of the accumulated deferred income tax reserves associated with the prepaid pension asset included in HELCO's 2000 test year rate case.
- c. Please confirm that no party to HELCO's 2000 test year rate case opposed the Company's request to include the pension asset in rate base. If this cannot be confirmed, please explain and provide a pinpoint reference to each party witness opposing such request.
- d. Does HELCO believe that the Commission's inclusion of the prepaid pension asset in rate base in the 2000 test year rate case represents a controlling precedent for purposes of the disposition of this issue in the pending rate case? Please explain.
- e. Does HELCO believe that decisions of the Commission in prior HELCO rate cases represent controlling precedents for purposes of the disposition of substantially similar issues in the pending rate case? Please explain.

CA-IR-126

Ref: T-9, pages 93-94 (Pension Asset).

Beginning at line 23, HELCO T-9 refers to HECO's 2005 test year rate case and indicates that the Commission allowed the prepaid pension asset in rate base in its interim decision (Decision and

Order No. 22050, Docket No. 04-0113). Please provide the following

- a. Does HELCO believe that the Commission's inclusion of the prepaid pension asset in the referenced interim decision involving HECO represents a controlling precedent for purposes of the disposition of this issue in the pending HELCO rate case? Please explain.
- b. Does HELCO believe that the decisions of the Commission in prior HECO rate cases represent controlling precedents for purposes of the disposition of substantially similar issues in the pending HELCO rate case? Please explain.

CA-IR-127

Ref: T-9, page 96 (Pension Asset).

At line 18, HELCO T-9 states, in part: "If the Company forecasts a pension liability, the pension liability is treated as a deduction in the rate base calculation." Please provide the following:

- a. Has HELCO ever forecasted a pension liability that has been used as a rate base reduction in setting utility rates? If so, please explain.
- b. Have any of HELCO's regulated affiliates (i.e., HECO or MECO) ever forecasted a pension liability that has been used as a rate base reduction in setting utility rates? If so, please explain.

CA-IR-128

Ref: T-9, page 96 (Pension Asset).

At line 20, HELCO T-9 states, in part: "The Company's forecast of working cash is based on the accrual method of accounting for the pension, consistent with the other pension components." Referring to HELCO-1002 and HELCO-920, the NPPC for the forecast test year is \$2.686 million. Please provide the following:

- a. Please explain and describe the Company's intended purpose for referencing working cash in the context of the pension asset discussion.
- b. Please quantify the effect of the \$2.686 million NPPC on HELCO's forecast of working cash.

CA-IR-129

Ref: T-9, page 96, & HELCO-920 (Pension Asset).

Footnote 1 states that approximately 31% of the 2006 test year NPPC was allocated to corporate overhead with "most" of the allocated portion capitalized to plant in service, with some charged to outside third parties. Please provide the following:

- a. Please provide the calculation supporting the 31% capitalization factor.
- b. Please define "most" as used in this context. In other words, what percentage of corporate overheads does HELCO typically expect to be capitalized (e.g., 75%, 95%, etc.).

- c. Referring to HELCO-920, please provide the comparable percentage of NPPC allocated to corporate overhead in each year (1987-2005) since HELCO adopted FAS87.
- d. Is there any reason to believe that the response to part (b) of this information request would be materially different for calendar years 1987-2005? If so, please explain.

CA-IR-130

Ref: T-9, page 97 (Pension Asset).

At line 2, HELCO T-9 indicates that there is an accumulated deferred income tax liability amount associated with the pension asset. Please provide the following:

- a. Please quantify the amount of the deferred income tax liability associated with the \$14.172 million (average) pension asset HELCO proposes to include in rate base.
- b. Referring to part (a) of this information request, please provide a copy of all workpapers and electronic spreadsheet files supporting the calculation of the average deferred income tax liability balance. Please ensure that the workpapers set forth all calculations, state all assumptions, and explain the basis for such assumptions. In addition please ensure that the electronic spreadsheets have all cell references, links to files, and formula in-tact and not converted to values.

CA-IR-131

Ref: T-9, page 98 (Pension Asset).

Please identify the current members of the Pension Investment Committee ("PIC"), indicating each individual's employer and when each member was appointed or elected to PIC.

CA-IR-132

Ref: T-9, pages 101-102 (Pension Asset).

Beginning at line 3 of page 101, HELCO T-9 generally describes the significance of comparing the fair value of the pension plan assets to the accumulated benefit obligation (ABO). Page 102 discusses, in part, that the pension plan assets only exceeded the ABO by \$.9 million at 12/31/05 and the accounting requirements imposed by FAS87 if the fair value of the pension plan assets were less than the ABO. Please provide the following:

- a. Please confirm the accuracy of the above summary. If this cannot be confirmed, please explain.
- b. If the Commission were to adopt HELCO's proposal to include the pension asset in rate base, please confirm that such a determination would have no effect on whether the fair value of the pension plan assets will or will not exceed the ABO in future years. If this cannot be confirmed, please explain.

CA-IR-133

Ref: T-9, page 104 (Pension Asset).

At line 17, HELCO T-9 identified the deadline for submitting comments on FASB's Exposure Draft No. 1025-300 at May 31, 2006. Please provide the following:

- a. Did HELCO, HECO, MECO or HEI file or participate in the filing of comments on this exposure draft?
- b. If so, please provide a copy of those comments.
- c. If not, please explain why HELCO or its affiliate companies chose to not response to the FASB exposure draft.

CA-IR-134

Ref: T-9, page 109 (Pension Asset).

Beginning at line 14, HELCO T-9 states that HELCO has consistently included NPPC in all prior rate cases, since adoption of FAS87, and that "HELCO incorporated a negative NPPC of \$3 million in A&G expense" in the Company's 2000 rate cast test year. Please provide the following:

- a. Is the negative \$3 million gross or net of the allocation to capital accounts? Please explain.
- b. Referring to part (a) of this information request, please provide the total NPPC from the Company's 2000 rate case test year, showing allocation between expense and capital (and other billable) accounts.

- c. For each HELCO rate case test year since the adoption of FAS87, please identify each rate case docket and provide the total NPPC recognized in the forecast test year, showing allocation between expense and capital (and other billable) accounts.
- d. Please provide HELCO's allocation of the positive \$2.7 million total NPPC in the current rate case test year, between expense and capital (and other billable) accounts.

CA-IR-135

Ref: T-9, page 111 (Pension Asset).

At line 5, the referenced testimony states, in part: "From the standpoint of accounting theory, the prepaid pension asset was funded by investors. It is a fundamental principle of accounting that all assets must be funded either by debt or equity. Investors, not ratepayers, provide the funds for a corporation's debt and equity. When an asset is positive it necessarily means that with respect to total company costs the shareholders have contributed some surplus that needs to be recognized in rate base.... Ratepayers do not fund Company investments. Rather, they pay for services and those payments are recorded as revenues. Investor funds are used to fund the pension plan just as investor funds are used to construct or purchase the gross plant assets." Please provide the following:

- a. Please provide a copy of and pinpoint citation to the “fundamental principle of accounting” relied upon by HELCO T-9 that concludes that “all assets must be funded either by debt or equity.”
- b. Please provide a copy of and pinpoint citation to the “accounting theory” relied upon by HELCO T-9 to conclude that only shareholders, and never ratepayers, provide funds to support rate base.
- c. Please explain the understanding of HELCO T-9 as to why rate base is reduced by the test year balance of accumulated depreciation reserves, accumulated deferred income tax reserves, customer deposits and customer advances.

CA-IR-136

Ref: T-9, page 111 (Pension Asset).

At lines 11-17, the referenced testimony states, in part: “Ratepayers do not fund Company investments. Rather, they pay for services and those payments are recorded as revenues. Investor funds are used to fund the pension plan just as investor funds are used to construct or purchase the gross plant assets. Investors contributed \$33.6 million to the pension plan for the period 1987 to 2005 (see HELCO-920).” Please provide the following:

- a. Please provide a copy of any investor checks or wire transfer confirmations associated the \$33.6 million contributed to HELCO's pension fund by its investors. If none, please so state.
- b. Please identify each debt or equity issuance used to obtain the funds necessary to contribute \$33.6 million to HELCO's pension fund. If none, please so state.

CA-IR-137

Ref: T-9, pages 119 (Abandoned Capital Projects).

At line 19 of page 119, HELCO T-9 indicates that the Company might seek HPUC approval for special accounting and ratemaking treatment if unusual circumstances exist with regard to an abandoned capital project. Please provide the following:

- a. Please identify describe the types of circumstances that HELCO would consider sufficiently unusual that could lead to a request for HPUC approval for special accounting and ratemaking treatment.
- b. Would the response to part (a) of this information request be different if the unusual circumstances applied to an abandoned project that became known: (i) between rate cases or (ii) during the processing of a rate case? Please explain.

- c. During the past ten years, please identify each abandoned project and the related HPUC proceeding in which HELCO sought specific approval for special accounting and ratemaking treatment.

CA-IR-138

Ref: T-9, page 120, & HELCO-923 (Abandoned Capital Projects).

HELCO-923 shows the calculation of the six-year average of abandoned projects included in the 2006 test year forecast. HELCO-923 identifies the amount of annual abandoned projects by work order/project number. Over the years, these work order/project numbers have six (6) of observations that exceed \$90,000. Please provide the following:

- a. For each of the six observations in excess of \$90,000, please provide a detailed listing of each abandoned project and related amounts.
- b. Referring to the response to part (a) of this information request, please identify each item for which HELCO sought HPUC approval for special accounting or ratemaking treatment, if any.
- c. Please explain why there were no abandoned capital projects in 2000 or 2002.

Ref: T-9, pages 36-38 & 121-125, & HELCO-923 (Human Resources Suite).

Page 36 indicates that \$134,000 of the increase in HECO charges in Account 923.03 is associated with HELCO's share of the HRS project's Phase 1 costs. Please provide the following:

- a. Page 36 attributes \$134,000 of the increase to HRS. Does the \$134,000 represent 100% of the HRS related costs charged to Account 923.03 in the 2006 test year forecast or only the increase over the HRS amounts charged to Account 923.03 in 2005? Please explain and provide a copy of any supporting documentation.
- b. Page 124 states that a planned project, such as HRS, could be implemented in multiple phases with each phase potentially having Stage 1 costs that would be charged to expense. Please provide the following:
 1. If different from Exhibit A in Docket No. 2006-0003, please provide the charged total estimated cost of HRS, broken down between each identifiable and discrete phase.
 2. Referring to Exhibit A in Docket No. 2006-0003 and part (b)(1) of this information request, it does not appear that the costs have been segregated by phase and stage. Rather, only the classifications of costs have been segregated by phase. Please provide a

further breakdown of the most recently estimated costs attributed to each phase between each anticipated stage.

3. Referring to part (b)(1) of this information request, please identify the expected start date and completion date for each phase.
- c. Did HELCO include any HRS related costs in rate base? If so, please provide a reference to the specific exhibit and workpaper showing the quantification of such amount.

Witness T-10 Ms. Julie K. Price.

CA-IR-140

Ref: T-10, pages 4 & 11, HELCO-1004 (Pension Costs).

The 2006 test year includes an estimate of net periodic pension costs (NPPC), in the amount of \$2,686,000, provided by the Company's actuary. Please provide the following:

- a. Please confirm that the Company's actuary has now finalized the 2006 pension study. If this cannot be confirmed, please explain.
- b. Please provide a copy of the final 2006 pension study, similar to the 2005 study provided as HELCO-WP1050.
- c. Please update the NPPC components (see T-10, page 11, and HELCO-1004) to reflect the final results of the 2006 pension study, showing allocation to HELCO.

- d. Please identify, describe and quantify the key elements contributing to the change between the final 2006 NPPC and the 2006 estimate, including loss amortization, discount rate assumptions, assumed return on plan assets, etc.

CA-IR-141

Ref: T-10, page 7, & HELCO-1003 (Pension Costs).

HECO-1003 contains the amount of HELCO's NPPC and pension contributions by year since 1987. Please provide the following:

- a. Please confirm that HELCO adopted FAS87 in 1987. If this cannot be confirmed, please explain.
- b. Please provide the actual returns for 2005 that are identified on page 2 of HELCO-1003 as "Available in June, 2006."

CA-IR-142

Ref: T-10, page 7 (Pension Costs).

The referenced testimony indicates that pension contributions in 2003-2005 were "largely based on the underfunded status of the pension plan" and the desire to "reduce the possibility of a charge to a component of equity called accumulated other comprehensive income ('AOCI')." Docket No. 05-0310 is cited for an explanation of the Company's proposed accounting treatment for AOCI. Please provide the following:

- a. Please confirm that the above summary accurately portrays the referenced testimony. If this cannot be confirmed, please explain.
- b. Is an AOCI charge to equity considered to be a non-cash transaction that does not require any out-of-pocket expenditure by the Company? Please explain.
- c. Does the 2006 forecast test year include any AOCI impact? If so, please provide a quantification of effect of AOCI on test year revenue requirement.
- d. Referring to part (c) of this information request, please provide pinpoint references to the related exhibits and/or workpapers from which the AOCI amounts were obtained.
- e. For purposes of the pending rate case, is HELCO seeking any explicit or implicit approval or revenue requirement treatment for AOCI? Please explain.
- f. If the Commission were to grant the AOCI accounting treatment proposed by the Company in Docket No. 05-0310, would there be any direct impact on HELCO's current rate case? Please explain.
- g. If the Commission were to deny the AOCI accounting treatment proposed by the Company in Docket No. 05-0310, would there be any direct impact on HELCO's current rate case? Please explain

CA-IR-143

Ref: T-10, pages 4 & 21, HELCO-1006 (OPEB Costs).

The 2006 other postretirement benefit costs (OPEB) of \$1,423,500 represent an estimate provided by the Company's actuary. Please provide the following

- a. Please confirm that the Company's actuary has now finalized the 2006 OPEB study. If this cannot be confirmed, please explain.
- b. Please provide a copy of the final 2006 OPEB actuarial study, similar to the 2005 study provided as HELCO-WP1051.
- c. Please update the OPEB cost components (see T-10, page 21, and HELCO-1006) to reflect the final results of the 2006 OPEB study, showing allocation to HELCO.
- d. Please identify, describe and quantify the key elements contributing to the change between the final 2006 OPEB costs and the 2006 estimate, including loss amortization, discount rate assumptions, assumed return on plan assets, etc.

CA-IR-144

Ref: T-10, page 17, & HELCO-1003 (OPEB Reg. Asset Amortization).

With regard to the \$263,900 amortization, please provide the total amount of the HELCO regulatory asset that is being amortized over an 18 year period.

Ref: T-10, page 17 (OPEB Funding).

The referenced testimony indicates that "...HELCO funds the entire postretirement cost to the maximum extent possible using tax advantaged funding vehicles." Please provide the following:

- a. Since Decision and Order No. 13659 allowed HELCO to adopt FAS106, effective January 1, 1995, has HELCO ever failed to fund the entire postretirement costs to tax advantaged vehicles? If so, please explain.
- b. Does HELCO reasonably anticipate that it will be unable to fund the entire postretirement costs to tax advantaged vehicles in 2006, 2007 or 2008? Please explain.
- c. If the response to parts (a) or (b) of this information request were affirmative, please provide a detailed explanation of the limitations that caused, or will cause, HELCO to be unable to fund the entire postretirement costs to tax advantaged vehicles.
- d. Referring to the response to part (c) of this information request, please explain HELCO's proposed accounting for the postretirement costs that have not been, or will not be, fully funded to tax advantaged vehicles.

Ref: T-10, pages 21-22, & HELCO-1006 (OPEB & Medicare Part D).

Beginning at page 21, line 26, T-10 states: "The Medicare Prescription Drug Improvement and Modernization Act of 2003 ('Act') expanded Medicare to include coverage for prescription drugs. Under the Act, employer-sponsored retiree drug plans that provide benefits equivalent to the new Medicare Part D drug coverage are eligible to receive a subsidy of 28 percent of the participants' drug costs between \$250 and \$5,000 per retiree, if the retiree waives coverage under Medicare Part D beginning in 2006. Watson Wyatt Worldwide estimates a reduction in HELCO's net periodic postretirement benefit cost by approximately \$80,000, based on a 6% discount rate, due to the federal subsidy. The 2006 test year estimate of total postretirement benefit cost includes this reduction. See HELCO-1006, page 2." Please provide the following:

- a. Please explain how the \$80,000 reduction was quantified.
- b. Please provide additional documentation showing the quantification of the \$80,000 reduction in HELCO benefit costs.

Ref: T-10, pages 22-23, & HELCO-1002 (A/C 926000, Other Benefits Administration).

The referenced testimony discusses HELCO's adjusted test year estimate of \$314,800, including the elimination of certain expenses and reclassification of award program costs from Account 921000.

Please provide the following:

- a. Referring to HELCO-1002, was the 2006 budget amount of \$240,400 prepared on a basis consistent with the historical amounts for calendar years 2000-2005? If not, please describe any material differences that affect the comparability of these amounts.
- b. Please provide a breakdown of the historical costs for calendar years 2000-2005 in a format comparable to the table appearing at page 22 of HELCO T-10.
- c. With regard to the award program costs (i.e., safety, Ho'okina and other programs), please provide the following:
 1. Have the costs of these programs been historically recorded in Account 921000 instead of Account 926000? Please explain.
 2. Please explain why the costs of these programs were originally included in Account 921000 for purposes of preparing the 2006 budget.

3. Why were the costs of these programs reclassified to Account 926000 for rate case purposes? Please explain.
 4. Has HELCO revised, or does HELCO plan to revise, its accounting and budget forecasting procedures to include these program costs in Account 926000 in the future? Please explain.
- d. Please provide a breakdown of the \$93,800 of award program costs between the types of award programs offered by HELCO.

CA-IR-148

Ref: T-10, page 3, HELCO-1002 & CA-IR-2 (A&G Expense).

The response to CA-IR-2 (by HELCO T-10) provides additional support for the A&G expense component of the 2006 budget, before ratemaking adjustments. Attachment 1 to CA-IR-2 refers to Attachment 4 for the forecast support relating to the Administrative Department. Attachment 4 appears to contain budget amounts for calendar years 2004 and 2005, with no specific information showing how the 2006 budget for Administration was developed.

Please provide the following:

- a. All but one of the line items comprising the Administrative Department budget set forth on Attachment 1, page 1, refers to Attachment 4 for additional support. Please confirm that

none of these amounts on Attachment 1 can be directly tied to Attachment 4. If this cannot be confirmed, please explain.

- b. Referring to part (a) of this information request, please explain why Attachment 4 of the HELCO T-10 response to CA-IR-2 does not support the individual budget items for the Administrative Department listed on Attachment 1, before rate case adjustments.
- c. Page 1 of Attachment 4 is identified as "Historical Budget FY 2004 & 2005." Does a similar listing exist for the 2006 budget? If not, please explain.
- d. Please explain how Attachment 4, containing 2004 and 2005 budget information, can be used to determine the cost items included in the 2006 budget.

CA-IR-149

Ref: T-10, page 24, HELCO-1007 – 1013 (Employee Benefits).

The calculation of each component of the 2006 adjusted budget for employee benefits is set forth on HELCO-1007 through HELCO-1013. Additional forecast detail underlying these exhibits is contained in "HELCO-1007-1013.xls". Please provide the following with regard to the referenced spreadsheet file:

- a. The 2006 budget is partially driven by the number of average employees, which is set forth on the "employee count" tab of the spreadsheet file. Is HELCO T-10 sponsoring the number

of average employees or were the monthly employee counts provided by HELCO T-11 or other HELCO witnesses? Please explain.

- b. Projected FlexPlan credits and prices are set forth on HELCO-1007 and HELCO-1008. A workpaper notation (see the "FlexPlan Premiums & Prices" tab of the referenced spreadsheet) indicates that the employee FlexPlan contribution were the result of 2003 negotiations. Please provide a copy of any documentation supporting the FlexPlan prices and credits set forth on HELCO-1007, including any attachments to bargaining agreements or other documents supporting such amounts.
- c. Referring to part (b) of this information request, please confirm that the FlexPlan prices and credits were determined in 2003 and have not increased since that time. If this cannot be confirmed, please explain.

Witness T-11 Ms. Rhea Nakaya.

CA-IR-150

Ref: HELCO-1101 (Employee Count).

HELCO-1101 compares historical staffing levels for calendar years 2000-2005 and April 30, 2006, with the 2006 forecast test year. Please provide the following:

- a. Please confirm that the employee counts reflect calendar year-end numbers for years 2000-2005, not average or some other comparable cutoff date. If this cannot be confirmed, please explain.
- b. Please identify and describe the key factors contributing to the decline in employee levels from 320 in calendar year 2000 to 297 in 2001.
- c. For calendar years 2000-2005 and April 30, 2006, please provide the number of authorized, or approved, positions that remained vacant or unfilled, consistent with the cutoff date identified in response to part (a) of this information request.

CA-IR-151

Ref: T-11, page 2, & HELCO-1102 (Employee Count).

Please provide the following:

- a. Please update HELCO-1102 with actual month-end employee counts for the months of May and June 2006.
- b. For each Department with vacancies as of June 30, 2006, please identify the open positions and provide the current status of filling each vacant position, including the expected hire date if known or readily available.
- c. Please supplement HELCO's response to this IR, updating HELCO-1102 with actual month-end employee counts for

the months of July through September 2006, as the data becomes available.

CA-IR-152

Ref: T-11, page 2 (Employee Count).

Please provide the following:

- a. Please confirm that the forecasted and actual employee counts provided by HELCO in response to CA-SIR-915 (see Docket No. 99-0207) are accurate and complete. If this cannot be confirmed, please correct the referenced employee data and explain the basis for any necessary revisions or corrections.
- b. Please update the response to CA-SIR-915 (Docket No. 99-0207) with forecasted and actual employee counts for each month during the period of March 2000 through June 2006.

CA-IR-153

Ref: T-11, page 2, & HELCO-1105 (Employee Count).

Please provide the following:

- a. Please update HELCO-1105 with actual month-end employee counts for the months of April through June 2006.
- b. Referring to the response to part (a) of this information request, please identify the number of temporary employees

by month in 2006 included in both the actual and forecast 2006 employee counts.

- c. Referring to the response to part (b) of this information request, please identify the Department and employment position occupied by a temporary employee.

CA-IR-154

Ref: T-11, page 3 (Temporary & Contract Services).

Beginning at line 8, the referenced testimony states:

HELCO utilizes the services of temporary employment agencies and contract services for reasons such as to fill the gaps left by vacancies currently being recruited for, to bolster the Company's workforce in times of high activity, and to perform required work that is not assigned to employees, such as vegetation management. These workers are not included in the employee count nor considered as employees. Temporary employment agency help and contract services are accounted for as non-labor costs.

Please provide the following:

- a. Please identify the temporary employment agencies typically used by HELCO, indicating the general nature of the work conducted by employees from each identified agency.
- b. Referring to part (a) of this information request, please provide the following temporary agency costs charged to O&M expense:
 - 1. Actual O&M costs incurred by HELCO during 2005, by Department.
 - 2. HELCO's 2006 forecast O&M costs, by Department.

- c. Please identify the contractors typically used by HELCO for contract services, indicating the general nature of the work conducted by employees from each contractor.
- d. Referring to part (c) of this information request, please provide the following contract services costs charged to O&M expense:
 - 1. Actual O&M costs incurred by HELCO during 2005, by Department.
 - 2. HELCO's 2006 forecast O&M costs, by Department.

CA-IR-155

Ref: T-11, pages 5-6 (Employee Count Adjustment).

The referenced testimony indicates that the 2006 operating budget assumed that HELCO would employ 376 people as of 1/1/06, but that the 2006 test year forecast was adjusted to recognize the delayed hiring of six (6) employees in July 2006 and one (1) employee in April 2006. Please provide the following:

- a. Please confirm the above summary of the referenced testimony. If this cannot be confirmed, please explain.
- b. Please provide the actual hire date for each of these seven (7) positions:
 - 1. Four (4) inspector positions in the Distribution Department.

2. One (1) Benefits Specialist in the Administration Department.
3. One (1) Commercial Account Manager in the Energy Services Department.
4. One (1) Capital Budget Administrator in the Accounting Department.

CA-IR-156

Ref: T-11, page 6, & HELCO-1102 (Employee Count Adjustment).

Beginning at line 10, the referenced testimony describes six reasons why similar employee count adjustments were not made for other employee positions not actually filled at the beginning of 2006. The test year forecast is based on 376 employees, while the actual count in January 2006 was 331 – a total of 45 employees, of which HELCO's test year forecast recognizes a delay in hiring for only 7 employee positions. Please provide the following by Department with regard to the remaining 38 vacant positions as of January 2006:

- a. The number of employee positions for which adjustments were not made because "the position was filled close to the beginning of 2006," indicating the related hire dates.
- b. The number of employee positions for which adjustments were not made because "the work was being completed through employee overtime."

- c. The number of employee positions for which adjustments were not made because “the work was being performed by temporary workers.”
- d. The number of employee positions for which adjustments were not made because the “work was getting done by contract services.”
- e. The number of employee positions for which adjustments were not made because the labor “costs [were] charged to capital projects.”
- f. The number of employee positions for which adjustments were not made because the work was temporarily reassigned “to merit exempt employees in addition to their regular responsibilities.”
- g. If the information requested in parts (a) through (f) of this information request is not available in the context of January 2006 but can be provided for another 2006 month, please explain why the data is not available for January 2006 and provide the requested data for the available month.

CA-IR-157

Ref: T-11, pages 5-6 & 8, HELCO-1102 & HELCO-1105 (Employee Count).

Pages 5-6 of the referenced testimony indicate that the 2006 operating budget assumed HELCO would

employ 376 people as of 1/1/06, but that the 2006 test year forecast was adjusted to recognize the delayed hiring of six (6) employees in July 2006 and one (1) employee in April 2006. Beginning at line 1 of page 8, the referenced testimony generally discusses how the average employee count was determined on HELCO-1105, which was used by Ms. Julie Price (HELCO T-10) to quantify employee benefit costs for the forecast test year. Please provide the following:

- a. Please explain why the actual employee counts shown on HELCO-1105 for January and February 2006 agree with the month-end counts shown on HELCO-1102, but the month of March and April 2006 do not agree.
- b. Referring to HELCO-1105, please explain and provide supporting calculations showing how the Company determined the employee counts for the 2006 test year months of March (332), April (343), May (362), June-August (371) and September (372). Provide a copy of any supporting documentation.
- c. Please confirm that the employee count adjustments described at pages 5-6 of HELCO T-11 implies a different (i.e., higher) monthly employee count than set forth on HELCO-1105. If this cannot be confirmed, please explain and provide any supporting documentation.

1. Please explain and reconcile the monthly employee counts set forth on HELCO-1105 with the referenced employee count testimony at pages 5-6 of HELCO T-11.
2. Please identify any revisions, modifications or corrections HELCO believes to be necessary to HELCO-1105 and/or the benefits forecast supported by HELCO T-10, including copies of any supporting documentation. If none, please explain.

CA-IR-158

Ref: T-11, page 6, & HELCO-1104 (Overtime).

The data contained in the workpaper spreadsheet file supporting HELCO-1104 represents input values, including the "% Overtime."

Please provide the following:

- a. Please describe how the "% Overtime" values were determined, particularly indicating whether those values represent:
 1. overtime hours as a percent of regular hours;
 2. overtime hours as a percent of productive hours;
 3. overtime dollars as a percent of regular pay; or
 4. overtime dollars as a percent of productive pay.
- b. Please identify and provide supporting documentation for the Overtime hours and dollars by Department by calendar year.

- c. Please provide the calculation of as well as documentation supporting the "% Overtime" by Department by calendar year.
- d. Please update HELCO-1104 to reflect actual data through June 2006, along with copies of supporting documentation.

CA-IR-159

Ref: T-11, pages 15-16, & HELCO-909 (Safety & Security Program).

The referenced testimony discusses the 2006 test year increase in safety and security program costs in the context of the amounts for Account 925.01 as presented on HELCO-909. Please provide the following:

- a. Please provide a pinpoint reference to the exhibits and workpapers of HELCO T-11 (or T-9, as applicable) that provides a detailed breakdown and support for the \$871,300 test year forecast of Safety and Security Program costs included in Account 925.01. [Note: It is unclear whether HELCO's response to CA-IR-2 contains the requested information. If so, please provide a pinpoint reference to the forecast basis and supporting calculations responsive hereto.]
- b. Please provide a side-by-side comparison showing a breakdown of the 2006 test year forecast of \$871,300 and the 2005 actual of \$554,700.

- c. If the response to part (a) of this information request does not provide a pinpoint reference to detailed forecast documentation already supplied by HELCO, please provide a copy of the workpapers underlying the referenced forecast in both hard copy and electronic spreadsheet file format (with all cell formulae and file links intact and not converted to values).

CA-IR-160

Ref: T-11, page 16, & HELCO-909 (Safety & Security Program).

Beginning at line 2, the referenced testimony generally describes why the 2006 test year estimate of safety and security program costs are 57% higher than actual 2005 recorded expenses. Please provide the following:

- a. Referring to the \$67,000 increase in training requirements, please provide the following:
 - 1. The actual level of training costs incurred in 2005.
 - 2. An explanation of the key factors contributing to the \$67,000 increase.
 - 3. A copy of any forecast workpapers documenting the basis for and calculation of the \$67,000 increase.
- b. Referring to the \$180,000 increase attributed to the planned increase in focus on worker safety, please provide the following:

1. The actual level of worker safety costs incurred in 2005.
 2. An explanation of the key factors contributing to the \$180,000 increase.
 3. A copy of any forecast workpapers documenting the basis for and calculation of the \$180,000 increase.
 4. How does the planned degree of HELCO's focus on worker safety during the 2006 forecast test year compare to the attention on worker safety during calendar years 2000-2005? Please explain.
 5. Please identify the key events or considerations that caused HELCO to increase its focus on worker safety for the 2006 forecast test year.
 6. Please provide the actual costs incurred during the period from January through June 2006 on worker safety, by category or type of cost.
- c. Referring to the \$24,000 increase in costs to maintain installed security infrastructure, please provide the following:
1. The actual level of security infrastructure maintenance costs incurred in 2005.
 2. An explanation of the key factors contributing to the \$24,000 increase.

3. A copy of any forecast workpapers documenting the basis for and calculation of the \$24,000 increase.
- d. If the responses to parts (a) through (c) of this information request indicate that HELCO has previously provided the requested information, please provide a pinpoint reference to the portions of HELCO direct testimony, exhibits and/or workpapers where such responsive information is located.

Witness T-12 Ms. Deorna Ikeda.

CA-IR-161

Ref: T-12, page 3 (Depreciation Study).

HELCO T-12 generally discusses a planned depreciation study to be filed with the Commission upon completion. Because the study is not expected to be completed in time for the resulting depreciation rates to be used in the 2006 test year, HELCO used the current Commission approved depreciation rates to derive the 2006 test year depreciation accrual. Please provide the following:

- a. Please provide an update of HELCO's plans to commence, complete and file with the Commission the referenced depreciation study.
- b. Regardless of the planned filing date, will HELCO commit to not seek to implement any change in book depreciation rates in the pending rate case? If not, please explain.

CA-IR-162

Ref: HELCO-1202 & HELCO-WP-1203 (Net Salvage).

Footnote C of HELCO-1202 identifies planned revisions to the salvage and cost or removal components. Please provide the following:

- a. Referring to pages 10-11 of HELCO-WP-1203, please provide the revisions to these workpapers that are necessary to produce the corrections identified in Footnote C of HELCO-1202.
- b. Please provide the information requested in part (a) of this information request in both hard copy and electronic spreadsheet file format (with all cell formulae intact and not converted to values).

CA-IR-163

Ref: HELCO-WP-1201 (Depreciable Plant).

The referenced workpaper contains depreciable plant balances by account as of 12/31/05. Please provide the following:

- a. Please identify the plant accounts that include the depreciable basis in Keahole CT-4 and CT-5.
- b. Please separately provide the plant investment in Keahole CT-4 and CT-5 at 12/31/05 included in the plant accounts identified in part (a) of this information request.
- c. To the extent that HELCO's investment in Keahole common facilities (see Decision and Order No. 18365) is not included

in the amounts supplied in response to part (b) of this information request, please separately provide the 12/31/05 investment in these facilities by plant account.

CA-IR-164

Ref: HELCO-WP-1201 & HELCO-WP-1206 (Keahole CT-4/CT-5).

HELCO-WP-1206, page 2, provides book depreciation rates by plant account that were used in quantifying the increase in book depreciation expense associated with the 2004 plant additions for Keahole CT-4 and CT-5. HELCO-WP-1201 provides the book depreciation rates from the 1985 depreciation study approved by the Commission. These two workpapers apply the same book depreciation rates to the production plant accounts that include the investment associated with Keahole CT-4 and CT-5. However, the production plant accounts that are common with the CT-1 gas turbine reflect different rates. Please provide the following:

- a. Since Keahole CT-4 and CT-5 were not operational during the 1985 depreciation study, please identify and describe the source of the book depreciations rates HELCO has assigned to Keahole CT-4 and CT-5.
- b. Referring to the response to part (a) of this information request, please provide a citation to the Commission decision or order approving the use of those book depreciation rates for CT-4 and CT-5.

- c. If the response to part (b) of this information request does not cite to any Commission approval of the identified book depreciation rates, please explain the basis for HELCO's use of these rates.

Witness T-13 Ms. Lorie Ishii.

CA-IR-165

Ref: HELCO-WP-1301, page 3 of 3, Payroll Taxes.

Please provide copies of the supporting workpapers used to derive the "Effective Rate" for FICA, as noted in the footnote as having been, "Calculated % based on 2005 experience." The workpapers should set forth all computations, state all assumptions made, and explain the basis of such assumptions.

CA-IR-166

Ref: HELCO-WP-1301, page 2 of 3, Payroll Taxes.

Please provide copies of the supporting workpapers and supporting documentation for each of the amounts in the column labeled "* Adjustments." The workpapers should set forth all computations, state all assumptions made, and explain the basis of such assumptions.

CA-IR-167

Ref: T-13, page 4, lines 6-9, SUTA Taxes.

Please provide a complete copy of the most recent correspondence with the Department of Labor and Industrial Relations and all other

calculations and information supportive of the currently effective SUTA rate and taxable base that is, "...based on a ratio determined by the Company's latest three year average taxable payroll and accumulated reserve."

CA-IR-168

Ref: T-13, page 4, lines 14-22, PSC Tax.

Please provide complete copies of the Company's most recently filed PSC tax return.

CA-IR-169

Ref: T-13, page 5, lines 1-4, PUC Fee.

Please provide a complete copy of the Company's most recent correspondence supporting the PUC fee actually payable by HELCO.

CA-IR-170

Ref: T-13, page 5, lines 4-7, Franchise Royalty Tax.

Please provide complete copies of the Company's most recently filed Franchise Royalty tax return.

CA-IR-171

Ref: HELCO-1301.

Please provide the detailed calculations supporting each of the revenue tax amounts on lines 5 (PSC tax), 6 (Public Utility fee) and 7 (Franchise Royalty) at page present and proposed rates.

CA-IR-172

Ref: HELCO-WP-1302, page 2 AFUDC Incurred.

Please provide complete copies of all calculations and supporting documentation for the AFUDC Incurred amount \$417,211. Please ensure that the workpapers set forth all calculations, state all assumptions, and explain the basis for such assumptions.

CA-IR-173

Ref: HELCO-WP-1305a, Deferred Tax Reserve Details.

Please provide detailed narrative descriptions of the timing differences giving rise to each line item 5-digit account listed on pages 1 through 6. The workpapers should set forth all computations, state all assumptions made, and explain the basis of such assumptions.

CA-IR-174

Ref: HELCO-1304, State Capital Goods Excise Tax Credit.

Please provide complete, detailed calculations and supporting documentation for the "Actual 2005" and "Test Year 2006" amounts shown for "Amortizations" and "Additions." The workpapers should set forth all computations, state all assumptions made, and explain the basis of such assumptions.

CA-IR-175

Ref: T-13, page 19, lines 21-24, Estimated Deferred Taxes.

Please provide a complete copy of all calculations and source documents employed to calculate the "estimated deferred income

tax expense for the 2006 tax year” that was added to the actual 12/31/2005 balances to derive the average ADIT balance for the test year. State all assumptions made and provide the electronic spreadsheet files associated with such calculations, if applicable. The electronic spreadsheet files should have all cell formulae and file links intact and not converted to values.

CA-IR-176

Ref: T-13, page 19, line 24 to page 20, line 2, Excluded Deferred Tax Items.

According to the testimony, “Consistent with prior HELCO rate cases, the deferred taxes for items excluded in determining HELCO’s revenue requirements in prior rate case decisions have been excluded from the deferred tax balance for the test year.”

Please respond to the following:

- a. For each excluded item listed under “Less Rate Case Adjustments” in HELCO-WP-1305a and HELCO-WP-1305b, please explain where in the Company’s filing adjustments to exclude the underlying test year 2006 budgeted transactions in the ratemaking income statement can be observed.
- b. For each excluded item listed under “Less Rate Case Adjustments” in HELCO-WP-1305a and HELCO-WP-1305b, please confirm that no associated plant or other asset/liability balances have been included in the ratemaking rate base.

- c. For each deferred income tax line item in HELCO-WP-1305a and HELCO-WP-1305b that is not excluded by rate case adjustment please identify where the corresponding plant or other asset/liability balance has been included in rate base or explain in detail reasons why the line item is properly included within the ratemaking ADIT balance in rate base.

CA-IR-177

Ref: T-13, pages 20-23; IRS Application – mixed/simplified service costs method.

- a. Please provide a copy of the “application” that is mentioned at page 20, line 8.
- b. Please provide a complete copy of all reports, analyses, workpapers and other documents received by HECO or HELCO from Deloitte and Touche LLP in connection with this income tax method issue.
- c. Why did HELCO, unlike some other taxpayers, “chose to request for the method change and wait for approval from the IRS before claiming any benefits,” as stated at page 20?
- d. Please provide a copy of Revenue Ruling 2005-53, as referenced at page 21, line 1.
- e. Provide a copy of the “protective application” that is referenced at page 22, line 25.
- f. Explain the Company’s ratemaking or accounting deferral proposal in the event some tax benefits are realized upon

resolution of this tax issue that have not been recognized in the rate case filing.

- g. Provide the amounts of any D&T or other consulting fees associated with this tax issue that are included within the asserted revenue requirement in the Company's filing.

CA-IR-178

Ref: T-13, pages 23 and 24, American Jobs Creation Act of 2004.

Please provide a complete copy of all consultant reports, workpapers, analyses, projections, allocations, tax regulations and other documents relied upon by T-13 to evaluate the impact of the American Jobs Creation Act upon the Company and to determine that more "guidance" is needed before the 2006 test year revenue requirements can reflect "the effects of the 2004 Act." The workpapers should set forth all computations, state all assumptions made, and explain the basis of such assumptions.

CA-IR-179

Ref: T-13, pages 24 and 25, Energy Tax Incentives Act of 2005.

Please provide a complete copy of all consultant reports, workpapers, analyses, projections, allocations, tax regulations and other documents relied upon by T-13 to evaluate the impact of the Energy Tax Incentives Act of 2005 upon the Company and to determine that tax depreciation on transmission plant will be increased by \$80,000 in the tax year. The workpapers should set

forth all computations, state all assumptions made, and explain the basis of such assumptions.

Witness T-14, Mr. Clyde Nagata.

CA-IR-180

Ref: T-14, pages 3-4, & HELCO-WP-1401 (Plant Additions).

The referenced testimony generally describes the approach used to estimate 2006 plant additions, as detailed on HELCO-WP-1401.

Please provide the following:

- a. Please confirm that HELCO-WP-1401 was premised on an early-2006 view of construction project activity expected to be completed and in-service during 2006. If this cannot be confirmed, please explain.
- b. Does the Company periodically review the status of the individual construction projects (see HELCO-WP-1401), in order to reassess completion dates based on updated information such as permitting, design, material and construction issues? Please explain.
- c. Please update HELCO-WP-1401 to reflect the current status of individual projects and expectation for completion in 2006 vs. slippage into 2007.
- d. Referring to part (c) of this information request, please provide a narrative description of any change in estimated

cost or completion dates that individually impact 2006 plant additions by \$100,000 or more.

CA-IR-181

Ref: T-14, pages 3-4, & HELCO-WP-1401 (Plant Additions).

Please provide the following:

- a. For each 2006 estimated plant addition, please provide the actual in-service cost and in-service date.
- b. To the extent that a particular project was expected to be closed to plant in service during 2006, but for any reason was delayed, please provide a narrative description for the reason(s) for such delay and provide revised estimates of closing costs and closing dates.
- c. To the extent any 2007 estimated plant addition was accelerated and closed to plant in 2006, please list the project, provide the in-service date and cost, and provide a narrative description of events contributing to the earlier-than-originally-anticipated in-service date.

CA-IR-182

Ref: T-14, pages 3-4, & HELCO-WP-1401 (Plant Additions).

Please provide the following:

- a. HELCO-WP-1401 contains 21 projects which represent individual 2006 additions to plant in excess of \$500,000.

Please provide a copy of the Project Initiation Authorization packet for each of the 21 projects.

- b. If the 21 projects include blanket projects, which require different authorization or documentation formats, please provide such information in lieu of the PIA documentation requested in part (a) of this information request.
- c. If the responses to parts (a) and (b) of this information request do not contain project feasibility studies, cost savings estimates, estimated construction and project completion dates, identification of retirements or related costs of removal, please provide the following:
 1. Does HELCO routinely prepare such information associated with individual construction projects?
Please explain.
 2. If so, please provide such information for each of the 21 projects in addition to the information requested in parts (a) and (b) of this information request.
 3. If not, please explain why such information is not routinely considered in conjunction with the construction planning and project management process.

CA-IR-183

Ref: T-14, pages 3-4, & HELCO-WP-1401 (Plant Additions).

Referring to page 3 of HELCO-WP-1401, please explain the purpose of and need for each of the following projects:

- a. H0000655, Keahole Land Rezoning, \$1,975,705;
- b. H0001394, Kea CT-2 Governor Controls, \$630,000;
- c. DHEINZ02, Keahole CT-2/4/5 Safety Barriers, \$100,000;
- d. DHEINZ04, Keahole CT2 Black Start, \$250,000;
- e. DHEINZ06, Keahole Fire Alarm Connection, \$85,000; and
- f. DHEINZ07, Keahole CT-4/5 CO2 System Upgrade, \$30,000.

CA-IR-184

Ref: T-14, pages 3-4, & HELCO-WP-1401 (Plant Additions).

Referring to HELCO-WP-1401, there are 31 separate projects that show an ending CWIP balances at 12/31/05, no expenditures in the 2006 budget, but completed and closed to plant in 2006.

Please provide the following:

- a. Please explain the general facts and circumstances contributing to such situations (i.e., all work completed prior to 2006, but closed to plan in 2006).
- b. Please identify and describe the specific facts and circumstances surrounding each of the following projects, which fit the above-referenced pattern:
 1. H0001264, RPL Ancs Puako-Wailea Rd, \$130,115;
 2. H0001249, Alii Heights Unit 2 Ph 1 S/D, \$511,793;

3. H0001313, Halii Kai, \$121,539;
4. H0001063, Kan to Shipman Fiber, \$104,699;
5. H0001256, Pier 3 Fuel Pipeline Repl, \$239,207; and
6. H0000454, HRD Switching Station, \$201,059.

CA-IR-185

Ref: T-14, page 5, & HELCO-WP-1401 (Plant Additions).

As part of the discussion of how the capital expenditure budget and project cost estimates are prepared, HELCO T-9 indicates that project in-service dates are also reviewed: "The project managers, engineers, designers, planners, maintenance and operating personnel responsible for preparing the cost estimate revised or confirmed the expected date of completing and placing each specific project into utility service." Please provide the following:

- a. Referring to HELCO-WP-1401, please provide the estimated in-service date of each project as originally envisioned when the rate cast forecast was prepared.
- b. Referring to the response to part (a) of this information request, please provide the current estimated in-service date for each project.

CA-IR-186

Ref: T-14, page 6, & HELCO-WP-1401 (Plant Additions).

In describing the historical relationship of actual to budget plant additions, HELCO T-9 states, in part: "The historical ratio of plant

additions to budget, less major projects, over the past five years, is 85%...HELCO expects to close to plant 100% of the test year 2006 forecasted plant additions.” Please provide the following:

- a. At the time the forecast was prepared for each of the five years on which the 85% factor was based, did HELCO expect to close to plant 100% of the forecasted plant additions or did HELCO instead believe that closing 100% of the forecast plant additions was unlikely or unattainable? Please explain.
- b. What procedures or processes have been implemented or changed, with respect to the 2006 forecast test year, that leads HELCO to believe that it will close to plant 100% of the 2006 test year forecasted plant additions? Please explain.
- c. Referring to the response to part (b) of this information request, when did HELCO develop and/or implement the identified procedures or processes? Please explain.

CA-IR-187

Ref: T-14, page 8, & HELCO-WP-1406 (Plant Retirements).

At line 5 of the referenced testimony, HELCO T-14 states: “Retirements for known production plant are included at 100% of depreciated value, but for 2006 there are no forecasted production

plant retirements.” HELCO-WP-1406, page 2, shows production plant retirements in each year of 2001-2005. Please provide the following:

- a. In the forecasts for calendar years 2001-2005, did HELCO forecast production plant retirements? Please explain.
- b. If some level of production plant has been retired in each year during the period 2001-2005, please explain and provide copies of documentation supporting HELCO’s position that similar production retirements will not occur in 2006.
- c. Please update the plant retirement section of HELCO-WP-1406, page 2, with 2006 monthly plant retirement activity by category of plant.

CA-IR-188

Ref: T-14, pages 16-17 (Engineering Staff).

At page 16, HELCO T-9 indicates that the Engineering Department test year forecast was based on hiring 7 new positions in January 2006. Beginning at line 7, the referenced testimony discusses the status of each position. Please provide the following:

- a. Please clarify whether the Engineering Department has forecast 7 or 8 new positions for the 2006 test year.

- b. Please update the current status of filling each of the new positions, providing actual dates (if known) or best estimates of possible offer or potential hire dates.

Witness T-15, Mr. Kenneth Fong.

CA-IR-189

Ref: HELCO-1501, pages 70-98 (CT-4 & 5 AFUDC).

Beginning at page 69 of HELCO-1501, the Keahole CT-4 and CT-5 Cost Report contains a series of exhibits. All or part of Exhibits I through III, Exhibit VI (pages 4-11) and Exhibit VII (pages 3-4) represent printouts of spreadsheet files. Please provide each spreadsheet file (with intact cell formulae, workbook tabs and links to other files) underlying each of these exhibits.

CA-IR-190

Ref: HELCO-1501 (CT-4 & 5 AFUDC).

Pages 97-98 of HELCO-1501 represent the Company's analysis of forgone AFUDC on Keahole CT-4/CT-5, since AFUDC was stopped effective December 1, 1998. Please provide the following:

- a. If not supplied in the response to the immediately preceding request, please provide a monthly breakdown, between CT-4 and CT-5, of the CWIP balance and the amount closed to plant.
- b. Referring to part (a) above, please provide a similar breakdown of monthly detail from inception of the Keahole

project through October 1998, with separate monthly values for CT-4 and CT-5.

- c. Please provide supporting documentation for the monthly AFUDC rate (showing debt and equity cost rates and weighting ratios) applied by HELCO from inception of the project through December 2004 – the end date on page 98 of HELCO-1501.

CA-IR-191

Ref: HELCO-1501 (CT-4 & 5 AFUDC).

Referring to pages 97-98 of HELCO-1501, the AFUDC analysis shows discrete increases in amounts “Closed to Plant” between December 1998 and December 2004. Please provide the following:

- a. Please quantify the amount of the incremental closings to plant in each month.
- b. Referring to the response to part (a) of this information request, please identify and describe the specific systems, components or sections of Keahole CT-4/CT-5 that were closed to plant in each identified month.
- c. Please identify the amount of and the month the pre-PSD common facility investment that was closed to plant, as a result of the Commission decision in HELCO’s 2000 test year rate case.

- d. Please identify the amount of and the month HELCO closed the remaining (i.e., other than pre-PSD) common facility investment to plant.

CA-IR-192

Ref: HELCO-1501 (Keahole Common Facilities).

In Docket No. 99-0207, HECO sought rate base inclusion of \$22.5 million of investment associated with the shop/warehouse building, new fire protection system and the water treatment system constructed as part of the overall expansion at Keahole. In Decision and Order No. 18365 (Docket No. 99-0207), the Commission allowed \$7,570,152 in rate base associated with the shop/warehouse building, new fire protection system and the water treatment system (i.e., generally referred to as common facilities). At pages 23-24 of Decision and Order No. 18365, the Commission indicated that Keahole common facility costs included in rate base were "limited to utility property used or useful to supporting the **existing generating units** at Keahole – specifically, CT-2 and the six diesels." Please provide the following:

- a. Are CT-2 and the six diesels still in operating and used and useful in providing utility service at Keahole? If not, please explain and provide the date when each unit was retired or removed from service.

- b. Please identify and describe HELCO's current plans (and the related timeline) to construct, complete and place ST-7 in-service.
- c. Will the existing shop/warehouse building be used to support the operations of ST-7 upon its commercial operation? If not, please explain.
 - 1. If the response to part (c) of this information request indicates that the shop/warehouse will need to be expanded or reconfigured to support the operations of ST-7, please describe the magnitude of those changes and provide an estimate of the additional area required beyond the 8,800 square feet referenced in D&O 18365, page 34.
 - 2. Did the 8,800 square feet referenced in D&O 18365, page 34; also consider the needs ST-7? Please explain.
 - 3. Referring to part (c)(1) of this information request, please provide HELCO's current estimate of the additional cost of the identified work.
- d. Will the existing fire protection system be used to support the operations of ST-7? If not, please explain.
 - 1. If the response to part (d) of this information request indicates that the fire protection system will need to

be expanded or reconfigured to support the operations of ST-7, please describe the magnitude of those changes and provide an estimate of the additional area required beyond the 15 acres referenced in D&O 18365, page 34.

2. Did the 15 acres referenced in D&O 18365, page 34, also consider or encompass the needs of ST-7? Please explain

3. Referring to part (d)(1) of this information request, please provide HELCO's current estimate of the additional cost of the identified work, separately identifying the installation of additional fire hydrants or sprinklers unique to ST-7.

e. Will the water treatment system be used to support the operations of ST-7? If not, please explain.

1. If the response to part (e) of this information request indicates that the water treatment system will need to be expanded or reconfigured to support the operations of ST-7, please describe the magnitude of those changes and provide an estimate of the additional system capacity required beyond the 80 gpm at complete build out, as referenced in D&O 18365, page 35.

2. Did the 80 gpm referenced in D&O 18365, page 35, consider and encompass the needs of ST-7? Please explain
3. Referring to part (e)(1) of this information request, please provide HELCO's current estimate of the additional cost of the identified work, separately identifying the installation of additional water treatment facilities unique to ST-7.

Witness T-16, Ms. Gayle Ohashi.

CA-IR-193

Ref: T-16, pages 23-24, & HELCO-WP-1606, page 20 (CWC Pension Lag).

The referenced testimony states that the payment lag for pension expense (NPPC) was "zero." Please provide the following:

- a. Please quantify the working cash effect of assigning a "zero" expense lag to test year pension expense.
- b. If HELCO was projecting or planning to make a pension contribution in 2006, would the Company then assign a payment lag to pension expense in calculating working cash? Please explain.

CA-IR-194

Ref: T-16, page 24, & HELCO-WP-1606, page 20 (CWC OPEB Lag).

The referenced testimony states that the payment lag for OPEB expense was "zero". Please provide the following:

- a. Please quantify the working cash effect of assigning a "zero" expense lag to test year OPEB expense.
- b. Does HELCO anticipate making any fund contributions or other payments to, or on behalf of, retirees in 2006? Please explain.

CA-IR-195

Ref: T-16, pages 15-29, & HELCO-WP-1606 (CWC Payment Lags).

In June 2006, HELCO provide a copy of backup workpapers, including source document and transaction analyses. Some of these backup workpapers represent transaction records printed by HELCO. Please provide the following:

- a. For an individual accounting transaction, there are typically multiple transaction records that appear to be very similar. Please explain the data base and print process so to clarify the nature of the hard copy data contained in these backup workpapers.
- b. Referring to the printed transaction records, please explain how and whether Company representatives attempted to verify the date(s) contained in the data base on which

HELCO was presumed to have received the goods and services.

- c. Referring to the printed transaction records, please explain how and whether Company representatives attempted to verify the date(s) contained in the data base on which HELCO actually paid for the goods and services.

Witness T-17 Dr. Roger Morin.

CA-IR-196 Please identify every public utility rate proceeding in which Dr. Morin has testified in since 2000 and provide the following information for each proceeding:

- a. Name of Company
- b. Name of Jurisdiction
- c. Docket Number
- d. Date of Testimony
- e. Cost of Equity Recommended
- f. Cost of Equity Authorized

CA-IR-197 **Ref: T-17, page 6, lines 10-14.**

The referenced testimony states that Dr. Morin is "Treating HELCO as a Stand-Alone Entity, Distinct from the Parent Company Hawaiian Electric Company, Inc. and its Parent Company Hawaiian Electric Industries, Inc." Please indicate if Dr. Morin's 11.25%

return on equity recommendation would be different if HELCO were consolidated with Hawaiian Electric Company or HEI.

CA-IR-198 Please provide copy of "Consensus Forecast," etc. cited on page 22, line 21.

CA-IR-199 **Ref: T-17, Market Risk Premium Using Ibbotson Associates Study, as Cited on page 24, lines 12-23.**

- a. Please indicate if this source uses 20-year Treasury bonds or 30-year Treasury bonds in calculating long-term risk premiums.
- b. If no, please explain why not.

CA-IR-200 Please provide copy of the source data used in deriving the "Allowed Risk Premiums," as cited on pages 31-34.

CA-IR-201 Please indicate if Dr. Morin is aware of any academic or other studies that maintain that all investors rely exclusively on analysts' forecasts of earnings per share in making investment decisions. Please cite any such studies that maintain this and indicate specifically where in the studies such a claim is made.

CA-IR-202

Ref: T-17, page 39, lines 24-25.

Please indicate if Dr. Morin is aware of any "evidence" that challenges the use of analysts' forecasts of earnings as an indicator of stock price performance and/or cost of capital estimation.

CA-IR-203

Please identify and provide copy of any analyses used by Dr. Morin in deriving the 0.35% risk adjustment he adds to the cost of equity for the average risk electric utility in order to develop a 11.25% cost of equity for HELCO.

Witness T-18 Ms. Tayne Sekimura.

CA-IR-204

Please provide copies of the following documents for Hawaiian Electric Industries, Inc. and/or Hawaiian Electric Company:

- a. 2005 Statistical Supplement to Annual Report;
- b. Prospectus for most recent public offering of common stock;
- c. Prospectus for most recent public offering of long-term debt; and
- d. Prospectus for most recent public offering of preferred stock or hybrid securities.

CA-IR-205

Please provide copy of all reports prepared by rating agencies that describe Hawaiian Electric Industries, Inc. and/or Hawaiian Electric Company for the period 2001 to the present.

- CA-IR-206 Please provide copy of all reports prepared by security analysts that describe Hawaiian Electric Industries, Inc. for the period 2001 to the present.
- CA-IR-207 Please provide a schedule that shows the capital structures for Hawaiian Electric Industries, Inc. (consolidated), Hawaiian Electric Company, Maui Electric Company, and Hawaii Electric Light Company for the period 2001 – 2005 and for the test period in this proceeding.
- CA-IR-208 Please provide a schedule that shows the segment information for Hawaiian Electric Industries, Inc. for each year 2001 – 2005.
- CA-IR-209 Please identify any methodological or data changes, except for the time frame of information contained in the capital structure and/or cost rates of fixed cost components, of HELCO's current application.
- CA-IR-210 Please provide a schedule that shows the various security ratings of HEI, HECO, and HELCO for each year 2001 to the present.

CA-IR-211 Please provide copy of any presentations of HEI, HECO, or HELCO given to security analyses and rating agencies for the period 2005 to present.

CA-IR-212 Please provide a schedule that shows the "Financial Ratios", computed consistent with those in HELCO-1818, using HELCO's proposed capital structure and fixed cost rates, along with return on equity scenarios of 10.0%, 10.25%, 10.75%, and 11.0%.

Witness T-19 Dr. Ren Orans.

CA-IR-213 **Ref: T-19, page 4, line 19, Energy Charges vs. Marginal Cost.**

According to Mr. Oran's testimony, "The design should promote efficient consumption. This means that the energy charge should track the marginal cost of providing that energy." Please state whether and quantify the extent to which Mr. Oran's/HELCO's proposed inclining block residential rates are believed to "track the marginal cost" incurred by HELCO to provide that energy, with reference to specific cost study information relied upon (if any).

CA-IR-214 **Ref: T-19, page 6, line 3.**

According to Mr. Oran's testimony, "HELCO's rising cost of service is mainly due to the demand growth caused by new housing development." Please provide reference to, or copies of, all

studies, reports, analyses and other information relied upon in making this statement.

CA-IR-215

Ref: T-19, page 6, line 12, Big Island income disparity.

According to Mr. Oran's testimony, "The Big Island has a wide gap between lowest and highest income electricity consumers." Please state whether Mr. Oran's believes that this "gap" is wider on the Big Island than in other areas and provide reference to, or copies of, all studies, reports, analyses and other information relied upon in making this statement.

CA-IR-216

Ref: T-19, page 11, line 20, 47% of costs are fixed.

According to Mr. Oran's testimony, "According to HELCO's latest cost of service study, approximately 47% of HELCO's total costs do not vary with kWh sales." Please provide reference into the specific HELCO cost of service exhibits/workpapers where this 47% value is derived, indicating whether marginal or embedded costs are being referenced.

CA-IR-217

Ref: T-19, page 17, Table 4a, Rate Design – High Cost Utilities.

Please provide the rate schedule page (energy rates and customer/minimum charges) of the residential tariffs reviewed by Mr. Orans for the "50 high-cost utilities" included in his survey.

CA-IR-218

Ref: T-19, page 19, Figure 2, Histogram of monthly customer charges.

Please provide an electronic file and hard copy of the source data used to compile the Histogram of monthly customer charges. The electronic spreadsheet files should have all cell formulae and file links intact and not converted to values.

CA-IR-219

Ref: T-19, page 22, Figure 3, Average Monthly Residential Usage Chart.

Please provide an electronic file and hard copy of the source data used to compile the Histogram of monthly customer charges. The electronic spreadsheet files should have all cell formulae and file links intact and not converted to values.

CA-IR-220

Ref: T-19, page 28, line 10, Industry Standard Rate Design.

According to Mr. Oran's testimony, "Indeed, HELCO's proposed design is becoming the industry standard for high cost utilities, particularly those in high cost locations where it is costly to build new infrastructure." Please state whether Mr. Orans believes that both the proposed inclining block rate structure and the HELCO-proposed minimum bill approach are "becoming the industry standard" and provide complete copies of all information beyond the data presented in testimony (if any) that is relied upon in support of this belief.

Witness T-20 Mr. Peter Young.

CA-IR-221

Ref: T-20, page 4, Miscellaneous Revenues.

Please provide the following information regarding the \$904,400 of test year miscellaneous revenues at present rates:

- a. Provide quantity-times-price calculations supporting each element of miscellaneous charge revenues, totaling to the stated amount.
- b. Explain all work done to determine that no changes should be made to any miscellaneous service prices.
- c. Provide a comparison of HELCO's existing miscellaneous service prices to current HECO prices.
- d. Explain any known cost differences or other reasons why HELCO miscellaneous service prices should be different than HECO prices.
- e. Provide a comparison of HELCO's existing miscellaneous service prices to current MECO prices.
- f. Explain any known cost differences or other reasons why HELCO miscellaneous service prices should be different than MECO prices.
- g. Provide complete copies of all cost of service analyses HELCO has prepared to evaluate the costs incurred to provide each of the miscellaneous services, as available.

CA-IR-222

Ref: T-20, page 6, lines 7, Application of Guidelines.

Please explain how the proposed “100% of the system average increase of 9.25%” for rate schedules R, G and H is believed to be consistent with the stated “guidelines”, given the cost of service results shown in HELCO-2001.

CA-IR-223

Ref: T-20, page 8, Functionalization of Costs.

Please provide complete copies of all workpapers or electronic spreadsheets and other data provided by HELCO accounting personnel that were used to functionalize test year rate base and expense elements, to the extent not already included in prefiled workpapers. Please ensure that the workpapers set forth all calculations, state all assumptions, and explain the basis for such assumptions. In addition please ensure that the electronic spreadsheets have all cell references, links to files, and formula intact and not converted to values.

CA-IR-224

Ref: T-20, page 8, Classification of Distribution Costs.

According to Mr. Young’s testimony, “some distribution facilities or equipment, such as the service drops and meters, are required to connect and serve the customer regardless of their kW demand, and are therefore appropriately classified to customer components.”
Please provide the following information:

- a. Please state the minimum load-serving capacity of the following distribution minimum-sized plant facilities that HELCO installs in the normal course of business:
1. primary overhead distribution lines;
 2. secondary overhead distribution lines;
 3. primary underground distribution lines;
 4. secondary underground distribution lines;
 5. distribution poles; and
 6. distribution transformers.
- b. Describe how many individual residential customers, with average demand levels, could be served by the capacity within the minimum sized facilities set forth in your response to part (a) of this information request.
- c. State and explain how/if the size and costs of HELCO distribution lines, poles and distribution transformers are influenced by the type and location of customers.
- d. Provide complete copies of all studies, reports, analyses, workpapers and other documents supportive of your response to part (c) of this information request.

CA-IR-225

Ref: T-20, page 12, Allocation of Costs.

Please provide complete copies of the HELCO load studies relied upon to develop allocation factors used by Mr. Young in the embedded cost of service study.

CA-IR-226

Ref: T-20, page 12, Allocation of Costs.

Please provide complete copies of the HELCO energy and demand loss studies relied upon to develop allocation factors used by Mr. Young in the embedded cost of service study.

CA-IR-227

Ref: T-20, page 10, Classification of Production Costs.

- a. Please explain Mr. Young's understanding of whether or not HELCO incurs any non-fuel production O&M costs that vary in relation to generation output (energy); and
- b. identify and quantify each type of energy-variable non-fuel production O&M cost, if any, by NARUC Account.
- c. State the basis for classification of non-fuel production O&M expenses (demand vs. energy) by NARUC Account in the Company's cost of service allocations.
- d. Provide complete copies of all studies and other information supportive of HELCO's proposed classification of non-fuel production O&M expenses.

CA-IR-228

Ref: T-20, page 13, Utilization of Marginal Costs.

Please state which specific values contained within "The results of the Marginal Cost Study were considered in the rate design process" and indicate how each such value was interpreted and applied in the design of each (identified) rate element.

CA-IR-229

Ref: T-20, page 15, Inclining Block Residential Rates.

Please state whether Mr. Young, Mr. Orans or HELCO are aware of any Hawaii regulated utilities that charge inclining block residential rates and, if so, identify the utility and the Commission order approving same.

CA-IR-230

Ref: T-20, page 13, Inclining Block Residential Rates.

Please explain in detail each of the reasons why HELCO is not proposing inclining block rates for Schedule G, J or P customer rates, given the various reasons stated for implementation of inclining block rates for residential customers.

CA-IR-231

Ref: T-20, page 18, Impact of Proposed Minimum Bill.

Please explain and provide statistical data depicting the number of residential customers who will be billed both for usage in the highest new tail block rate and for higher charges under the proposed new 15% minimum bill provision, indicating the

approximate annual revenue increase that would be collected from such customers.

CA-IR-232

Ref: T-20, pages 22 and 28, Impacts of Proposed Schedule J and P KW Demand Qualification Changes.

Please explain and provide statistical data depicting the number of migrations and revenue impacts anticipated to result from changes to the Availability Clauses of Schedules J and P.

CA-IR-233

Ref: T-20, page 27, Impact of Closing Schedule H.

Please provide the following data regarding HELCO Schedule H:

- a. Explain each element of what HELCO has identified that it needs to consider "in order to plan for a transition for the existing Schedule H customers."
- b. Provide illustrative calculations of customer bill impacts that would result from closure of Schedule H with immediate migration to applicable surviving rate schedules.
- c. With respect to the contemporaneous relocation exception to closing the rate, please explain and quantify what customer impacts are being avoided by this provision.

CA-IR-234

Ref: T-20, page 38, Green Pricing Program.

Please provide actual 2004, 2005, 2006 to-date, and test year projected transactions by NARUC Account associated with the Green Pricing Program.

CA-IR-235

Ref: T-20, pages 40-50, Proposed New Time of Use Rates.

Please provide a side-by-side comparison of each element of HELCO's TOU rate proposal to the existing HECO TOU rate schedules, indicating the reasons for any differences in rate structures between HELCO and HECO other than differences caused by changes in underlying costs.

CA-IR-236

Ref: T-20, pages 50-52, Proposed New REEPAH Clause.

Please provide the most detailed available projections of REEPAH program expenditures and revenue collections (base rate and clause recoveries) planned over the next three years.

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

SECOND SUBMISSION OF INFORMATION REQUESTS

INSTRUCTIONS

In order to expedite and facilitate the Consumer Advocate's review and analysis in the above matter, the following is requested:

1. For each response, the Company should identify the person who is responsible for preparing the response as well as the witness who will be responsible for sponsoring the response should there be an evidentiary hearing;
2. Unless otherwise specifically requested, for applicable schedules or workpapers, the Company should provide hard copies of each schedule or workpaper together with one copy of each such schedule or workpaper on electronic media in a mutually agreeable format (e.g., Excel and Quattro Pro, to name two examples); and
3. When an information request makes reference to specific documentation used by the Company to support its response, it is not intended that the response be limited to just the specific document referenced in the request. The response should include any non-privileged memoranda, internal or external studies, assumptions, Company instructions, or any other relevant authoritative source which the Company used.
4. Should the Company claim that any information is not discoverable for any reason:
 - a. State all claimed privileges and objections to disclosure;

- b. State all facts and reasons supporting each claimed privilege and objection;
- c. State under what conditions the Company is willing to permit disclosure to the Consumer Advocate (e.g., protective agreement, review at business offices, etc.); and
- d. If the Company claims that a written document or electronic file is not discoverable, besides complying with subparagraphs 4(a-c), identify each document or electronic file, or portions thereof, that the Company claims are privileged or will not be disclosed, including the title or subject matter, the date, the author(s) and the addressee(s).

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

SECOND SUBMISSION OF INFORMATION REQUESTS

General Information Requests

CA-IR-237 What specific elements of the Company's revenue requirement and/or rate design proposals in this Docket are intended to provide benefits to LIHEAP participants or to other low income customer groups? Please list and quantify the value of each such element.

CA-IR-238 **Ref: HELCO-106, page 4, Firm Capacity Surcharge.**

Please explain all reasons why HELCO has retained the Firm Capacity Surcharge in its proposed tariff, given no utilization of this rate in recent history, no planned capacity additions in the near future and a zero percent proposed rate in both existing and proposed rate levels.

Witness T-1 Mr. Lee.

CA-IR-239 **Ref: HELCO Response to CA-IR-14, page 2.**

According to the response, "What the REEPAH would accomplish, however, is to enable HELCO to play a meaningful role in implementing effective solutions to problems of providing affordable housing, an issue which threatens the economic vitality of the Big Island." Please provide the following information:

- a. Explain each reason why HELCO, rather than other Big Island businesses or State or County governmental agencies, should “play a meaningful role” as indicated.
- b. For what reason(s) is ratepayer funding of this “meaningful role” for HELCO believed to be appropriate? Provide copies of all documentation relied upon to support the Company’s response.
- c. Has the Company invested or contributed any shareholder funds to the support the development of affordable housing on the Big Island?
- d. If your response to part (c) of this information request is affirmative, please provide an itemization by payee and amount of all shareholder contributions or funding in each of the past five years (i.e., 2001 through 2005).
- e. What, if any, economic or other benefits to HELCO’s ratepayers are expected to result from the proposed “meaningful role in implementing effective solutions.”
- f. Provide complete copies of all documents associated with your response to part (e) of this information request.

CA-IR-240

Ref: HELCO Response to CA-IR-14, page 2.

According to the response, “Further, it has been brought to HELCO’s attention that increasing concerns about rising electricity

prices in other states have led to consideration of renewable energy and energy efficiency programs intended to mitigate the bill impacts of rate increases versus the acquisition of DSM resources.” Please provide the following information:

- a. What, specifically, has been “brought to HELCO’s attention” about activities and programs in each other state that is being referenced?
- b. Provide complete copies of all documents associated with your response to part (a) of this information request.
- c. Identify and describe with specificity each program comparable to REEEPAAH that HELCO believes has been implemented in Hawaii or any “other state.”
- d. Provide complete copies of all documents associated with your response to part (c) of this information request.

CA-IR-241

Ref: HELCO Response to CA-IR-14, page 2.

According to the response, “HELCO wishes to provide, through REEEPAAH, a flexible package of energy efficiency options exclusively to developers of affordable housing which cannot be provided within the context of DSM energy efficiency programs.”

Please respond to the following:

- a. Identify each element of REEEPAAH that HELCO believes “cannot be provided within the context of DSM energy efficiency programs.
- b. For each of the elements identified in your response to part (a) of this information request, explain the reasons why that element cannot be provided within the context of the DSM energy efficiency programs that are offered, or are proposed to be offered by the Company.

CA-IR-242

Ref: HELCO T-1, page 22, low income energy assistance.

According to the testimony, “Some of the options that the Company is considering for this program include a residential solar water heating grant program, a customer assistance program that provides photovoltaic system installation in affordable housing developments and consultation to customers wishing to participate in HELCO’s NEM program and a program that would buy down the cost of solar water heating systems that would be leased to lower income homeowners.” Please respond to the following:

- a. Provide complete copies of all documentation associated with HELCO’s identification and evaluation of each of the options being considered as part of the REEEPAAH program, including those mentioned in the quoted testimony.

- b. Identify and describe the capabilities of each third party vendor that could be used under each option being considered by HELCO, indicating how HELCO intends to select its allied vendors from among alternative sources of supply.
- c. Explain and quantify the extent to which each of the options referenced in this testimony are presently available from vendors to consumers or developers in the marketplace and how HELCO's involvement may change consumer access to such option.

CA-IR-243

Ref: HELCO-105, Pages 10, 15 "Power Factor.

Please provide the following information regarding the "Power Factor" provisions within the Company's current tariff:

- a. Explain the basis for the statement, "The above energy and demand charges are based upon an average monthly power factor of 85%."
- b. State whether any cost of service analyses or other studies exist to support the statement quoted in part (a) of this information request.
- c. If your response to part (b) of this information request is affirmative, provide complete copies of all such analyses/studies.

- d. Explain the origin of and basis for the 0.10% energy/demand charge adjustment per 1% deviation in actual power factor, relative to the 85% value quoted in part (a) of this information request.
- e. State whether any cost of service analyses or other studies exist to support the 0.10% energy/demand charge adjustment rate per 1% deviation in actual power factor.
- f. If your response to part (e) of this information request is affirmative, provide complete copies of all such analyses/studies.
- g. Identify and quantify the relevant costs incurred by HELCO in connection with leading/lagging reactive power.
- h. Explain whether HELCO believes its rate structure and pricing for Power Factor variation from 85% is cost-based, or not.
- i. Provide complete copies of all documents associated with or supportive of the responses to parts (g) and (h) of this information request.

CA-IR-244

Ref: HELCO T-1, page 11, & Response to CA-IR-13 (Keahole Land Rezoning).

In response to CA-IR-13, parts (a) and (b), the Company describes certain activities in 2005 and 2006 associated with the reclassification (amend land use from "conservation" to "urban"),

rezoning (from “open” to “general industrial”) and issuance of a Covered Source Permit amendment by DOH to include Selective Catalytic Reduction with the installation of ST-7 at the Keahole station site. Please provide the following clarification:

a. Why was it necessary to amend the land use district boundary to reclassify the Keahole station site from “conservation” to “urban?” Please explain.

1. Was the reclassification referenced in part (a) of this information request unique to the planned installation of ST-7 at Keahole? Please explain.

2. If the reclassification was not unique to the planned installation of ST-7 at Keahole, how was HELCO able to complete and operate Keahole CT-4/CT-5 prior to the amendment being granted by the State of Hawaii Land Use Commission? Please explain.

b. Why was it necessary to rezone the Keahole station from “open” to “general industrial?” Please explain.

1. Was the rezoning referenced in part (b) of this information request unique to the planned installation of ST-7 at Keahole? Please explain.

2. If the rezoning was not unique to the planned installation of ST-7 at Keahole, how was HELCO able

to complete and operate Keahole CT-4/CT-5 prior to the rezoning being completed? Please explain.

- c. Please confirm that the issuance of a Covered Source Permit amendment by DOH to include Selective Catalytic Reduction with the installation of ST-7 at the Keahole station site was unique to the planned installation of ST-7 at Keahole. If this cannot be confirmed, please explain why in detail.

CA-IR-245

Ref: HELCO T-1, page 11, & Response to CA-IR-13 (Keahole Land Rezoning).

In response to parts (a) and (b) of CA-IR-13, the Company describes certain activities in 2005 and 2006 associated with the reclassification (amend land use from "conservation" to "urban"), rezoning (from "open" to "general industrial") and issuance of a Covered Source Permit amendment by DOH to include Selective Catalytic Reduction ("SCR") with the installation of ST-7 at the Keahole station site. In response to CA-IR-13(b), HELCO indicates that \$1,956,171 (Project No. H0000655) was incurred for the reclassification and rezoning of the Keahole station that HELCO T-14 has included in 2006 test year plant additions. Please provide a breakdown of the \$1,956,171 project cost between each of the following elements:

- a. reclassification efforts;

- b. rezoning efforts; and
- c. ST-7 SCR amendment efforts.
- d. If the information requested in parts (a) through (c) above cannot be provided, please explain why in detail.

Witness T-2 Mr. Beck.

CA-IR-246

Ref: HELCO-205.

Please provide complete copies, for each available month of 2006 to-date, of each type of recurring internal business report that is prepared by or for HELCO management personnel in the normal course of business to track, monitor and explain KWH sales volumes, trends and variances from budgeted levels of sales.

CA-IR-247

Ref: HELCO-208.

Please provide complete copies, for each available month of 2006 to-date, of each type of recurring internal business report that is prepared by or for HELCO management personnel in the normal course of business to track, monitor and explain customer additions, customer service terminations and migrations among rates schedules, as well as variances from budgeted levels of customers.

CA-IR-248

Ref: Response to CA-IR-22, Updated Sales Forecast.

- a. Please explain whether HELCO believes that its updated sales forecast should be utilized in this Docket in place of some, or all of the earlier forecasted sales information reflected within its prefiled evidence.
- b. Provide calculations indicative of the revenue impact of each change that is believed to be appropriate (if any) for inclusion in the revenue requirement.

Witness T-3 Mr. Young.

CA-IR-249

Ref: HELCO-WP-302, pages 44-89 and 126-128, Rider M Adjustments.

For each of the following Rider M customers, please explain how the curtailable demand was determined and monitored or measured by HELCO and provide copies of the customers' actual October 2004 through September 2005 monthly billing determinants by rate element, as well as any adjustment calculations used to establish the billing determinants used for the test period:

- a. JM (B) 2.
- b. JM (B) 5.
- c. JM (B) 7.
- d. JM (B) 27.
- e. PM (B) 20.

f. PM (B) 21.

CA-IR-250

Ref: HELCO-WP-302, pages 90-107 and 129, Rider T Adjustments.

For each of the following Rider T customers, please provide a copy of the customers' actual October 2004 through September 2005 monthly billing determinants by rate element, as well as any adjustment calculations used to establish the billing determinants used for the test period:

- a. JT 2.
- b. JT 9.
- c. P (T) 22.

CA-IR-251

Ref: HELCO-WP-302, pages 108, 109 and 130, Rider A Adjustments.

For each of the following Rider A customers, please:

- a. explain how the Contract Standby demand was determined, provide a copy of the Standby Service Contract, and
- b. provide a copy of the customers' actual October 2004 through September 2005 monthly billing determinants by rate element, as well as any adjustment calculations used to establish the billing determinants used for the test period.
 1. JA 1.
 2. P (A) 23.

CA-IR-252

Ref: HELCO-WP-302, pages 110 and 111, Schedule U Adjustments.

For the Schedule U customer represented in these workpapers, please provide actual October 2004 through September 2005 monthly billing determinants by rate element, as well as any adjustment calculations used to establish the billing determinants used for the test period.

Witness T-5 Mr. Dan Giovanni.

CA-IR-253

Ref: HELCO Response to CA-IR-66, pages 3 and 5; Reliability Statistics.

The two attachments state, "Attached for your reference, please find a summary of reliability statistics for each of HELCO generating units for 2004 through June 6." Please provide the following information:

- a. Complete copies of the referenced attachments that were not provided with the response to CA-IR-66.
- b. Comparable reliability statistical information for all available periods subsequent to June 6, 2004.
- c. Explain the Company's progress, as well as any continuing problems in achieving the goals stated in the "CT&D Maintenance Priorities" document, with reference to the information contained in response to part (b) of this information request.

- d. Explain the Company's progress, as well as any continuing problems in achieving the goals stated in the "S&HU Maintenance Priorities" document, with reference to the information contained in response to part (b) of this information request.

CA-IR-254

Ref: HELCO Response to CA-IR-55, Attachment 1, O&M History for Projects.

According to part (a) of the response to CA-IR-55, "The TY budget adjustments and normalizations are made at the NARUC account levels and not by RA." However, in Attachment 1, an "O&M History" for "Projects" is provided by RA. In order to better utilize the information provided in both documents, please provide the following to compare the Company's proposed O&M levels for "Projects:"

- a. Summarize the Attachment 1 historical annual actual expense data in each year by unit (i.e., CT-1, CT-2, Hill 5, Hill 6, etc.).
- b. Summarize the Attachment 1 "Year Total 2006" actual expense data by unit, indicating how many months of actual expense is included therein.
- c. Summarize the Attachment 1 "Unadjusted 2006 Budget" column by unit.

- d. Insert a "HELCO Test Year Proposed" column, indicating the proposed O&M project expense amounts by unit (not by RA), after all normalization and budget adjustments are reflected.
- e. Explain why the HELCO Proposed overhaul costs for each unit, as provided in response to part (d) of this information request, are reasonable in light of the historically incurred cost levels for the unit (per response to parts (a) and (b)) of this information request.
- f. To the extent possible, please separate the information provided in response to parts (a) through (d) of this information request between the labor and non-labor expenses for each unit in each year.

CA-IR-255

Ref: HELCO WP-510, page 8; 2006 Overhaul Schedule Test Year Normalized.

For each of the listed outages, please provide the following information:

- a. For completed outages, the actual dates the outage was started and completed and the number of weeks duration.
- b. For work not yet completed, provide the Company's current planned start date, completion date and outage duration.
- c. For completed outages, provide the actual incurred expense amount.

- d. Explain why the actual incurred cost amounts provided in response to part (c) of this information request departed from the “normalized” and the “adjusted” amounts shown on the workpaper.
- e. For line items associated with overhaul work not yet completed, provide and explain any revisions that are needed to the line item dates, number of weeks, normalized costs, adjusted cost or “reason” to reflect most current available information.

CA-IR-256

Ref: HELCO T-5, page 59, line 3; disbursed generation overhaul.

According to the testimony, “one disbursed generation unit overhaul will be performed every four years.” Please indicate the dates and times of each such overhaul and the amounts spent performing the overhaul on each unit in each of the past five years (i.e., 2001 through 2005).

CA-IR-257

Ref: HELCO T-5, page 59, line 4; steam turbine overhaul.

According to the testimony, “A steam turbine overhaul is performed once a year.” Please provide the following information:

- a. the dates during which each overhaul was performed on each steam turbine;

- b. state the reason for performing the overhaul (e.g., regular maintenance or other reason); and
- c. provide the amounts spent performing each overhaul on each unit in each of the past five years (i.e., 2001 through 2005).

CA-IR-258

Ref: HELCO T-5, page 59, line 7; CT Turbine Replacements.

According to the testimony, "CT-3, CT-4 and CT-5 LP Turbine replacements will be performed every 10 years at an average cost of \$650,000 each." Please provide the following information:

- a. Provide the dates on which turbine replacements were made for CT-3.
- b. Provide the amounts spent on the replacement of the unit in each of the past 13 years that CT-3 has been in service.
- c. Explain and provide complete copies of supporting documentation for this statement in testimony.

CA-IR-259

Ref: HELCO T-5, page 59, line 9; diesel overhauls.

According to the testimony, "two diesel overhauls are shown to occur on the normalized overhaul schedule." Please indicate the dates and times on which each diesel unit was overhauled and provide the amounts spent performing the overhaul for each diesel unit in each of the past five years.

CA-IR-260

Ref: HELCO Response to CA-IR-58, Attachment 1; Weekly Maintenance Report.

Please provide complete copies of the "HELCO Weekly Maintenance Report" for all available months of 2006 to-date.

CA-IR-261

Ref: HELCO-539, page 2 and HELCO Response to CA-IR-69, Attachment 1; Straight Time Hours Expense versus Capital.

Please explain why, in each historical year 2003, 2004 and 2005, O&M TOTAL hours represented 84.4% to 85.5% of TOTAL Straight-time hours for the indicated production RAs, but in the test year, HELCO-539 indicates test year budgeted Straight-time hours would be charged 91.1% to expense ($193,292/212,160 = 91.1\%$). Provide complete copies of all analyses, workpapers and other documents supportive of your response.

Witness T-6 Mr. Jay Ignacio.

CA-IR-262

Ref: T-6, page 9, HELCO responses to CA-IR-86 & CA-IR-87 (T&D Overtime & Contractors).

Part (c) of the response to CA-IR-87 sought the historical distribution of straight time and overtime hours between O&M and non-O&M accounts for the period 2000-2005 (actual) and 2006 forecast. The referenced response indicates that "the exact allocation of straight time and overtime hours between O&M and non-O&M accounts" is not available because standard labor rates are used to cost the individual accounts. However, the response

refers to HELCO T-6's response to CA-IR-1, part b, page 237 for the historical percentage allocation between O&M, Capital and Clearing on which the 2006 forecast was based. The response to CA-IR-87(c) is unclear in the context of the use of standard labor rates. Please provide the following:

- a. Please confirm that HELCO employees are required to complete time sheets or time cards assigning actual hours worked to specific projects, tasks or work responsibilities. If this cannot be confirmed, please explain why not.
- b. Please provide a detailed explanation of how the use of standard labor rates (i.e., the process of converting work hours into labor dollars) has any impact on whether employee work hours are attributable to O&M or non-O&M activity.
- c. By referring to the use of standard labor rates in the referenced response, was it HELCO's intent to indicate that the Company is unable to separately provide a distribution of straight time hours and overtime hours between O&M and non-O&M accounts but can provide a distribution of total hours between O&M and non-O&M accounts? Please explain.

CA-IR-263

Ref: T-6, page 19, HELCO-WP-612 & response to CA-IR-92 (T&D Tree Trimming).

The referenced response provided actual tree/brush timing expense by NARUC account for 2001-2005 and referred to HELCO-WP-612, page 2, for comparable test year forecast information. Please provide the following:

- a. Please confirm that the actual expenses provided in response to CA-IR-92(a) include direct labor, direct non-labor and oncost (both DL and NL) amounts. If this cannot be confirmed, please explain.
- b. Please provide a further breakdown of the actual tree/brush timing expense supplied in response to CA-IR-92(a) between direct labor, direct non-labor and direct labor oncost and direct non-labor oncost. If the requested information is not available, please explain.

CA-IR-264

Ref: T-6, page 62, HELCO-619 & response to CA-IR-90 (T&D Contract Labor).

In response to CA-IR-90(d), HELCO indicated that the information is not available to revise HELCO-619, page 2, so as to provide a historical comparison of all Distribution contract service amounts by contractor. Please provide the following:

- a. Recognizing that the requested information is not available by contractor, does information exist to enable HELCO to

provide a historical comparison for calendar years 2000-2005 of all Distribution contract service amounts by type or category of contract service (e.g., vegetation maintenance, line maintenance, substation maintenance, pole replacement, line construction, substation construction, etc.)? Please explain.

- b. Referring to the response to part (a) above, please provide a historical comparison for calendar years 2000-2005 of all Distribution contract service amounts by type or category of contract service, showing amounts separately for transmission and distribution, as well as denoting expense and capital amounts.

CA-IR-265

Ref: HELCO-604, HELCO-WP-606 & response to CA-IR-91 (T&D Inventory).

Both HELCO-604 and HELCO-WP-606 provide historical inventory amounts for only T&D operations. CA-IR-91(a) requested general ledger information supporting actual T&D inventory monthly balances for 2004 and 2005 for purposes of verifying the amounts presented on HELCO-604 and HELCO-WP-606. In response, HELCO provided monthly balances that combine Production and Distribution inventory. Please provide the following:

- a. Does HELCO possess, or maintain separate monthly general ledger inventory balances for Production and Distribution?
 1. If so, please provide the information originally requested by CA-IR-91(a).
 2. If not, please explain why HELCO combines Production and Distribution inventory into a consolidated balance for general ledger reporting purposes.
- b. Please identify the source documents for the monthly T&D stores inventory balances set forth on pages 3 and 5 of HELCO-WP-606.
- c. CA-IR-91(c) sought additional support for the determination that underground material inventory should be increased by \$135,000. Please confirm that the Company's response did not provide any quantitative support for the inventory increase. If this cannot be confirmed, please explain.
- d. CA-IR-91(d) sought additional support for the determination that pole inventory should be increased by \$95,000. Please confirm that the Company's response did not provide any quantitative support for the inventory increase. If this cannot be confirmed, please explain.

- e. Referring to parts (c) and (d) above, provide a copy of any studies or analyses that support the referenced increases in inventory levels.

Witness T-7 Mr. Paul Fujioka.

CA-IR-266

Ref: HELCO Response to CA-IR-99, Transaction Volumes.

According to the response to parts (a) and (b) of CA-IR-99, "The information for 2005 is not readily available." Please respond to the following:

- a. Identify and describe each of the volume of transaction metrics that are employed by HELCO in the normal course of business to track how much work is being done by customer accounting personnel and how responsive HELCO is being to customer service demands.
- b. Provide comparable statistical data for each year 2002, 2003, 2004, 2005 and 2006 to-date for each of the transaction metrics identified in response to part (a) of this information request.
- c. Explain the known causes of any unusual trends or abnormalities in the data provided in response to part (b) of this information request, if applicable.

Witness T-8 Mr. Curtis Beck.

CA-IR-267

Ref: HELCO Response to CA-IR- 106, REEEPAAH.

According to the response, "No reports, studies, workpapers or projections were specifically prepared for the proposed REEEPAAH."

Please respond to the following:

- a. Confirm that CA-IR-106 was not restricted to asking for only items "specifically prepared for the proposed REEEPAAH."
- b. State whether HELCO relied upon **any** analyses, reports, studies, workpapers or other documents in any way to evaluate the needs and design of its proposed REEEPAAH, without regard to the intended "specific purpose" of such work.
- c. If yes, describe each such document.
- d. Provide complete copies of each document identified in your response to part (b) of this information request.
- e. Describe each alternative element of REEEPAAH that has been considered by HELCO for possible inclusion in the program, and explain the perceived advantages and disadvantages of **each** such element.
- f. For each REEEPAAH element mentioned in your response to part (e), state whether that element is included in the REEEPAAH proposal that is now being advanced for Commission approval.

- g. Provide the most definitive available description of terms, conditions and anticipated costs for each REEEPAAH element that is now intended to be implemented by HELCO.
- h. Identify who “this developer” is, as mentioned at page 3 of the response, and provide complete copies of all correspondence between HELCO and the developer, including but not limited to draft and final agreements.
- i. Explain whether HELCO believes it is appropriate for electric utility ratepayers to provide funding for affordable homes initiatives. Provide copies of all documentation relied upon to support HELCO’s position.
- j. Identify and describe each instance HELCO is aware of in which utility regulatory agencies allowed the costs of affordable homes initiatives to be included in the determination of public utility rates. Provide copies of all documentation relied upon to support the response to this information request.
- k. Provide citations to each Hawaii or other state regulatory commission rate order mentioned in your response to part (l).

CA-IR-268

Ref: HELCO Responses to CA-IR-2, T-8, Attachment A, CA-IR-105 and HELCO-WP-803, pages 15-46.

Please provide the following information regarding the \$434,200 "TY 2006 Estimate" charges from HECO (Expense Element 550):

- a. Information required to reconcile the amounts shown on each page of WP-803 with the \$434,200 amount.
- b. Project, program and work order documentation supporting the work being done for HELCO.
- c. Explain the process used by HECO to estimate the charges under each project, program and work order.
- d. Provide the actual 2006 to-date charges to HELCO by project, program and work order.
- e. Explain how/if the \$434,200 amount is further adjusted in determining the Company's asserted revenue requirement.

Witness T-9, Mr. Paul Fujioka

CA-IR-269

Ref: T-9, page 42, HELCO-909 & response to CA-IR-110 (Other Public Claims).

With reference to HELCO-909, CA-IR-110(a) requested documentation showing a historical breakdown of claims payment and accrual history. In response, however, the Company referred to HELCO-909, page 3. CA-IR-110 was prepared with full knowledge of the summary information set forth on HELCO-909, including page 3. The purpose of CA-IR-110(a) was to obtain

detailed information regarding individual claim payments and documentation associated with determining reserve accruals.

Please provide the following:

- a. Does HELCO possess detailed information to support the individual transactions comprising the annual claims paid that are summarized on HELCO-909, page 3?
 1. If so, please provide such information.
 2. If not, please explain why such supporting detail is not available.

- b. Does HELCO possess detailed information to support the individual transactions or elements comprising the annual reserve accruals that are summarized on HELCO-909, page 3?
 1. If so, please provide such information.
 2. If not, please explain why such supporting detail is not available.

CA-IR-270

Ref: T-9, page 109, & response to CA-IR-134 (Pension Asset).

Referring to page 3 of the response to CA-IR-134, the Company provided information regarding the amount of NPPC included in each rate case test year since adoption of FAS87, showing the amounts allocated between expense and capital/billable accounts.

The NPPC in Docket No. 99-0207 was "negative." Please provide the following:

- a. Are the NPPC amounts listed for the four dockets preceding HELCO's last rate case also "negative" values or are some of the values "positive?"
- b. Referring to the response to part (a) above, please confirm that the test year NPPC amounts for each of the four preceding dockets are positive values. If this cannot be confirmed, please explain.

CA-IR-271

Ref: T-9, page 120, HELCO-923 & response to CA-IR-138 (Abandoned Capital Projects).

Pages 3-12 of the response to CA-IR-138 provided a detailed listing of line items comprising the five abandoned project "observations" set forth on HELCO-923 in excess of \$90,000. Using Pages 3 and 4 of the response to CA-IR-138 as an example, there are approximately 124 line items totaling \$219,588. Each line item appears to have a different assigned work order number. Please provide the following:

- a. Please confirm that there were 124 separate, unrelated abandoned construction projects, or work orders, that comprise the \$219,588 for calendar year 2001. If this cannot be confirmed, please explain.

- b. Please identify and describe the type of information typically compiled, maintained and retained by HELCO that would explain the nature and scope of the original work order and why each project (or line item) was subsequently abandoned.

CA-IR-272

Ref: T-9, page 120, HELCO-923 & response to CA-IR-138 (Abandoned Capital Projects).

Pages 3-12 of the response to CA-IR-138 provided a detailed listing of five abandoned project "observations" set forth on HELCO-923 in excess of \$90,000, including 15 line items or abandoned projects individually exceeding \$8,000. For each of the items listed below, please provide a copy of the original work order documentation describing and authorizing the initial project scope, as well as any related documentation associated with the subsequent abandonment, including information explaining the basis or rationale for the abandonment:

(a) Transferred to EE021418 in 2001:

1.	EE001856	Laupahoehoe Seacliff LE	\$8,692.65
2.	EE016945	Kaawa III, David H & Madeline	9,839.14
3.	EE018067	Ayers, Joseph & Lora	8,015.33
4.	EE020934	Aina Lea Golf Res Community	8,199.14

(b) Transferred to EE021416 in 2003:

1.	EE003226	transfer new distr facil-OH to clearing	81,086.42
2.	WH688100	Coll Eng RPR Ahualoa Conv *	9,311.23

(c) Transferred to EE021418 in 2004:

1.	EE005566	Waikoloa Vill S/D Unit 2a2 Ph2	17,974.63
2.	EE005567	Waikoloa Vill S/D Unit 2a2 Ph3	11,286.91
3.	EE009484	Waikoloa Vill Unit 2a2 Ph1b	15,498.35
4.	EE013598	Parker Ranch Center Ph2 (Oh)	15,850.26
5.	EE018658	Vienna, Jason A Sspp Le	8,138.42

(d) Transferred to EE021418 in 2005:

1.	EE026003	Yagong, Dominic Le	35,389.49
2.	EE028761	Brilhante-Hawaii Le	9,757.52
3.	EE044955	Aina Lea Golf Res Comm Offsite	16,801.16
4.	EE063667	Prelim Materials China US Center	15,495.77

CA-IR-273

Ref: T-9, page 120, HELCO-923 & response to CA-IR-138 (Abandoned Capital Projects).

Referring to the 15 abandoned projects individually exceeding \$8,000 [see pages 3-12 of the response to CA-IR-138], please provide the following information for each abandoned project, to the extent such information was not previously supplied in response to the immediately preceding Consumer Advocate information request:

a. Prior to initiating the original work, did HELCO collect any deposits or advances from the customer or potential customer before commencing construction activity?

1. If not, why did HELCO not collect any deposits or advances prior to commencing construction work?

Please explain.

2. If so, please identify the amount collected and indicate whether the abandoned project amount is net or gross of such collections.
 3. If such collections were not used to reduce the amount of the abandonment, please explain HELCO's accounting for such collections and explain why said collections were not used to reduce the amount of the abandonment.
- b. Do the abandoned project amounts include the cost of any materials that were reusable, or actually used, for other maintenance or capital projects?
1. If so, please explain why the cost of these materials was not removed from the abandonment amount.
 2. If so, did HELCO attribute a cost of "zero" to the actual maintenance or capital project in which the materials were actually used? Please explain.

Witness T-10 Ms. Julie K. Price.

CA-IR-274

Ref: T-10, page 22, HELCO-1002 & response to CA-IR-147 (A/C 926000, Other Benefits Administration).

In response to CA-IR-147(b), HELCO revised the breakdown of other benefits costs set forth on HELCO T-10, page 22, but the total test year amount remained unchanged at \$314,800. The response to part (b) also refers to a historical comparison of recorded

amounts for 2000-2005, which is contained on page 3 of the response. However, it does not appear that the historical comparison is presented in a format consistent with the newly revised breakdown of test year amounts provided by HELCO. Please provide the following:

- a. Do the historical amounts for 2000-2005, as set forth on page 3 of the response, include or exclude award program costs that were reclassified from Account 921 for purposes of preparing the 2006 budget?
 1. If the response to part (a) above indicates that the comparison excludes any historical award program costs reclassified from Account 921, please provide the recorded amounts charged to Account 921 in each year of the period 2000-2005 that are comparable to the \$93,800 reclassified from Account 921 for purposes of the 2006 forecast test year (see HELCO-1002, footnote c).
 2. If the requested information cannot be provided, please explain why this information is not available.
 3. If the response to part (a) above indicates that the comparison includes historical award program costs reclassified from Account 921, please separately identify such recorded amounts reclassified from

Account 921 and specify the line of page 3 of the response to CA-IR-147 in which such amounts were included.

- b. In responding to CA-IR-147(b), HELCO chose to correct and revise the table on HELCO T-10, page 22. However, CA-IR-147(b) requested the Company to provide a breakdown of historical costs comparable to the table appearing at page 22 of HELCO T-10. Even though HELCO corrected and revised said table, the historical comparison set forth on page 3 of the response does not appear to conform to either the original or corrected breakdown.

Please provide the following:

1. Why did HELCO provide a historical comparison (see page 3 of CA-IR-147) in a different format than either the original or revised versions of the table shown on page 22? Please explain.
2. Please either modify the historical comparison (2000-2005) provided on page 3 of the response to conform to the revised table shown on page 22 of HELCO T-10; or revise the 2006 budget breakdown to enable a full and accurate comparison of HELCO's forecast with historical levels, by line item.

Ref: T-10, page 22, HELCO-1002 & response to CA-IR-147 (A/C 926000, Other Benefits Administration).

The response to CA-IR-147(d) provides a breakdown of the \$93,800 of award program costs included in the test year forecast.

Please provide the following:

- a. For calendar years 2000-2005, please provide historical amounts for safety celebration and recognition awards comparable to the \$56,000 test year amount.
- b. For calendar years 2000-2005, please provide historical amounts for Hawaii Island United Way ("HIUW") appreciation gifts comparable to the \$5,500 test year amount.
 1. Please identify and describe the typical appreciation gifts given by HELCO.
 2. Are the HIUW appreciation gifts provided to HELCO employees and/or non-employees? Please explain.
- c. For calendar years 2000-2005, please provide historical amounts for Ho'okina awards comparable to the \$32,300 test year amount.
- d. Other than the \$5,500 test year amount for HIUW appreciation gifts, does HELCO's test year forecast include any other charitable contributions or donations?
 1. If so, please provide the amount by recipient and by NARUC account.

Witness T-13 Ms. Lorie Ishii.

CA-IR-276

Ref: HELCO-1304, Response to CA-IR-174, page 2, State Capital ITC and Renewable Energy Credit.

Please provide the following additional information:

- a. State whether HELCO intends to file 2005 additions of \$1,693,983, \$2,035,061, or some other value in its actual tax return for 2005.
- b. If some other value is expected to be filed, please provide the calculations of such amount.
- c. Explain why zero is assumed for Renewable Credits for 2005 and 2006 and provide updated information if available.
- d. Explain whether and where the Commission is believed to have approved the Company's 30-year amortization period for State ITC.
- e. Explain whether and where the Commission is believed to have approved the Company's 30-year amortization of the Renewable Energy Credits.
- f. Explain whether the annual amortization of \$500,906 for 2006 should be increased by 1/30 of the \$341,078 "2004 Post Year-end Adjustment" or by some other provided amount.
- g. Explain how the \$53,663 of amortization in 2006 of the vintage 2005 credits was calculated.

CA-IR-277

Ref: HELCO-1302, Response to CA-IR-10, page 15, Renewable Energy Technologies Income Tax Credit.

- a. Please explain HELCO's accounting for this tax credit.
- b. Provide the amounts of Renewable Credits earned by HELCO in each year 2002 through 2005 and projected in 2006.
- c. Explain the rate case accounting for this tax credit, indicating HELCO schedules and workpapers affected.
- d. Explain the basis for excluding this tax credit in calculating test year income tax expense, if applicable.
- e. Provide the amount of any additional adjustment that may be required to recognize this tax credit for ratemaking purposes.

CA-IR-278

Ref: HELCO-WP-1302, page 1; Response to CA-IR-10, page 2, FIT Rate.

The 2004 tax return reflects Total FIT of \$2,006,929 at line 31 on taxable income of \$5,902,732 at line 30, indicating an effective FIT rate of 34.00%. However, HELCO's "Calculation of Federal Effective Income Tax Rate" in HELCO-WP-1302 starts with a statutory rate of 35%.

- a. Please explain this apparent inconsistency and provide supporting documentation for the tax rate used in HELCO's filed 2004 income tax return.

- b. Confirm that the Company believes that HELCO revenue requirement should contain Federal Income Taxes calculated on a stand-alone basis, without regard to the effects of filing a consolidated HEI tax return.
- c. Explain how/if the graduated statutory corporate federal income tax rates have been considered for ratemaking purposes for HELCO on a stand-alone basis.
- d. State the Company's understanding of each FIT graduated tax rate that is applicable to HELCO taxable income and describe the basis of such understanding.

CA-IR-279

Ref: HELCO Response to CA-IR-10.

For each of the following items contained in HELCO's 2004 stand alone Federal Income Tax return, please describe the item and explain how/if and where the equivalent item is reflected within the Company's test year income tax expense and/or deferred tax reserve calculations in T-13 workpapers:

- a. Page 6, "Section 481(a) adjustments" \$2,404,813;
- b. Page 8 "Abandoned/Retired Assets" \$321,509;
- c. Page 8 "Cost of Removal Expense" \$1,496,396; and
- d. Page 8 "Percentage Repairs Allowance" \$531,066.

**Ref: HELCO-WP-1305a/b and Response to CA-IR-173,
Deferred Tax Reserve Items Included in Rate Base.**

Please explain the rationale behind HELCO's inclusion of each of the following deferred tax reserve line items, indicating where the related balance sheet asset/liability amounts are reflected in HELCO's asserted rate base:

- a. 28309 Prepaid Expenses;
- b. 28311 Public Injuries;
- c. 28313 Gain on Sale of Mililani;
- d. 28317 Amort of RB Int Differential;
- e. 28319 Bad Debt;
- f. 28321 Cap Cost of Trailer;
- g. 28323 HCPC Purchase Power;
- h. 28329 Book Gains/Losses;
- i. 28329 Capitalized Hawaii Solar;
- j. 28329 Energy Services Costs Incurred;
- k. 28329 Sun Power for Schools;
- l. 28329 BPI costs;
- m. 28329 HMSA Reserve;
- n. 28329 DSM;
- o. 28329 Rev Bd Redemption Prem/Amort;
- p. 28329 Emission Fees;
- q. 28331 Capitalized Legal Costs;
- r. 28365 Puna Sugar Settlement;

- s. 28367 software;
- t. 28367 Prepaid Ellipse Relicense Fee; and
- u. 28397 IRP.

CA-IR-281

Ref: HELCO-WP-1305a/b and Responses to CA-IR-176 and CA-IR-173, Deferred Tax Reserve Items Not Included in Rate Base.

Please explain the rationale behind HELCO's exclusion of each of the following deferred tax reserve line items, indicating where the related balance sheet asset/liability amounts are reflected in HELCO's asserted rate base:

- a. AFUDC in CWIP;
- b. TCI in CWIP;
- c. 28359 Workers Comp;
- d. 28363 Vacation Accrual;
- e. 28369 Accidents;
- f. 28375 Auto Liability; and
- g. 28307 TIP.

CA-IR-282

Ref: HELCO Response to CA-IR-175, Deferred Tax Expense Calculation.

Please provide a statement of assumptions and detailed supporting calculations for each of the amounts appearing in the "Base" column on page 2.

CA-IR-283

Ref: HELCO Response to CA-IR-175, Deferred Tax Expense Calculation – IRS Depreciation Adjustments.

Please provide a detailed explanation of the \$335,000 and \$65,000 amounts appearing at the bottom of page 2 and provide complete copies of all documents associated with these amounts, including but not limited to reports and correspondence with the Internal Revenue Service in connection with such amounts.

CA-IR-284

Ref: HELCO Response to CA-IR-178, American Jobs Creation Act of 2004.

According to the response at page 2, "As stated above, the final regulations do not include express language detailing how to allocate the gross receipts between DPGR and non-DPGR activities, but merely states that taxpayers must use a 'reasonable method' based on all 'facts and circumstances.' Although HELCO is awaiting more guidance from the IRS regarding the allocation between DPGR and non-DPGR revenue and expenses, we have attached our best estimate of the potential stand alone benefit."

Please respond to the following:

- a. State whether and when HELCO anticipates the publication by the Treasury Department or IRS of the "express language" that is referenced, even though "final regulations" were issued in May 2006.

- b. State whether HELCO is recording on its books any estimated income tax savings arising from the American Jobs Creation Act of 2004.
- c. If your response to part (b) of this information request is affirmative, provide calculations supporting the amounts being recorded on the books in 2006, to-date.
- d. Does HELCO believe that the estimated income tax savings set forth in page 3 of the response are based upon a "reasonable method," as that term is used in your response to CA-IR-178?
- e. If your response to part (d) of this information request is negative, please identify and describe each known deficiency in the Company's page 3 calculation methods.
- f. Explain why HELCO used the 2006 credit rate of 3% in its page 3 calculations, when the ongoing rate while new electricity rates are effective in 2007 through 2009 is 6%, rising to 9% thereafter.
- g. Is it the Company's belief that known changes in income tax regulations that are effective one day beyond the end of the 2006 test period should not be considered for ratemaking purposes in this docket?

CA-IR-285

Ref: HELCO Responses to CA-IR-171 and CA-IR-168, page 4, PSC Tax Return "Worthless Accounts" deduction.

Please explain the basis for HELCO's reduction of \$344,260 to its PSC taxable Gross Income on the PSC Tax Return and explain why such a deduction is not reflected in the ratemaking calculation of this tax expense in CA-IR-171. If additional adjustments are appropriate, please provide calculations of same.

CA-IR-286

Ref: HELCO Responses to CA-IR-171 and CA-IR-168, page 3, PSC Tax Return – 4.0% Tax Rate.

Please explain why HELCO calculates its PSC tax using a 4.0% fixed rate on Form U-6, while using a higher 5.885% rate for ratemaking purposes on CA-IR-171. Provide copies of documents relied upon by HELCO to support the higher PSC tax rate if it is believed to be properly used for ratemaking purposes.

CA-IR-287

Ref: HELCO Response to CA-IR-167, SUTA Tax Rate.

Please provide the following information regarding the HEI consolidated joint experience 0.41% SUTA and the 0.81% stand alone HELCO SUTA rate used for ratemaking purposes:

- a. Confirm that HELCO pays HECO the additional 0.40% in 2006 to compensate HECO for its below average stand-alone contribution rate.

- b. What was the HECO contribution rate used in the pending HECO rate case to determine SUTA Expense?
- c. Were HELCO payments to HECO considered in the establishment of the HECO rate stated in response to part (b) of this information request?
- d. What, if any, economic or other form of benefit is realized by HEI in using a joint experience rating, rather than paying stand-alone SUTA for each individual entity?
- e. Please quantify your response to part (d) of this information request, and explain why such benefits should not be shared among regulated entities for ratemaking purposes (if applicable).

Witness T-14, Mr. Clyde Nagata.

CA-IR-288

Ref: HELCO-WP-1401 & response to CA-IR-182 (Plant Additions).

The response to CA-IR-182(b) identified three construction projects with 2006 test year plant additions that are blanket projects, which do not require PIAs. Instead, funding for each of the identified projects was "taken from these blankets." Please provide the following:

- a. Please confirm that Attachment 1 to the referenced response did not contain any documentation supporting the 2006 plant

additions for these three blanket projects. If this cannot be confirmed, please explain.

- b. Please explain the process followed by HELCO to determine and quantify the 2006 funding amount for each of the following blanket projects:
 - 1. H0007000, Unforeseeable OH Cust Req, \$1,337,973.
 - 2. H0011000, Unforeseeable UG Cust Req, \$1,907,232.
 - 3. H3521000, SSPP Requests, \$703,277.
- c. Please provide a copy of any workpapers, analyses or other documents that support the derivation of the blanket project amounts set forth in part (b) above.

CA-IR-289

Ref: HELCO-WP-1406 & response to CA-IR-187 (Plant Retirements).

The response to CA-IR-187(b) indicates that page 2 of HELCO-WP-1406 includes both terminal and interim production retirements. In addition, page 3 of the response to CA-IR-187 provides actual plant retirements during the months of January-July 2006. Please provide the following:

- a. Referring to HELCO-WP-1406, please provide a breakdown of the production retirements for each year 2001-2005 between terminal and interim retirement amounts.
- b. The response to CA-IR-187(b) also states that a number of terminal retirements occurred in 2002 and 2004 due to the

installation of Keahole CT-4 and CT-5. If the response to part (a) of this information request indicates that the requested information is not available, please provide the terminal retirement values in calendar years 2002 and 2004 associated with the installation of the new Keahole units.

Witness T-15, Mr. Kenneth Fong.

CA-IR-290

Ref: HELCO-1501 & response to CA-IR-192 (Keahole Common Facilities).

The response to CA-IR-192(e) indicates that the 80 gpm capacity water treatment system was originally designed to support the existing Keahole units and to accommodate the needs of ST-7. However, the response states that the water mass balance for ST-7 will be reviewed during the design phase to ensure that the water treatment system has capacity to support ST-7. Please provide the following:

- a. Has HELCO started the "design phase" for ST-7?
- b. If not, when does HELCO anticipate that the ST-7 "design phase" will commence?
- c. In general terms, when does HELCO believe that a determination will be made as to whether the water treatment system will, in fact, be adequate to support ST-7 (including SCR)?

- d. If such determination has been made, please provide copies of all documentation to support the determination.

CA-IR-291

Ref: HELCO-1501 & response to CA-IR-190 (CT-4 & 5 AFUDC).

In response to CA-IR-190(a), the Company provided a breakdown of the monthly CWIP balances set forth on HELCO-1501 between Keahole CT-4, CT-5 and the three categories of common facilities (i.e., shop/warehouse, fire protection and waste water). A note on page 3 of HELCO's response indicated that monthly details were not readily available for certain months (i.e., 34 months) of the period November 1998 through December 2004. Please provide the following:

- a. Please confirm that the total CWIP balance was readily available for all months. If this cannot be confirmed, please explain.
- b. Was the information that was not readily available limited to the values associated with the common facilities (shop/warehouse, fire protection and waste water)? Please explain.
- c. Please explain why the information for those 34 months was not readily available.

Ref: HELCO-1501 & response to CA-IR-190 (CT-4 & 5 AFUDC).

In response to CA-IR-190(a), the Company provided a breakdown of the monthly CWIP balances set forth on HELCO-1501 between Keahole CT-4, CT-5 and the three categories of common facilities (shop/warehouse, fire protection and waste water). CA-IR-190(b) requested a similar breakdown of monthly detail from the inception of the Keahole project through October 1998. In response, HELCO referred to and provided a copy of the Company's response to CA-IR-14017, pages 4-5, from Docket No. 99-0207. Please provide the following:

- a. Referring to pages 2-3 of the referenced response, does the Company have comparable monthly detail for the three categories of common facilities (shop/warehouse, fire protection and waste water) from the inception of the Keahole project through October 1998? Please explain.
 1. If the response to part (a) of this information request is affirmative, please provide the referenced monthly detail balances for the three categories of common facilities in a similar format.
 2. If the response to part (a) of this information request is negative, please explain why such information is not available.

b. Referring to page 2 of the referenced response, do the balances for the shop/warehouse, fire protection system and waste water system for November 1998 include or exclude AFUDC? Please explain.

1. If the response to part (b) of this information request indicates that the November 1998 balance for the shop/warehouse, fire protection system and waste water system include AFUDC, please provide a breakdown of the balance for each category between AFUDC and non-AFUDC components. If this information cannot be provided, please explain.

2. If the response to part (b) of this information request indicates that the monthly balances for the shop/warehouse, fire protection system and waste water system exclude AFUDC, please confirm that the AFUDC associated with the November 1998 balance for each common plant category was included in the CT-4 or CT-5 columns. If this cannot be confirmed, please explain

CA-IR-293

Ref: HELCO-1501 and responses to CA-IR-191 & CA-IR-163 (CT-4 & 5 AFUDC).

In Decision and Order No. 18365 (Docket No. 99-0207), the Commission allowed \$7,570,152 in rate base associated with the

shop/warehouse building, new fire protection system and the water treatment system. On page 2 of the response to CA-IR-191, the sum of the first amounts closed to plant for each common facility category equals the \$7,570,152 included in rate base for D&O No. 18365. Please provide the following:

- a. Please confirm that the Company actually closed the following common facility amounts to plant in service on the specified date. If this cannot be confirmed, please explain.
 1. Shop/warehouse: \$972,599, December 1988.
 2. Fire protection system: \$745,548, September 1999.
 3. Waste water system: \$5,852,005, December 1999.
- b. Referring to part (a) above, did HELCO commence recording book depreciation expense on the common facility amounts upon closing the respective balances to plant in service? If not, please explain why the accrual of depreciation expense did not commence of the identified date(s).

CA-IR-294

Ref: HELCO-1501 & response to CA-IR-190 (CT-4 & 5 AFUDC).

In response to CA-IR-190(a), the Company provided the monthly cumulative balance of CWIP, including AFUDC, for the period November 1998 through December 2004 between Keahole CT-4, CT-5 and the three categories of common facilities (shop/warehouse, fire protection and waste water). In response to

CA-IR-190(b), HELCO referred to and provided a copy of the Company's response to CA-IR-14017, pages 4-5, (Docket No. 99-0207) which contained capital expenditures and capitalized AFUDC on a monthly basis for CT-4 and CT-5 from June 1991 through December 1998. Please provide the following:

- a. Referring to pages 2-3 of the response to CA-IR-190, please provide the amount of capital expenditures for each of the following plant categories by month for the period November 1998 through December 2004: [Note: the information being requested is monthly capital expenditures, not cumulative balances, excluding AFUDC].
 1. CT-4.
 2. CT-5.
 3. Warehouse/shop.
 4. Fire protection system.
 5. Waste water system.
- b. If the information requested in part (a) above is not available, please provide the following:
 1. Please explain why such data is not available in the format requested.
 2. Please identify and describe the information that is reasonably similar to the information requested that is available from HELCO's records.

3. Please provide a copy of the information identified in response to part (b)(2) above

Witness T-16, Ms. Gayle Ohashi.

CA-IR-295

Ref: HELCO-1606, HELCO-WP-1606, page 20, & response to CA-IR-193 (CWC Pension Lag).

CA-IR-193(a) requested a quantification of the working cash effect of assigning a “zero” expense lag to the test year pension expense. In response, HELCO stated that the “zero” payment lag results in “zero” working cash. HELCO-WP-1606, page 20, shows the calculation of a composite expense lag of 39 days for O&M non-labor, including pension expense. Please provide the following:

- a. Please confirm that HELCO-WP-1606, page 20, shows the calculation of a composite expense lag of 39 days for O&M non-labor, including pension expense. If this cannot be confirmed, please explain.
- b. Please confirm that recognition of a “zero” expense lag for pension expense causes the 39 day composite expense lag for O&M non-labor to be lower than it would have been if pension expense had been excluded from this calculation or had been any value greater than “zero.” If this cannot be confirmed, please explain.

- c. Please confirm that HELCO-1606 compares a revenue collection lag of 38 days to the 39 day composite expense lag for O&M non-labor in quantifying overall working cash. If this cannot be confirmed, please explain.
- d. Please confirm that if pension expense had been excluded from the calculation of the O&M non-labor expense lag (HELCO-WP-1606, p. 20) or had been any value greater than "zero," the 39 day expense lag would have been higher and would have resulted in the calculation of a lower working cash amount on HELCO-1606. If this cannot be confirmed, please explain.

CA-IR-296

Ref: HELCO-1606, HELCO-WP-1606, page 20, & response to CA-IR-194 (CWC OPEB Lag).

CA-IR-194(a) requested a quantification of the working cash effect of assigning a "zero" expense lag to the test year OPEB expense. In response, HELCO stated that the "zero" payment lag results in "zero" working cash. HELCO-WP-1606, page 20, shows the calculation of a composite expense lag of 39 days for O&M non-labor, including OPEB expense. Please provide the following:

- a. Please confirm that HELCO-WP-1606, page 20, shows the calculation of a composite expense lag of 39 days for O&M non-labor, including OPEB expense. If this cannot be confirmed, please explain.

- b. Please confirm that recognition of a "zero" expense lag for the OPEB expense causes the 39 day composite expense lag for O&M non-labor to be lower than it would have been if OPEB expense had been excluded from this calculation or had been any value greater than "zero". If this cannot be confirmed, please explain.
- c. Please confirm that HELCO-1606 compares a revenue collection lag of 38 days to the 39 day composite expense lag for O&M non-labor in quantifying overall working cash. If this cannot be confirmed, please explain.
- d. Please confirm that if the OPEB expense had been excluded from the calculation of the O&M non-labor expense lag (HELCO-WP-1606, p. 20) or had been any value greater than "zero," the 39 day expense lag would have been higher and would have resulted in the calculation of a lower working cash amount on HELCO-1606. If this cannot be confirmed, please explain

CA-IR-297

Ref: HELCO-1606 & response to CA-IR-193 (CWC Pension Lag).

- a. Referring to HELCO-1606, does the O&M Non-labor annual amount of \$31,914,000 (Column D) include pension and OPEB expense?

- b. If so, please provide the amount of each such item included therein.
- c. If not, please explain why such items were excluded from the calculation of the \$31,914,000.

Witness T-19 Dr. Ren Orans.

CA-IR-298

Ref: T-19, page 11, lines 6-9.

According to the cited testimony, "Many of the costs residential customers impose on HELCO are a function of their maximum demand rather than energy usage level. For example, equipment such as distribution line drops, transformers, feeders and substations are sized to meet maximum demands placed upon the equipment." In contrast, Mr. Young's cost of service allocations (see HELCO WP-3001, page 82) treat a large percentage of such costs as being caused by the existence of a "customer," rather than relative "maximum demand" levels. Please explain this apparent inconsistency and state whether Mr. Orans disagrees with Mr. Young's customer component classification results with respect to distribution plant investment and expense.

CA-IR-299

Ref: T-19, page 6, lines 12-14, income gap and affordability.

According to the cited testimony, "The Big Island has a wide gap between lowest and highest income electricity consumers.

HELCO's high residential rates are a likely burden for many customers." Does Mr.Orans or HELCO believe that there is any correlation between relative income levels on the Big Island and the level of residential usage per customer? Please explain and provide copies of all documentation supportive of your response

Witness T-20 Mr. Peter Young

CA-IR-300

Ref: T-20, page 51, REEEPAAH Funding.

Please provide a specimen copy of the "30-day notice filing for each project or program expenditure" that HELCO intends to make under the proposed REEEPAAH program, indicating the type of detailed information that will be provided within such filings.

CA-IR-301

Ref: T-20, page 51, REEEPAAH Funding.

Please explain whether and why HELCO believes that the utility, rather than its customers (through charitable donations) or the government agencies serving its customers, would be better positioned to design programs and collect funding to support the development of affordable homes on the Big Island.

CA-IR-302

Ref: T-20, page 12, Allocation of Embedded Costs.

- a. Are any HELCO electric plant facilities dedicated to serve specific individual customers, such that a direct assignment, rather than allocation of costs is appropriate?
- b. Please explain any affirmative response to part (a) of this information request and specify the amounts of such dedicated plant investment by NARUC account.
- c. Provide details of the specific assignments of cost that have been made in the Company's cost of service study (if any).

CA-IR-303

Ref: T-20, page 34, Rider I.

- a. Has HELCO served any customers under its Interruptible Contract Rider I in the past 10 years?
- b. Please explain any affirmative response to part (a) of this information request and provide a copy of all service contracts that were effective.
- c. If your response to part (b) of this information request is negative, please explain:
 1. HELCO's intended use for Rider I, and
 2. How the amount of reduction in demand charges would be determined.
 3. Why Rider I should continue to be available in the Company's tariff.

CA-IR-304

Ref: T-20, pages 26 and 27, Schedule H and K Service.

- a. Please explain the origin of HELCO Schedule H and K Service.
- b. Provide illustrative calculations of typical customer impacts from taking service on Schedule H/K, rather than the corresponding applicable rate schedule if this end-use rate were no longer available.
- c. Please explain why HELCO has determined that it should close Schedule H and plan for a transition for the existing Schedule H customers.
- d. For what reasons should existing Schedule H customers be allowed to "relocate" their Schedule H service?
- e. For what reasons should existing Schedule K customers not be allowed to "relocate" their Schedule K service?
- f. Please provide complete copies of all studies, workpapers, analyses, projections, market evaluations, workpapers and other documents prepared by or for HELCO to evaluate rate and tariff treatment of Schedule H and K service since January 1, 2005.

CA-IR-305

Ref: T-20, page 34, line 21; Rider A Standby Charges.

According to the testimony, "The proposed Standby Demand Charges and Scheduled Maintenance Service Energy charges for

Schedule J and Schedule P were determined using the same derivation that the company used in its final Standby Service Rider Proposal in Docket No. 99-0207, as shown in HELCO-WP-2001.”

Please provide the following information:

- a. Provide copies of the documents and calculations relied upon to determine the proposed Standby Demand and Schedule Maintenance Energy rate levels, including specific amounts from HELCO-WP-2001 that were employed.
- b. Please provide complete copies of all documents associated with any HELCO-proposed modifications to the proposed Rider A rates based upon the Commission’s Decision and Order No. 22248, as referenced at page 36 of T-20.

CA-IR-306

Ref: T-20, pages 24 and 29, Availability Clauses for Schedules J and P.

Please provide the following information with respect to the 200 kW qualification rule being proposed to distinguish customers between Schedules J and P:

- a. Explain why existing customers are proposed to be grandfathered,
- b. Explain the procedures and schedule through which HELCO intends to evaluate customer impacts from rate migration and inform each customer of the optimal rate to be used.

- c. State what assumptions were made regarding potential migration impacts and whether Schedules J and P migrations have been quantified or included in the Company's test year revenue calculations.
- d. Provide calculations of the revenue effect of any pro-forma migrations that were assumed.

CA-IR-307

Ref: T-20, page 10, Distribution Facilities – Customer Component.

According to Mr. Young's testimony, "The distribution lines and transformers are assigned to demand and customer components, since the size and costs of these facilities are dependent not only on the customers' load, but also on the type and location of the customers." Please provide complete copies of HELCO distribution engineering manuals, instructions, guidelines and all other documents that are used to define how HELCO distribution facilities are sized and designed to meet the types, locations and anticipated load levels of customers under alternative circumstances.

CA-IR-308

Ref: HELCO WP-2001, pages 85-97, Minimum System Poles.

Please provide the following information regarding the 25 foot minimum system distribution pole:

- a. Confirm that a 25 foot distribution pole was used by HELCO to determine its 38% customer component weighting for the distribution poles account.
- b. If anything other than an unqualified confirmation is provided in response to part (a) of this information request, please explain the response and illustrate how the minimum pole size was determined and converted into the customer component weighting value.
- c. Explain why no 25 foot poles appear to have been installed by HELCO since 1979.
- d. Explain why only 20 poles that are 25 feet in length exist throughout the HELCO distribution system, if this is the commonly installed minimum size facility.
- e. Provide a complete statement of HELCO's policy with regard to distribution pole placement and sizing, under representative frequently encountered typical conditions of pole initial installation or replacement.
- f. Has HELCO installed any poles shorter than 25 feet?
- g. If the response to part (f) of this information request is affirmative, please provide the dates and numbers of such pole installations.

- h. What approximate percentage of pole installations in a representative year are replacements of existing poles, rather than new pole line construction?

CA-IR-309

Ref: HELCO WP-2001, pages 98-103, Minimum System Overhead Primary Conductor.

Please provide the following information regarding the 1/0_AAC minimum system overhead primary conductor:

- a. Confirm that a 1/0 AAC conductor was used by HELCO to determine its 65% customer component weighting for the primary voltage overhead conductors account.
- b. If anything other than an unqualified confirmation is provided in response to part (a) of this information request, please explain the response and identify how the minimum OH primary conductor size was determined and converted into the customer component weighting value.
- c. Provide a complete statement of HELCO's policy with regard to distribution overhead primary conductor placement and sizing, under representative frequently encountered typical conditions of overhead pole line initial installation or replacement.
- d. State whether HELCO has any installed overhead primary conductor smaller than 1/0 AAC 245 amp capacity and

provide the footage, cost and installation year details for all such smaller conductor (if any).

- e. Approximately how many individual residential customers within single family detached homes, using average test year demand levels of single phase service, could be served by a single 1/0_AAC primary overhead conductor?
- f. Approximately how many individual residential customers within separately metered apartments, using average test year demand levels of single phase service, could be served by a single 1/0_AAC primary overhead conductor?
- g. For what reasons does HELCO only rarely install small quantities of 4/0_BC (480 amp) and 556.5_KCM (715 amp) overhead primary conductor, as evidenced by many years with no installations of these materials on pages 101 and 103, respectively?

CA-IR-310

Ref: HELCO WP-2001, pages 104-113, Minimum System Overhead Secondary Conductor.

Please provide the following information regarding the 4/3_AL_TPX minimum system overhead secondary conductor:

- a. Confirm that a 4/3_AL_TPX conductor was used by HELCO to determine its 89% customer component weighting for the secondary voltage overhead conductors account.

- b. If anything other than an unqualified confirmation is provided in response to part (a) of this information request, please explain the response and identify how the minimum secondary OH conductor size was determined and converted into the customer component weighting value.
- c. Provide a complete statement of HELCO's policy with regard to distribution overhead secondary conductor placement and sizing, under representative frequently encountered typical conditions of overhead pole line initial installation or replacement.
- d. State whether HELCO has any installed overhead secondary conductor smaller than 4/3_AL_TPX 100 amp capacity and provide the footage, cost and installation year details for all such smaller conductor (if any).
- e. Approximately how many individual residential customers within single family detached homes, using average test year demand levels of single phase service, could be served by a single 4/3_AL_TPX 100 amp secondary overhead conductor?
- f. Approximately how many individual residential customers within separately metered apartments, using average test year demand levels of single phase service, could be served by a single 4/3_AL_TPX 100 amp overhead conductor?

- g. For what reasons did HELCO cease installing the 4/3_AL_TPX 100 amp conductor after 1996, as indicated on page 105?
- h. When the 4/3_AL_TPX 100 amp was no longer installed after 1996, what alternative material(s) became the smallest commonly installed minimum sized overhead secondary conductor?
- i. Please explain why no installations are shown after 1994 of the 1/0_AER_TPX materials on page 107 and after 1995 for the 1/0_HUDSON 220 amp materials on page 109?

CA-IR-311

Ref: HELCO WP-2001, pages 114-119, Underground Conduit.

Please provide the following information regarding the 2 inch minimum system underground conduit:

- a. Confirm that a 2 inch conduit was used by HELCO to determine its 47% customer component weighting for the conduit account.
- b. If anything other than an unqualified confirmation is provided in response to part (a) of this information request, please explain the response and identify how the minimum conduit size was determined and converted into the customer component weighting value.

- c. Explain why much larger quantities of 2 inch conduit have been installed since 1999, than in most of the prior years shown on page 115.
- d. Provide a complete statement of HELCO's policy with regard to underground conduit placement and sizing, under representative frequently encountered typical conditions of pole initial installation or replacement.
- e. What is HELCO's undergrounding policy for distribution facilities?
- f. Have the calculations set forth in the minimum system workpapers for conduit reflected any customer/developer contributions or advances to offset the installed costs of underground facilities – why or why not?

CA-IR-312

Ref: HELCO WP-2001, pages 120-125, Underground Primary Conductors.

Please provide the following information regarding the #2_XLPEICN minimum system underground primary conductor:

- a. Confirm that #2_XLPEICN underground conductor was used by HELCO to determine its 78% customer component weighting for the underground primary conductors account.
- b. If anything other than an unqualified confirmation is provided in response to part (a) of this information request, please explain the response and identify how the minimum

underground primary conductor size was determined and converted into the customer component weighting value.

- c. Explain why no #2_XLPEICN conductor (or any other underground primary conductor) appears to have been installed by HELCO since 1996.
- d. Explain why the next larger #4/0_XLPEICN 210 amp underground conductor actually costs less per foot to install than HELCO's chosen minimum system size conductor.
- e. Provide a complete statement of HELCO's policy with regard to underground primary conductor placement and sizing, under representative frequently encountered typical conditions of pole initial installation or replacement.
- f. For what reasons did HELCO determine its minimum system result of 78% was more reliable for cost of service purposes than the calculated 9% Customer Component, Zero intercept method set forth at workpaper page 120?
- g. Approximately how many individual residential customers within single family detached homes, using average test year demand levels of single phase service, could be served by a single #4/0_XLPEICN 210 amp underground primary conductor?
- h. Approximately how many individual residential customers within separately metered apartments, using average test

year demand levels of single phase service, could be served by a single #4/0_XLPEICN 210 amp underground conductor?

CA-IR-313

Ref: HELCO WP-2001, pages 126-132, Underground Secondary Conductors.

Please provide the following information regarding the #2_TPX minimum system underground secondary conductor:

- a. Confirm that #2_TPX underground conductor was used by HELCO to determine its 50% customer component weighting for the underground secondary conductors account.
- b. If anything other than an unqualified confirmation is provided in response to part (a) of this information request, please explain the response and identify how the minimum underground secondary conductor size was determined and converted into the customer component weighting value.
- c. Explain why no #2_TPX conductor appears to have been installed by HELCO since 1994 (workpaper page 127).
- d. Explain why the next larger #3/0_TPX 188 amp underground conductor has also not been installed since 1996 (workpaper page 128).
- e. Provide a complete statement of HELCO's policy with regard to underground secondary conductor placement and sizing,

under representative frequently encountered typical conditions of pole initial installation or replacement.

- f. For what reasons did HELCO determine that its minimum system result of 50% was more reliable for cost of service purposes than the calculated negative 112% Customer Component, Zero intercept method set forth at workpaper page 126?
- g. Approximately how many individual residential customers within single family detached homes, using average test year demand levels of single phase service, could be served by a single #2_TPX 111 amp underground primary conductor?
- h. Approximately how many individual residential customers within separately metered apartments, using average test year demand levels of single phase service, could be served by a single #2_TPX 111 amp underground conductor?

CA-IR-314

Ref: HELCO WP-2001, pages 133-169, Minimum System Transformers.

Please provide the following information regarding the 10 KVA minimum system overhead transformer:

- a. Confirm that a 10 KVA overhead transformer was used by HELCO to determine its 56% customer component weighting for the transformers account, by combining an analysis of

overhead 1 phase transformers with separate analyses of 1-phase and 3-phase padmount transformers.

- b. If anything other than an unqualified confirmation is provided in response to part (a) of this information request, please explain the response and identify how the minimum transformer size was determined and converted into the customer component weighting value.
- c. Provide a complete statement of HELCO's policy with regard to distribution transformer placement and sizing, under representative frequently encountered typical conditions of pole initial installation or replacement.
- d. Approximately how many individual residential customers within single family detached homes, using average test year demand levels of single phase service, could be served by a single 10 KVA overhead transformer?
- e. Approximately how many individual residential customers within single family detached homes, using average test year demand levels of single phase service, could be served by a single 25 KVA padmount transformer?
- f. For what reasons did HELCO employ the weighted average minimum system results to isolate an estimated customer component of transformers costs, rather than the 134% overhead transformer zero intercept (page 134), the 111%

1-phase padmount (page 149) and/or the 72% 3-phase padmount (page 157) results that were calculated.

CA-IR-315

Ref: T-20, page 13, Marginal Cost Study Utilization.

Please identify the specific cost study results (amounts) from the Company's marginal cost of service study, by page and line of HELCO-WP-2012, that were used "in the design of the proposed time-of-use rates" or for any other specific proposed rate design purpose.

CA-IR-316

Ref: HELCO-WP-2012, page 3, Marginal Cost Study Variable O&M Expenses.

Regarding the "Variable O&M Expense (2006 cents/kWh) of 2.22369," please provide the following information:

- a. Explain the process used to identify and quantify such costs.
- b. Identify the types of expenditures that are included in this amount.
- c. State which NARUC Accounts such costs are recorded in.
- d. Provide complete copies of all studies, reports, workpapers and other documents prepared by "HECO Generation Planning" per the "source" legend to determine this amount.
- e. State whether these amounts are representative of costs that vary directly with the production of marginal energy by HELCO generating units.

- f. If the response to part (d) of this information request is negative, please explain the reasons why the amount is added to the other costs on this workpaper in order to determine the total "estimated marginal energy costs" on line 7.

CA-IR-317

Ref: HELCO Response to CA-IR-221; Miscellaneous Revenues.

Please provide the following information with respect to HELCO miscellaneous revenues:

- a. Annual transaction volumes in each year 2003, 2004, 2005 and 2006 to date subject to the Service Establishment Charge.
- b. Corresponding revenue amounts arising from the Service Establishment Charge in each year 2003, 2004, 2005 and 2006, to date, by applying the \$15 rate to the quantities in the response to part (a) of this information request.
- c. Any information required to reconcile the calculated revenue amounts in the response to part (b) of this information request into the actual recorded revenues on the Company's books in each time period.
- d. Annual transaction volumes in each year 2003, 2004, 2005 and 2006 to date subject to the Reconnection Charge.

- e. Corresponding revenue amounts arising from the Reconnection Charge in each year 2003, 2004, 2005 and 2006, to date, by applying the \$10 rate to the quantities in the response to part (d) of this information request.
- f. Any information required to reconcile the calculated revenue amounts in the response to part (e) of this information request into the actual recorded revenues on the Company's books in each time period.
- g. Annual transaction volumes in each year 2003, 2004, 2005 and 2006 to date subject to the Returned Check Charge.
- h. Corresponding revenue amounts arising from the Returned Check Charge in each year 2003, 2004, 2005 and 2006, to-date, by applying the \$15 rate to the quantities in the response to part (g) of this information request.
- i. Any information required to reconcile the calculated revenue amounts in response to part (h) of this information request into the actual recorded revenues on the Company's books in each time period.
- j. Annual transaction volumes in each year 2003, 2004, 2005 and 2006 to date subject to the Field Collection Charge.
- k. Corresponding revenue amounts arising from the Field Collection Charge in each year 2003, 2004, 2005 and 2006,

to-date, by applying the \$15 rate to the quantities in the response to part (j) of this information request.

- I. Any information required to reconcile the calculated revenue amounts in the response to part (k) of this information request into the actual recorded revenues on the Company's books in each time period.

CA-IR-318

Ref: HELCO Response to CA-IR-221; Miscellaneous Revenues.

In part (c) of the response, HELCO notes that the pending HECO Docket No. 04-0113 included a Company proposal to increase the returned payment charge to \$16, to increase the Field Collection Charge to \$20, increase the Service Establishment fee to \$20 and increase the Reconnection charge to \$25. Please respond to the following:

- a. Given that HECO provided cost support for increased charges to these items, does HELCO have any information supporting a conclusion that its own costs to provide field collections, service establishments, reconnections or to process returned payments have not increased?
- b. Mindful of the requested increases in these charges for HECO, for what reasons did HELCO not conduct cost studies to evaluate the reasonableness of its present charges for these items?

- c. Provide copies of the cost study information used by HECO to support its proposed higher charges, with notations of the comparable HELCO labor rates and other non-labor costs, to the extent such information is available.

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

THIRD SUBMISSION OF INFORMATION REQUESTS

INSTRUCTIONS

In order to expedite and facilitate the Consumer Advocate's review and analysis in the above matter, the following is requested:

1. For each response, the Company should identify the person who is responsible for preparing the response as well as the witness who will be responsible for sponsoring the response should there be an evidentiary hearing;
2. Unless otherwise specifically requested, for applicable schedules or workpapers, the Company should provide hard copies of each schedule or workpaper together with one copy of each such schedule or workpaper on electronic media in a mutually agreeable format (e.g., Excel and Quattro Pro, to name two examples); and
3. When an information request makes reference to specific documentation used by the Company to support its response, it is not intended that the response be limited to just the specific document referenced in the request. The response should include any non-privileged memoranda, internal or external studies, assumptions, Company instructions, or any other relevant authoritative source which the Company used.
4. Should the Company claim that any information is not discoverable for any reason:
 - a. State all claimed privileges and objections to disclosure;

- b. State all facts and reasons supporting each claimed privilege and objection;
- c. State under what conditions the Company is willing to permit disclosure to the Consumer Advocate (e.g., protective agreement, review at business offices, etc.); and
- d. If the Company claims that a written document or electronic file is not discoverable, besides complying with subparagraphs 4(a-c), identify each document or electronic file, or portions thereof, that the Company claims are privileged or will not be disclosed, including the title or subject matter, the date, the author(s) and the addressee(s).

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

THIRD SUBMISSION OF INFORMATION REQUESTS

CA-IR-319

Ref: HELCO-302, page 1 of 6.

This exhibit titled "Hawaii Electric Light Company, Inc., Schedule R – Residential Service, Docket No. 05-0315 Test Year 2006, Estimate of Test-Year Revenues", refers to a spreadsheet titled "HELCO R_2006_final_rates-proposed_no e at prop.xls" in the columns titled Present Rates, Billing Units and Unit Price, and in the column titled Proposed Rates, Unit Price. Please provide a copy of the "HELCO R_2006_final_rates-proposed_no e at prop.xls" spreadsheet in electronic format, with all cell references and formulae intact and not converted to values.

CA-IR-320

Ref: HELCO-302, page 2 of 6.

This exhibit titled "Hawaii Electric Light Company, Inc., Schedule G – General Service Non-Demand, Docket No. 05-0315 Test Year 2006, Estimate of Test-Year Revenues", refers to a spreadsheet titled "Final-GJ_2006_final_rates_adj-TY2006_update-4-25-06.xls" in the columns titled Present Rates, Billing Units and Unit Price, and in the column titled Proposed Rates, Unit Price. Please provide a copy of the "Final-GJ_2006_final_rates_adj-TY2006_update-4-25-06.xls"

spreadsheet in electronic format, with all cell references and formulae intact and not converted to values.

CA-IR-321

Ref: HELCO 302, page 4 of 6.

This exhibit titled "Hawaii Electric Light Company, Inc., Schedule H – Commercial Cooking, Heating, Air Conditioning & Refrigeration Service, Docket No. 05-0315 Test Year 2006, Estimate of Test-Year Revenues", refers to a spreadsheet titled "HELCO-h_2006_final_rates-new ecac-v3_w-prop_V3.xls" in the columns titled Present Rates, Billing Units and Unit Price, and in the column titled Proposed Rates, Unit Price. Please provide a copy of the "HELCO-h_2006_final_rates-new ecac-v3_w-prop_V3.xls" spreadsheet in electronic format, with all cell references and formulae intact and not converted to values.

CA-IR-322

Ref: HELCO-302, page 5 of 6.

This exhibit titled "Hawaii Electric Light Company, Inc., Schedule P – Large Power Service, Estimate of Test-Year Revenues, Docket No. 05-0315 Test Year 2006," refers to a spreadsheet titled "HELCO-p_2006_final_rates-new ecac-v3-4-21-06.xls" in the columns titled Present Rates, Billing Units and Unit Price, and in the column titled Proposed Rates, Unit Price. Please provide a copy of the

"HELCO-p_2006_final_rates-new ecac-v3-4-21-06.xls" spreadsheet in electronic format, with all cell references and formulae intact and not converted to values.

CA-IR-323

Ref: HELCO 302, page 6 of 6.

This exhibit titled "Hawaii Electric Light Company, Inc., Schedule F – Street Lighting Service, Docket No. 05-0315 Test Year 2006, Estimate of Test-Year Revenues", refers to a spreadsheet titled "HELCO-f_2006_final_rates-new ecac-v3A.xls" in the columns titled Present Rates, Billing Units and Unit Price, and in the column titled Proposed Rates, Unit Price. Please provide a copy of the "HELCO-f_2006_final_rates-new ecac-v3A.xls" spreadsheet in electronic format, with all cell references and formulae intact and not converted to values.

CA-IR-324

Ref: HELCO-305, page 1 of 1.

This exhibit titled "Hawaii Electric Light Company, Inc., Energy Cost Adjustment (ECA) Filing, Present Rates", refers to a spreadsheet titled "T3_ECAC_WP_direct presentrates+_revised.xls" in the columns BTU Mix, %, Purchased Energy Price, ¢/kwh, and Purchased Energy KWH Mix, %. Please provide a copy of the "T3_ECAC_WP_direct presentrates+_revised.xls" spreadsheet in

electronic format, with all cell references and formulae intact and not converted to values.

CA-IR-325

Ref: HELCO-307, page 1 of 2.

This exhibit titled "Hawaii Electric Light Company, Inc., Energy Cost Adjustment (ECA) Filing, Proposed Weighted Generation Efficiency Factor & DG Component", refers to a spreadsheet titled "T3_ECAC_WP_Direct_proposed rates.xls" in the columns Purchased Energy Price ¢/kwh, and Purchased Energy KWH Mix, %. Please provide a copy of the "T3_ECAC_WP_Direct_proposedrates.xls" spreadsheet in electronic format, with all cell references and formulae intact and not converted to values.

CA-IR-326

Ref: HELCO-WP-305, page 5 of 5.

This workpaper titled "Hawaii Electric Light Company, Inc., Determination of Percent of Purchased Energy Mix, Payment Rate (in ¢/kwh) and Composite Cost of Purchased Energy (in ¢/kwh), 2006 Test Year – Direct Testimony, At Present and Proposed Rates" references at the bottom HELCO-WP-502. Please provide a hard copy and an electronic copy of HELCO-WP-502, with all cell references and formulae intact and not converted to values.

CA-IR-327

Ref: HELCO-WP-404, pages 26, 35 and 94.

HELCO-WP-404 page 94, titled HELCO 2006 Overhaul Schedule, Test Year-Normalized (Draft-11/18/05) indicates generating unit overhauls. Pages 26 and 35, Thermal Maintenance Summary and Combined Cycle Maintenance Summary, respectively, indicated outages that are not shown on page 94 (2006 Overhaul Schedule).

- a. Please provide a list of Thermal Maintenance and Combined Cycle Maintenance (shown on pages 26 and 35) with a description of the maintenance outages similar to the format on page 94.
- b. Please explain the inputs on page 26 for KeahoCT4, KeahoCT5, CT4on and CT5on. Are these inputs duplicative? Please explain.

General Information Requests

CA-IR-328

Non-regulated Operations.

What, if any, of its assets or operations does HELCO treat as non-regulated or outside the jurisdiction of the Hawaii Commission? Please itemize the 2005 and estimated test year balance sheet and income statement amounts associated with any such non-regulated activities.

Witness T-5 Mr. Dan Giovanni.

CA-IR-329

Ref: Responses to CA-IR-65 and CA-IR-2, HELCO T-5, Attachment 1D, page 2 of 3; HELCO Environmental Services.

Please provide complete copies of all upstream forecasts and supporting workpapers associated with the HELCO Environmental Services for HELCO Production estimated charges of \$420,801, including but not limited to:

- a. Identification of the listed personnel and positions providing the support services.
- b. Assumptions and calculations used to determine the billable hours by person.
- c. Detailed supporting calculations for each of the "standard labor rates."
- d. Detailed supporting calculations for each of the "Overhead Rate" values.
- e. Itemization of payees for the "non-labor" charges.
- f. Describe the primary work products produced for HELCO in connection with these intercompany activities.

CA-IR-330

Ref: HELCO-WP-545, page 2 and HELCO Response to CA-IR-47; PGV Capacity Sanctions.

Based upon the explanation provided in response to CA-IR-47 regarding the anticipated PGV deratings during 2006, please provide the Company's best estimate of the capacity sanctions that

may be experienced in 2006 and explain whether the capacity sanction of \$232,738 shown on line 28 of WP-545 is reasonably reflective of ongoing PGV performance levels. Provide copies of all calculations and any documents associated with the response.

CA-IR-331

Ref: Response to CA-IR-2, HELCO T-5, Attachment 1C, page 2 of 3; CEMS Services.

Please provide the following information regarding the projected Continuous Emissions Monitoring Services for HELCO resulting in charges of \$123,090:

- a. Copy of the contract with Atmos and/or other current vendors.
- b. Monthly billed amounts for CEMS by vendor for all months of 2003, 2004, 2005 and 2006 to-date.
- c. Explanations for any significant fluctuations in amounts in response to part (b) of this information request.
- d. Describe the basis for HELCO's test year expense estimation and any needed revisions to same.

CA-IR-332

Ref: Response to CA-IR-2, HELCO T-5, Attachment 2A, page 22; Boiler Chemicals.

Please provide the following information regarding the projected Boiler Chemicals consumption and expense at steam units:

- a. Provide updated "Annual Historical Costs" data for all units for 2005 and 2006 to-date.
- b. Provide the comparable net MWH generation data based upon HELCO's test year sales and dispatch simulation.

CA-IR-333

Ref: Response to CA-IR-2, HELCO T-5, Attachment 2A, page 23; Demineralizer Chemicals.

Please provide the following information regarding the projected Demineralizer Chemicals consumption at CTs:

- a. Provide updated "Annual Historical Costs" data for all units for 2005 and 2006 to-date.
- b. Provide the comparable net MWH generation data based upon HELCO's test year sales and dispatch simulation.

CA-IR-334

Ref: Response to CA-IR-2, HELCO T-5, Attachment 2A, page 24; Lube Oil – Diesels.

Please provide the following information regarding the projected Lube Oil consumption at diesels:

- a. Provide updated "Annual Historical Costs" data for all units for 2005 and 2006 to-date.
- b. Explain the apparent inconsistency in developing a gallons per run hour statistic at the bottom of the page that is then multiplied by Net MWH, rather than run hours at the top of the page to develop test year estimated costs.

- c. Provide the comparable net MWH generation data based upon HELCO's test year sales and dispatch simulation.
- d. Provide the comparable Diesel "Run hours" (as used in the bottom half of the page 24 spreadsheet) based upon HELCO's test year sales and dispatch simulation.
- e. Explain whether HELCO believes any adjustment to the Company's test year forecast for lube oil is appropriate, based upon the responses to parts (a) through (d) of this information request.

CA-IR-335

Ref: Response to CA-IR-2, HELCO T-5, Attachment 2A; Lube Oil, Boiler Chemicals, Demineralizer Chemicals.

For the following rows in the spreadsheet file supporting Materials cost estimates, there is either no historical expense data for years FY99 through FY04 or the expense data shown does not appear to correlate to the "Annual Historical Costs" data at the bottom of pages 22, 23 and 24. Please explain this discrepancy and provide information necessary to compare historical actual expense amounts to the projected test year costs for each spreadsheet row:

- a. HGH 242 RST Blr Chem \$17,090.
- b. HGH 244 ANS Lube Oil \$16,950.
- c. HGH 248 RST Blr Chem \$68,330.
- d. HGK 244 BNS Lube Oil \$21,390.
- e. HGK 244 CNS Lube Oil \$24,180.

- f. HGK 248 CO2 Demin Chem \$ 1,210.
- g. HGK 248 CO4 Demin Chem \$16,920.
- h. HGK 248 CO5 Demin Chem \$ 8,260.
- i. HGP 248 PO1 Blr Chem \$66,230.
- j. HGP 248 PO1 Blr Chem \$66,320 (duplicated?).
- k. HGP 248 PO3 Demin Chem \$ 8,630.

CA-IR-336

Ref: Response to CA-IR-2, HELCO T-5, Attachment 2A; Miscellaneous Materials.

For each of the following listed forecast line item amounts, please provide the comparable actual expenses for calendar 2005 and year-to-date 2006, indicating why/whether the Company's forecasted test year amount is reasonable in light of the actual comparable expenditure levels and any other relevant information:

- a. HGK 244 CNS Op & Mon Plt Eq \$139,950
- b. HGX 265 PT2 Maint Stn Common Struct & Sys-Cor \$107,380
- c. HGX 266 BNS Maint St Common Misc Equip-Pr \$ 96,850
- d. HGX 276 ANS Maint Int Combust Eng & Rel Eq-Pre \$201,920

CA-IR-337

Ref: Response to CA-IR-2, HELCO T-5, Attachment 2D; page 31; Training.

Please provide the following information regarding the projected Production Department training (other than safety training) expense of \$214,200 for the test period:

- a. Provide comparable actual Production Department training expenses for each year 1999 through 2005.
- b. Explain the Company's training philosophy and criteria employed to allocate resources to training, applying such explanation to the information provided in response to part (a) above to describe training expense fluctuations from year to year.
- c. Provide actual year-to-date 2006 training expenses incurred for the Production Department, by month and "Loc" code.
- d. Describe why/whether HELCO considers its proposed test year training expense to be normal and representative of ongoing expense levels.
- e. State whether HELCO intends to actually spend \$214,200 or some other amount on training in calendar 2006.
- f. Provide copies of contracts signed or other indicia of HELCO commitments to incur training expense at the projected levels, when added to the amounts in the response to part (c) of this information request.

CA-IR-338

Ref: Responses to CA-IR-78(a) and CA-IR-2 (T-5), Attachments 2A and 2D; Materials and Outside Services.

- a. Please confirm (or explain if not confirmed) that judgment was used by HELCO personnel to decide whether to rely upon an average of historical actual costs from 2001-2004,

an average of 2003 & 2004, simply 2004 amounts or separately calculated input amounts for Materials, ProCard Purchases and Outside Services (EE=201, 205 and 501) budget inputs.

- b. Explain the basis for the 1.0424 escalation factor that was used for some, but not all, of the input values referenced in the response to part (a) above.
- c. Provide a detailed explanation and copy of supporting documentation relied upon by HELCO to determine that the following Outside Services activity budget values displayed on CA-IR-2, (T-5), Attachment 2D are reasonable for ratemaking purposes:
 - 1. \$66,000 for HGK 263 CNS on page 15.
 - 2. \$50,000 for HGK 265 CNS on page 16.
 - 3. \$80,182 for HGK 272 C04 on page 16.
 - 4. \$22,980 (times 5) for HGM 256 on page 18.
 - 5. \$38,970 for HGM 256 RST on page 18.
 - 6. \$72,780 for HGM 261 SO3 on page 19.
 - 7. \$63,150 for HGM 261 SO4 on page 19.
 - 8. \$62,390 for HGM 262 RO5 on page 19.
 - 9. \$40,120 for HGM 263 PO1 on page 20.
 - 10. \$114,950 for HGM 265 SST on page 20.
 - 11. \$54,350 for HGM 268 SST on page 20.

12. \$141,870 for HTW 242 SST on page 26.
 13. \$111,290 for HGX 277 ANS on page 28.
- d. If item number 12 in the previous part (b) above is for start-up propane for the Shipman Steam plant, please explain why the reclassification adjustment discussed at T-5, page 51, line 18 is not in the amount of \$141,870, rather than \$100,000.
 - e. If item number 12 in the previous part (b) above is for start-up propane for the Shipman Steam plant, please explain why a different propane amount of \$232,178 is discussed at T-4, page 45.

CA-IR-339

Ref: Response to CA-IR-2, HELCO T-5, Attachment 2H; Lalamilo Wind Farm.

Please provide the following information regarding the projected O&M expense associated with the Lalamilo Wind Farm:

- a. A copy of the contracts/agreements associated with such charges.
- b. A copy of a specimen invoice for most current period charges in 2006 for Lalamilo.
- c. If Lalamilo is operated by an affiliate, provide a detailed December 2005 and December 2004 stand alone income statement and balance sheet for such affiliate.

- d. Provide comparable actual 2005 and year-to-date 2006 Lalamilo expenses in the same detailed line item breakdown as set forth in Attachment 2H, page 1.

CA-IR-340

Ref: HELCO-T-5, pages 51-52 and 57-58; Boiler Draw Engineering Docs.

According to the testimony at page 52, "A firm price was not received until early 2006. It should be noted that we are adjusting and seeking recovery for this P&ID project. It is further normalized as discussed in the section on normalization adjustments." Please provide the following:

- a. Copies of service proposals, contracts and other documentation of HELCO's commitment to perform the P&ID work as well as the referenced "firm price."
- b. Explain whether and when similar projects were performed at HECO or MECO plants and the scope and cost of such efforts.
- c. State whether HELCO intends to practice deferral and amortization accounting on its books for the "amortization period of three years" that is proposed at page 57.
- d. According to testimony page 52, "The need for this [P&ID work] was identified after the budget was complete." Please explain and provide copies of documents associated with how the "need was identified."

- e. What operational and/or maintenance benefits or cost savings will be achieved by completing the referenced P&ID project work?

CA-IR-341

Ref: HELCO-T-5, page 53; HELCO-WP-510, page 5; Temporary Help Adjustment.

According to the testimony at page 53, "Production plans to spend the additional amount on overtime to man Shipman Plant as well as on temporary help contracted to fill in for the vacant maintenance positions." Please provide the following:

- a. Explain whether the referenced "vacant maintenance positions" are included or excluded in test year proposed labor costs.
- b. If the response to part (a) of this information request is that the "vacant" positions are fully included in the test year expenses, please explain why expenses for temporary help contracted to fill in for the vacancies should also be included in the revenue requirement.
- c. Explain where the EE 108 and EE 150 "2006 Variance" amounts shown on HELCO-WP-510, page 5 were contained in the Company's labor input spreadsheets within the response to CA-IR-1 (T-5).
- d. Provide a revised comparison of variance data, comparable in format and content to HELCO-WP-510, page 5, but

containing actual 2006 data for all available months in place of the "Updated Forecast" data contained in the filing.

- e. Explain where the amounts shown on HELCO-WP-510, page 5, are set forth in HELCO-WP-101 for the referenced "Account No. 552760."
- f. Provide a summary of actual EE-503 Temporary Hire expensed charge amounts to each production department RA for each of the years 1999 through 2005 and for 2006, to-date.
- g. Provide a summary of budgeted EE-503 Temporary Hire expensed charge amounts for each production department RA for the test year.
- h. HELCO-WP-510, page 5, in Assumptions note 2 references overtime requirements associated with hiring and training 5-7 operator trainees mainly for Shipman. Please provide the following information:
 - 1. Explain whether the \$2.3 million of overtime in the "Budget" row for EE 150 was included in the test year forecast.
 - 2. Provide the overtime hours by RA that were included in the test year forecast in connection with the described training activities.

3. State whether HELCO intends to train 5-7 operator trainees on a normal ongoing basis after 2006 and provide explanatory historical operator training statistics to support the response.
4. If the response to part h(3) of this information request is negative, explain why no normalization adjustment is proposed by HELCO to include only normal ongoing overtime hours/costs associated with hiring and training operators.

CA-IR-342

**Ref: HELCO-T-5, page 54; HELCO-532, lines 7-9 & 15
Reclassified Project Costs.**

According to the testimony at page 54, "The cumulative increase of \$543,000 is a result of these projects having a change in scope to deem them incorrectly categorized as capital, as they originally were. Being that the projects are not a capital unit, they are O&M in nature, and have been reclassified to the O&M budget." Please provide the following:

- a. Explain with specificity what "change in scope" occurred that causes each of the referenced projects to no longer represent a "capital unit."
- b. State whether each of the projects (or comparable types of work) that are referenced has been performed at any other HELCO unit in the past.

- c. Provide the expensed charges associated with each project listed in the response to part (b) of this information request by RA and by year.
- d. Explain whether HELCO expects to perform the projects (or comparable types of work) that are referenced at any other HELCO unit in the future.
- e. Provide the estimated expensed charges associated with each project listed in the response to part (d) of this information request by RA and by projected future year.
- f. How much larger or broader in scope would each of the referenced projects need to be in order to represent a "capital unit" that would be subject to capitalization, rather than expensing?
- g. Provide a complete copy of HELCO's capital units descriptive catalog that is used to determine capital versus expense treatment of individual projects.

CA-IR-343

Ref: HELCO-T-5, page 55; Response to CA-IR-64; Waiau and Puueo Penstock Repairs.

According to the testimony at page 55, "The cumulative increase of \$350,000 for Waiau and Puueo penstock repairs are due to the immediate need for inspection and maintenance of the entire penstock right-of-ways (excluding the intake structures and pipeline within the powerhouse). This would include cleaning, repair and

treatment of wooden trestle, and repair of air release vault components as necessary, as well as repairs to concrete trestles and anchors, if necessary." Please provide the following:

- a. Provide detailed supporting workpapers and documentation for the test year estimated costs of penstock repairs.
- b. Provide copies of proposals, contracts and other documents supportive of HELCO's commitment to perform the referenced penstock repairs in 2006.

CA-IR-344

Ref: HELCO-WP-510, pages 2 and 3; Response to CA-IR-2, HELCO T-5, Attachment 1B, Page 1; Budgeted Overhaul Costs.

For each of the numbered overhauls 1 through 10 on this Attachment 1B and each other overhauls projected in the 2006 test year forecast, please provide a reconciliation of the initially forecasted Labor and Non-labor charges, indicating how the various "Rate Case Adjustments" and "Rate Case Normalizations" are applicable to each line item and what amount of labor and non-labor expenses are proposed after all HELCO-proposed adjustments for rate case recovery.

Ref: HELCO-WP-510, page 8; Normalized Cost Amounts for Overhauls.

For each of the listed "UNIT" overhauls on this schedule, please provide the following information:

- a. State all assumptions being made regarding the scope and frequency of "normalized" overhauls on the unit.
- b. Explain how the assumptions stated in the response to part (a) of this information request were translated into each of the "normalized" dollar amounts shown.
- c. Provide complete copies of all information relied upon to develop the estimated costs of overhaul activity for each listed unit, including but not limited to any vendor estimates, analyses of prior overhauls, price lists, quotations and service contracts that were relied upon.
- d. Explain the rationale for the "Reason" stated in the right column and provide copies of any supporting documentation for same.
- e. Provide complete copies of all documents associated with the "wp Ref" and "(14)" references next to the "Reason" column of information.

Ref: HELCO Response to CA-IR-1, HELCO T-5, Attachment 2; Overtime Hours Assumptions.

Please provide complete copies of all workpapers, analyses, studies, reports, projections and other information relied upon to support the reasonableness of each of the overtime hour levels reflected in the labor forecast input sheets for production department RAs, as follows:

- a. Page 1, GA, "Per DG, use py OT amounts for budgeting;"
- b. Page 7, GC, "Based on Prior Years per Dgiovanni on 6/29/05", "Round to 730;"
- c. Page 11, GH, "Use 660 OT hrs;"
- d. Page 13, GK, "OT hrs based on 2004 year---use 775 hours;"
- e. Page 18, GM, "Based on Historical 2001-2004 Averages As Follows...Rounded 550;"
- f. Page 23, GP, "Based on Historical 2002-2004 Averages As Follows...Say 700 hrs OT;"
- g. Page 23, GW, "Based on 2003-2004 Average-Rounded 970;" and
- h. Page 30, GX, "Based on GP's Historical 2002-2004 Averages As Follows...Say 700 hrs.

Witness T-7 Mr. Paul Fujioka.

CA-IR-347

Ref: T-7, page 7, line 24; Temporary Agency Workers.

- a. Please provide actual HELCO expenditures for temporary agency workers charged to Customer Accounts expenses by RA for each year from 1999 through 2005, and on a monthly basis for 2006 year-to-date.
- b. Explain how such amounts compare to temporary agency test year forecasted charges.

CA-IR-348

Ref: HELCO-WP-702, page 4; WP-703 pages 4-6; WP-704 pages 4-6; Labor Hours Forecast.

- a. Please provide copies of the actual Pillar input sheets,
- b. Explain the process employed to populate the labor inputs by activity.
- c. Provide copies of all supporting documentation and calculations underlying the labor input hours by activity for each RA and labor class.

CA-IR-349

Ref: HELCO-WP-705; Bad Debt Analysis.

Please update the analysis for all available information for 2006 year-to-date and explain in greater detail the adjustments listed at the bottom of page 1 of 14 of the analysis.

CA-IR-350

Ref: HELCO Response to CA-IR-2 (T-7), Attachment A; Direct Non-labor Support.

Please provide comparable non-labor actual expenses by NARUC Account, RA, Activity, Location and Expense Element for calendar 2004, calendar 2005 and year-to-date 2006, as available.

Witness T-8 Mr. Curtis Beck.

CA-IR-351

Ref: T-8, page 7; HELCO Participation In Low Income Housing Projects.

According to Mr. Beck, "HELCO has been participating with the County of Hawaii and others on the Waikoloa Employee Housing project in Waikoloa Village in West Hawaii, and asses this development as one of the first opportunities to assist affordable housing projects under this new program." Please provide the following information:

- a. Explain the plans and current status of activities with respect to the Waikoloa Employee Housing project.
- b. Identify what HELCO has been doing with regard to its "participation" to date, indicating the employees involved and activities undertaken.
- c. Provide a monthly breakdown of expenditures to-date, by RA, activity and expense element, with an explanation of each individually significant cost incurred.

- d. Identify the individuals and organizations referenced as “others” in the quoted testimony and explain the roles each is expected to play.
- e. State whether HELCO has been expensing the affordable housing costs incurred to-date and when/how such costs are to be segregated for cost recovery through the REEPAH process.

CA-IR-352

Ref: T-8, page 8; HELCO Participation In Solar Water Heating Financing.

According to Mr. Beck, “HELCO could also facilitate homebuyers’ purchases of renewable solar technologies by working with local credit unions and banks to buy down the cost of solar water heating systems, and/or the interest rate on the loans. The buy-down under this program would be in addition to state and federal tax credits, and utility DSM co-payments that are already available to homeowners.” Please provide the following information:

- a. Explain HELCO’s specific plans and terms for the buy down of solar water heating costs and/or financing rates.
- b. Provide projections of anticipated monthly volumes of transactions and HELCO costs under the planned buy down arrangements.

- c. Explain why/if the existing DSM co-payments are believed to be insufficient without additional buy-down subsidies to adequately stimulate solar water heating installations.
- d. What are the current state and federal tax credit levels and why are they, when combined with existing DSM co-payments insufficient, without additional buy-down subsidies, to adequately stimulate solar water heating installations.
- e. Explain HELCO's planned accounting for the costs associated with this element of the REEEPAAH.

CA-IR-353

Ref: T-8, pages 8 and 9; HELCO Participation in PV Systems.

According to Mr. Beck, "HELCO would help affordable housing developers identify potential sites for small (less than 10 KW) photovoltaic ("PV") systems on commercial buildings such as community centers. A portion of the fund could be used to pay for a portion of the purchase and installation cost of the PV controls and array. The community center would then be eligible for HELCO's net energy metering tariff." Please provide the following information:

- a. What is HELCO's best estimate of the number of new "potential sites" for small PV systems on commercial

buildings that might be addressed by this element of the REEEPAAH?

- b. Identify what HELCO has been doing with regard to its help provided to affordable housing developers to-date, indicating the employees involved and activities undertaken.
- c. State with specificity the PV purchase and installation cost subsidy amounts, rules and other terms and conditions that are proposed by HELCO.
- d. Using the information from the response to parts (a) and (c) of this information request, please provide projections of the anticipated monthly volumes of transactions and HELCO costs under the planned PV subsidization arrangements.
- e. Explain whether HELCO is proposing any changes to its net energy metering tariff or how its personnel explain and promote the use of the net energy metering tariff as part of REEEPAAH.
- f. At page 9, line 8, Mr. Beck states that, "The customer assistance program would provide qualifying participants with a net metering audit at no cost to the customer." Please explain how these audits would be performed and provide the estimated contractor or HELCO estimated labor costs that are to be incurred in future years to perform such audits (as available).

CA-IR-354

Ref: T-8, page 10; HELCO Involvement with CHP.

At page 10 of his testimony, Mr. Beck refers to, "combined heat and power activities." Please provide the following information:

- a. What is the history and status of CHP installations within HELCO's service territory and how have such installations impacted test year KWH sales and demand levels?
- b. Please itemize and describe the costs "from account 921" and explain why a reclassification is required.
- c. Provide a breakdown of the test year projected expenses and rate base impacts, if any, associated with HELCO's involvement in CHP projects.

CA-IR-355

Ref: T-8, page 12; Account 910 Labor Expense Increases.

At page 12 of his testimony, Mr. Beck explains the growth in proposed test year account 910 labor, stating, "a new Commercial Account Manager position was added." Please provide the following information:

- a. State the starting date of the new employee in this position.
- b. Confirm that an adjustment was made for this position, as more fully explained at T-8 page 28 to remove ½ of the annual labor costs because the position was not filled until mid-year.

- c. Explain why the costs for this position were not annualized by HELCO, as if the position had been filled throughout the test year.

CA-IR-356

Ref: HELCO-805 and T-8, page 12; Account 910 Labor Expense Increases.

At page 12 of his testimony, Mr. Beck explains the growth in proposed test year account 910 labor over 2005 actual labor expenses, stating, "The Energy Services Analyst position became vacant in March 2005 and was filled in November 2005 and the Administrative Aide position became vacant in July 2006 and was filled in October 2006." Please provide the following information:

- a. Explain how the Administrative Aide position could have been filled in October 2006 when this is only the first full week of September 2006.
- b. State whether the test year labor expense forecast assumed that any vacancies will occur in the normal course of business (other than the \$33,000 downward adjustment for delayed filling of the new position).
- c. Please expand HELCO-805 to include quarterly actual headcount data indicating the filled positions for the RA=EA, EB and ES authorized positions in each year 2000 through June 30, 2006.

- d. Explain how HELCO and its customers are impacted by vacancies within the customer service RAs and provide examples of work that was not completed because of the vacancies noted in the response to part (b) of this information request.

CA-IR-357

Ref: HELCO-WP-801, page 14; Customer Service Non-labor Expense Adjustments.

Please explain the approach taken to evaluate customer service project plans and to develop the proposed adjustments. In addition, please provide the following information:

- a. Provide a descriptive listing of all of the assumptions and calculations involved in developing the initial forecasted amounts shown on this workpaper.
- b. Provide a more detailed description of each of the listed "Proposed Projects-2006" that are requested for test year inclusion by HELCO after the recommended forecast adjustments.
- c. Provide a year-to-date 2006 breakdown of the monthly actual expenditures for each of the projects listed in the workpaper and in response to part (b) of this information request, indicating the reasons for any significant departures from the planned activities.

CA-IR-358

Ref: T-8, page 14; Customer Service Seminars, Surveys, and Meetings.

At page 14 of his testimony, Mr. Beck refers to, "Periodic seminars, surveys and focus group meetings [that] are organized and presented to customers." Please provide a descriptive listing of such activities that occurred in 2005 and 2006, to-date.

CA-IR-359

Ref: T-8, page 17; IRP Expenses.

At page 17 of his testimony, Mr. Beck states, "This adjustment recognizes that expenses for IRP vary from year-to-year. Although in 2006 HELCO anticipates higher than normal IRP expenses, the 2006 budget as reduced by \$117,000 is representative of the average expenses over the past five years. It also corresponds to the PUC approved amount of \$450,000 in HELCO's last rate case..." Please respond to the following:

- a. Provide reference into the workpapers that calculate the amount by which, "in 2006 HELCO anticipates higher than normal IRP expenses."
- b. Explain whether only non-labor expenses are treated as "IRP expenses" by the Company.
- c. Is HELCO-WP-801, page 8 what is relied upon to conclude that the \$450,000 after adjustment is "representative of the average expenses over the past five years?" If not, please

provide additional calculations and documents (or workpaper references) associated with the response.

- d. Explain whether any deferral/amortization accounting is proposed or practiced by HELCO with respect to the labor or non-labor IRP expenses.
- e. Explain how/if IRP expenses included in base rates are isolated on HELCO books to avoid duplicate recovery through IRP/DSM tariff tracking mechanisms.

CA-IR-360

Ref: T-8, page 23 and HELCO-WP-803, pages 47-52; DSM Expenses.

At page 23 of his testimony, Mr. Beck states, "Through its DSM programs, HELCO makes available financial incentives to both commercial and residential customers, in both existing and new facilities, to assist customers to utilize energy-efficient equipment. HELCO has sponsored energy efficiency workshops and seminars in the past, and provides customized consultation to customers that facilitate the development and implementation of energy conservation measures (ECM's) at customer sites. In addition, HELCO has many educational programs for its residential customers on energy conservation, energy efficiency and electrical safety." Please respond to the following:

- a. List and describe each form of "financial incentives to both commercial and residential customers" that HELCO has

made or plans to make available in 2006, indicating which are treated as DSM incremental expenses versus base rate recoverable non-DSM expenses.

- b. List and describe each form of “energy efficiency workshops and seminars” that HELCO has made or plans to make available in 2006 (by annotation to the WP-803 narrative if appropriate), indicating which are treated as DSM incremental expenses versus base rate recoverable non-DSM expenses.
- c. List and describe each type of recurring “customized consultation to customers” that HELCO has made or plans to make available in 2006 (by annotation to the WP-803 narrative if appropriate), indicating which are treated as DSM incremental expenses versus base rate recoverable non-DSM expenses.
- d. List and describe each form of “educational program for its residential customers on energy conservation, energy efficiency and electrical safety” that HELCO has made or plans to make available in 2006 (by annotation to the WP-803 narrative if appropriate), indicating which are treated as DSM incremental expenses versus base rate recoverable non-DSM expenses.

Witness T-9, Mr. Paul Fujioka

CA-IR-361

Ref: HELCO-WP-918 & Response to CA-IR-116 (Standard Labor Rates).

Pages 2-7 of the response to CA-IR-116 contain actual 2004 hours and payroll dollars, by labor class, supporting HELCO-WP-918. Using the BUOC labor class for illustration purposes, please provide the following:

- a. Please confirm that the hours (75,038) and dollars (\$1,701,123) identified as “regular earnings” (Tran_Code 001) include both productive straight time and non-productive (vacation, sick leave, jury duty, etc.) time.
- b. If this cannot be confirmed, please provide a detailed explanation of the pay types included in “regular earnings.”
- c. If the response to part (a) above confirms that “regular earnings” include non-productive time, please explain why the entire 75,038 “regular” hours were included in the “prod hrs” column.
- d. If the response to part (a) above indicates that “regular earnings” do not include non-productive time, please identify each “Tran_Code” that does include non-productive pay and hours.

CA-IR-362

Ref: HELCO-WP-918 & Response to CA-IR-116 (Standard Labor Rates).

Pages 2-7 of the response to CA-IR-116 contain actual 2004 hours and payroll dollars, by labor class, supporting HELCO-WP-918. Using the BUOC labor class for illustration purposes, please explain and describe the nature and purpose of each of the following pay types:

- a. Penalty (Tran_Code 021 & 023).
- b. C/O Meal Time Penalty (Tran_Code 024 & 025).
- c. Meals (Tran_Code 121).
- d. Shift (Tran_Code 202 - 206).
- e. Shift OT (Tran_Code 212 - 216).
- f. Shift DT (Tran_Code 222 - 226).
- g. Shift .5X (Tran_Code 232 - 236).

CA-IR-363

Ref: HELCO-WP-918 & Response to CA-IR-116 (Standard Labor Rates).

Pages 2-7 of the response to CA-IR-116 contain actual 2004 hours and payroll dollars, by labor class, supporting HELCO-WP-918. Using the BUOC labor class for illustration purposes, the total pay (\$1,913,238) and hours (99,305) includes regular earnings, overtime pay, penalty, shift, etc., including the Tran_Codes referenced in the immediately preceding informational request. Please provide the following:

- a. Why does the "OT adj \$" column include Penalty (Tran_Code 021 & 023), C/O Meal Time Pen (Tran_Code 024 & 025), and Meals (Tran_Code 121), but the related hours were excluded from both the "OT adj hrs" and the "prod hrs" columns? Please explain.
- b. Why are the Shift (Tran_Code 202 - 206) hours excluded from the "prod hrs" column? Please explain.
- c. Why does the "OT adj \$" column include Shift OT (Tran_Code 212 - 216), but the related hours are excluded from both the "OT adj hrs" and the "prod hrs" columns? Please explain.
- d. Why does the "OT adj \$" column include Shift DT (Tran_Code 222 - 226), but the related hours are excluded from both the "OT adj hrs" and the "prod hrs" columns? Please explain.
- e. Why does the "OT adj \$" column include Shift .5X (Tran_Code 232 - 236), but the related hours are excluded from both the "OT adj hrs" and the "prod hrs" columns? Please explain.

Witness T-11 Ms. Rhea Nakaya.

CA-IR-364

Ref: HELCO T-11 & HELCO T-5 Response to CA-IR-2 (Administration Department).

Page 4 of Attachment 1 to the response of HELCO T-5 to CA-IR-2 identified \$38,504 of non-project direct non-labor costs for RA HN0 charged to production operations as being sponsored by HELCO T-11. However, support for this amount could not be readily determined from a review of the testimony, exhibits and workpapers sponsored by HELCO T-14. Please provide the following:

- a. Please identify and describe the components of the \$38,504 of non-project direct non-labor costs for RA HN0.
- b. Please provide a pinpoint reference to the portions of the testimony, exhibits and workpapers sponsored by HELCO T-11 that support the \$38,504.
- c. Please provide a copy of any documents or workpapers supporting the quantification of this amount

CA-IR-365

Ref: HELCO T-11 & HELCO T-5 Response to CA-IR-2 (Administration Department).

CA-IR-2 specifically requested additional forecast documentation for non-labor expense. Based on a review of the responses to CA-IR-2, it does not appear that HELCO T-11 provided any

additional information supportive of the non-labor expense forecast for the Administration Department. Please provide the following:

- a. Does the 2006 test year forecast include any non-labor expense prepared or sponsored by the Administration Department? Please explain.
- b. Did HELCO T-11 compile and provide information responsive to CA-IR-2?
 1. If so, please provide a copy to the Consumer Advocate and Utilitech.
 2. If not, does HELCO T-11 not sponsor any Administration Department non-labor expenses for inclusion in the 2006 test year forecast? Please explain.

CA-IR-366

Ref: HELCO Response to CA-IR-154 (Contact Services).

CA-IR-154(d) sought the amount of contract services charged to O&M expense in 2005 (actual) and the amount included in HELCO's 2006 test year forecast, by Department. Except for the Production and Distribution Departments, the response to CA-IR-154 provided the requested information. For Production and Distribution, the response referred to various other source documents, including numerous testimony pages for HELCO T-6,

HECO-612 and the response to CA-IR-97 (Distribution only).

Please provide the following:

- a. With regard to the Production department and HELCO-544, please confirm that the 2005 actual contract services charged to O&M expense was \$5,745,000 and that the comparable amount included in the test year forecast is \$5,208,000. If this cannot be confirmed, please explain.
- b. With regard to the Distribution department, HELCO-612 identifies the amount of contract vegetation services charged to expense in 2005 of \$1,540,180 as compared to \$1,468,152 in the test year forecast. In contrast, page 3 of the response to CA-IR-97 appears to indicate that only \$143,985 of non-billable contract services were charged to O&M expense in 2005. Please provide the following:
 1. Please explain and reconcile these amounts.
 2. Please confirm that neither of these data sources reflect all contractor services incurred by the Distribution department and charged to O&M expense. If this cannot be confirmed, please explain.
- c. Please confirm that none of the referenced testimony pages or discovery responses summarize or recap the total amount of Distribution contract services charged to O&M expense in

2005 (actual) and included in HELCO 2006 test year forecast.

1. If confirmed, please provide the amount included in O&M expense in 2005 (actual) and the amount included in HELCO's 2006 test year forecast, as originally requested.
2. If this cannot be confirmed, please provide the requested amounts along with a pinpoint reference to the specific documents containing such information.

Witness T-14, Mr. Clyde Nagata.

CA-IR-367

Ref: HELCO T-14, p. 7, & HELCO-WP-1401 (Keahole Plant Additions).

Lines 14-15 of HELCO T-14 indicate that there are completed construction projects included in the 2006 test year forecast related to the Keahole power plant, which are discussed by HELCO T-15.

Please provide the following:

- a. Referring to HELCO-WP-1401, please provide a descriptive listing of each project related to the Keahole power plant which the Company's original filing expected to be closed to plant in service during the 2006 forecast test year.
- b. Referring to the projects identified in response to part (a) above, please identify any updates or revisions to the project completion date or completed cost estimate.

- c. Referring to the projects identified in response to part (a) above, please provide a pinpoint reference to that portion of the testimony, exhibits or workpapers of HELCO T-15 that discusses the purpose, or sponsors the estimated cost of each Keahole project. If none, please so state.

CA-IR-368

Ref: HELCO T-14 & HELCO T-5 Response to CA-IR-2 (Engineering Department).

Page 4 of Attachment 1 to the response of HELCO T-5 to CA-IR-2 identified \$117,800 of non-project direct non-labor costs for RA HW0 charged to production maintenance as being sponsored by HELCO T-14. However, support for this amount could not be readily determined from a review of the testimony, exhibits and workpapers sponsored by HELCO T-14. Please provide the following:

- a. Please identify and describe the components of the \$117,800 of non-project direct non-labor costs for RA HW0.
- b. Please provide a pinpoint reference to the portions of the testimony, exhibits and workpapers sponsored by HELCO T-14 that support the \$117,800.
- c. Please provide a copy of any documents or workpapers supporting the quantification of this amount.

CA-IR-369

Ref: HELCO T-14 & HELCO T-5 Response to CA-IR-2 (Engineering Department).

CA-IR-2 specifically requested additional forecast documentation for non-labor expense. Based on a review of the responses to CA-IR-2, it does not appear that HELCO T-14 provided any additional information supportive of the non-labor expense forecast for the Engineering Department. Please provide the following:

- a. Does the 2006 test year forecast include any non-labor expense prepared or sponsored by the Engineering Department? Please explain.
- b. Did HELCO T-14 compile and provide information responsive to CA-IR-2?
 1. If so, please provide a copy of such information to the Consumer Advocate and Utilitech.
 2. If not, does HELCO T-14 not sponsor any Engineering Department non-labor expenses for inclusion in the 2006 test year forecast? Please explain.

CA-IR-370

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates,

cancellations or construction cost). Please explain and define the following terms as used to describe the project status:

- a. On-going.
- b. On-schedule.
- c. Complete.
- d. Delayed.
- e. Cancelled.
- f. Closed to fund higher priority.
- g. Transferred to O&M.
- h. Transferred to another project.

CA-IR-371

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates, cancellations or construction cost). Please clarify the status of the following projects:

- a. H0000933 – Kukuihaele Regulators: The project status is listed as being “complete” with a plant addition date of 4/13/05.
 - 1. Was this project actually completed and placed in service in April 2005 or is the date in error? Please explain.

2. If the project was completed in 2005, was the project closed to plant in service in 2005 and included in the beginning balance for rate base purposes? Please explain.
- b. H0000730 – Hawaiian Paradise Park Supy: The project status is listed as being “complete” with a plant addition date of 12/28/05.
1. Was this project actually completed and placed in service in December 2005 or is the date in error? Please explain.
 2. If the project was completed in 2005, was the project closed to plant in service in 2005 and included in the beginning balance for rate base purposes? Please explain.
- c. H0001273 – Keahole SS Mobile Base: The project status is listed as being “closed to fund higher priority.”
1. Were any costs incurred on the project prior to closing?
 2. If so, please explain HELCO’s accounting for said costs.

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates, cancellations or construction cost). Several projects were identified as being "on-schedule" and HELCO-WP-1401 showed additions to the test year plant in service, but the revised completion dates now indicate that the projects will not be completed until after the 2006 forecast test year. Please clarify and explain whether each the following projects are expected to be completed subsequent to 2006 such that the amount recognized as a plant addition in HELCO's original forecast should be removed from the 2006 rate case forecast:

- a. DHEINZ01 – Hill 5 Sootblower. 11/07 completion. \$50,000 should be removed as a 2006 plant addition.
- b. H0000650 – Kukio 69KV UG Conversion. 12/10 completion. \$120,956 should be removed as a 2006 plant addition.
- c. (no project number) – Apollo 69KV line Drops. 3/07 completion. \$82,000 should be removed as a 2006 plant addition.
- d. H0001203 – Apollo Kamaoa Substation. 3/07 completion. \$124,970 should be removed as a 2006 plant addition.
- e. H0001204 – Apollo Kamaoa to PT MW. 2/07 completion. \$233,659 should be removed as a 2006 plant addition.

- f. H0001205 – Apollo SCADA at Kamaoa. 2/07 completion.
\$62,484 should be removed as a 2006 plant addition.

CA-IR-373

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates, cancellations or construction cost). The update described several projects as “transferred to O&M” while original HELCO-WP-1401 showed additions to test year plant in service for these same projects. Please provide the following:

- a. Please clarify and explain whether the cost of each of the following projects were included in O&M expense in the Company’s original filing or whether HELCO is now proposing to revise its O&M forecast to include the cost of such projects in O&M expense:
1. H0000509 – CT2 Carbo Blast Modification.
 2. H0001158 – CT-1 Low Smoke Fuel Nozzles.
 3. H0001388 – Keahole Water Treatment HMI Replacement.
 4. H0001387 – Hill 6 Hydrogen Dryer and Control Panel.
 5. H0001392 – Hill 6 Blr VFD Upgrades

b. Please explain the basis for HELCO's determination that each of the following projects no longer qualifies as a capital project:

1. H0000509 – CT2 Carbo Blast Modification.
2. H0001158 – CT-1 Low Smoke Fuel Nozzles.
3. H0001388 – Keahole Water Treatment HMI Replacement.
4. H0001387 – Hill 6 Hydrogen Dryer and Control Panel.
5. H0001392 – Hill 6 Blr VFD Upgrades.

c. Please explain the basis for HELCO's determination that each of the following projects no longer qualifies as a capital project:

1. H0000509 – CT2 Carbo Blast Modification.
2. H0001158 – CT-1 Low Smoke Fuel Nozzles.
3. H0001388 – Keahole Water Treatment HMI Replacement.
4. H0001387 – Hill 6 Hydrogen Dryer and Control Panel.
5. H0001392 – Hill 6 Blr VFD Upgrades.

CA-IR-374

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates, cancellations or construction cost). The change in cost estimate for

several projects was identified on Attachment 2 as “higher customer demand.” Please provide the following:

- a. Please explain and describe the reference to “higher customer demand.”
- b. Referring to part (a) above, the context of the reference to “higher customer demand” is unclear. Please clarify whether this reference is relative to the Company’s original 2006 forecast of test year customer growth or some other forecast measure of customer demand.

CA-IR-375

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates, cancellations or construction cost). The change in cost estimate for several projects was identified on Attachment 2 as “higher customer demand.” Please provide the following:

- a. Please provide copies of additional documentation supporting the quantification (i.e., including customer counts or other quantities and unit cost rates) of the original and revised plant additions for each of the following projects:
 1. H1001000 – Purchase New KWH Meters. Original Addition: \$467,713. Revised Addition: \$614,826.

2. H1002000 – Purch TSF and Related EQ. Original Addition: \$2,459,527. Revised Addition: \$4,787,280.
- b. Attachment 2 does not identify any changes in plant additions for other related plant categories, such as poles or services, to meet “higher customer demand.” Does HELCO anticipate forecast increases to other projects in order to meet “higher customer demand?”
1. If so, please identify the projected change in additions for each project and provide documentation supporting the quantification (i.e., including customer counts or other quantities and unit cost rates) of the original and revised plant additions for each identified project.
 2. If not, please explain the proposed increase in plant additions for meters and transformers without similar increases in poles or services.

CA-IR-376

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The “notes” on page 2 of Attachment 2 identify three projects (H0011000, H3521000 & H0007000) stating: “These accounts are not included in the list above since their budgets are reduced as specific projects are created.” According to HELCO-WP-1401, the Company’s original forecast plant additions for each of these

projects were \$1,907,232, \$703,277 and \$1,337,973, respectively.

Please provide the following:

- a. Please confirm that the above quote simply recognizes that the additions forecast for these blanket projects will be reduced when and if new customer-specific projects are created. If this cannot be confirmed, please explain.
- b. Referring to Attachment 2, do any of the changes in plant additions for the listed projects represent transfers from the three blanket projects? Please explain.

CA-IR-377

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates, cancellations or construction cost). Project H0000803, RPL PRI Kealoala Rd, has been advanced from completion in December 2007 to December 2006, with the following description: "The project was on-hold due to high demand for tree trimming. Tree trimming has now been completed and the project is scheduled to be completed in 2006." Please provide the following:

- a. Please identify the specific tree trimming that has been completed.
- b. When was this tree trimming completed?

- c. Was the tree trimming performed by HELCO employees or outside contractors? Please explain.
- d. With the completion of this tree trimming and the proposed increase to plant additions for the reference project, does HELCO propose to reduce the amount of tree trimming costs included in the 2006 O&M expense forecast? Please explain.

CA-IR-378

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

The response to CA-IR-180 revises certain capital projects to recognize updated project status (i.e., completion dates, cancellations or construction cost). Please provide the following:

- a. Does HELCO plan on revising the test year rate base forecast to include the revisions set forth on Attachment 2 in the determination of overall revenue requirement? Please explain.
- b. Attachment 2 is limited to those projects with plant addition changes exceeding \$100,000. Has the Company reviewed and revised the estimate of plant additions for all the remaining projects, i.e., those less than \$100,000? If so, please provide information for those projects, for which information is readily available, in a format similar to Attachment 2.

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 1-6 of Attachment 1 represent the PIA for Project H0000442, Palani Substation. Please provide the following:

- a. The "resource needs" section (Attachment 1, page 3) refers to the need for Engineering to bid out the construction work. Please provide the following:
 1. Was the \$1,330,000 project forecast based on a competitive bid? Please explain.
 2. Please provide a copy of the summary documentation provided by the successful bidder.
- b. The "strategic plan linkage" and the "primary corporate goal" (Attachment 1, page 1) indicate that the project will increase electric sales and generate new revenue. The "justification" section (Attachment 1, page 3) indicates that the substation is required to serve new loads in the Makalapua commercial development. Please provide the following:
 1. Has HELCO prepared any estimates or forecasts of the new annual revenues (dollars and kWh) expected to be realized from the development? If so, please provide such estimates for 2006 and 2007.

2. Please provide the amount of revenues (dollars and kWh), if any, associated with the new development that have been included in the 2006 test year rate case forecast. If none, please explain.
- c. The "justification" section (Attachment 1, page 3) also indicates that HELCO will receive payment of 10% from the developer for engineering work. Please provide the following:
1. Did HELCO actually collect the 10% from the developer? Please explain.
 2. Is the \$1,332,262 for the 2006 plant addition gross or net of the 10% to be paid by the developer?
 3. Please explain HELCO's accounting for the developer payment and how such amount was reflected in the test year forecast.
- d. The "contributions" section (Attachment 1, page 5) identifies a cash advance of \$1,259,562 (including GET) and indicates that the cash advance will be provided by the developer. Please provide the following:
1. Please provide the amount of the cash advance HELCO collected from the developer. If none, please explain.
 2. How did HELCO account for this cash advance?

3. Please explain whether and under what terms the cash advance is fully or partially refundable to the developer.
4. Is the cash advance reflected in the test year forecast? If so, how?

CA-IR-380

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 7-12 of Attachment 1 represent the PIA for Project H0000449, Waikoloa Pump Sub. Please provide the following:

- a. The "scope description" section (Attachment 1, page 7) indicates that the project is to install a permanent substation to replace a temporary substation. Please provide the following:
 1. Upon completion of the permanent substation, please confirm that the cost of the temporary substation will be retired. If this cannot be confirmed, please explain.
 2. Please provide the original cost of the temporary substation.

3. Does the 2006 test year rate case forecast reflect the retirement of the original cost of the temporary substation? If so, how? If not, why not?
- b. The "contributions" section (Attachment 1, page 11) identifies an "other type of payment (cash, non-cash) by outside party" in the amount of \$100,000 (including GET) with reference to a perpetual substation lot easement for HELCO. Please provide the following:
1. Please explain the nature of the \$100,000 amount and the easement reference.
 2. Did HELCO receive or pay the \$100,000?
 3. Does the 2006 test year rate case forecast reflect the \$100,000? If so, how? If not, why not?

CA-IR-381

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 13-17 of Attachment 1 represent the PIA for Project H0000520, Hill Plant Demineralizer. The "justification" section (Attachment 1, page 15) states that the demineralizer will be both efficient and cost effective, as it will replace evaporators that have become a high maintenance item and will also reduce the need to

truck-in water to satisfy make-up requirements at Hill. Please provide the following

- a. Please provide the estimated amount of the annual maintenance costs that will be avoidable following installation of the demineralizer.
- b. Please provide the estimated amount of annual trucking and water supply costs that will be avoidable following installation of the demineralizer.
- c. Referring to parts (a) and (b) above, does the 2006 test year rate case forecast reflect the reductions in O&M expense? If so, how? If not, why not?

Witness T-15, Mr. Kenneth Fong.

CA-IR-382

Ref: HELCO-1501 & CA-IR-190 (Keahole CT-4/CT-5).

Page 6 of the response to CA-IR-190 provides monthly capital expenditures and AFUDC for Keahole CT-4 through December 1998. In August 1997, the amount of capital expenditures is "negative." Please provide the following:

- a. Please explain why the amount of capital expenditures is negative for the month of August 1997.
- b. Referring to part (a) above, please provide the amount of any identified transfer to CT-5 or other correcting entries.

- c. If not separately supplied in response to part (b) above, please provide the amount of capital expenditures that would have been charged to CT-4 but for the identified transfer or correction.

CA-IR-383

Ref: HELCO-1501 & CA-IR-190 (Keahole CT-4/CT-5).

Page 7 of the response to CA-IR-190 provides monthly capital expenditures and AFUDC for Keahole CT-5 through December 1998. In August 1998, the amounts for capital expenditures and AFUDC are both "negative." Please provide the following:

- a. Please explain why capital expenditures and AFUDC are both negative for the month of August 1998.
- b. Referring to part (a) above, please provide the amount of any identified transfer to CT-4 or other correcting entries.
- c. If not separately supplied in response to part (b) above, please provide the amounts of capital expenditures and AFUDC that would have been charged to CT-5 but for the identified transfer or correction.

CA-IR-384

Ref: HELCO-1501 & CA-IR-190 (Keahole CT-4/CT-5).

Pages 2-3 of the response to CA-IR-190 provide the cumulative balance of Keahole CT-4, CT-5 and three categories of common

facilities (shop/warehouse, fire protection and waste water) by month for the period November 1998 through December 2004. Between November and December 2001, the cumulative balance for CT-4 decreased by about \$2.2 million. while the balance for CT-5 increased by about \$8 million. Please provide the following:

- a. Please identify, describe and quantify the primary factors contributing to the \$2.2 million decrease in the cumulative balance of CT-4.
- b. Please identify, describe and quantify the primary factors contributing to the \$8 million increase in the cumulative balance of CT-5.

CA-IR-385

Ref: HELCO-1501, pp. 4-5 (Keahole CT-4/CT-5).

Referring to the bottom of page 4, HELCO-1501 provides 11 reasons that the completed cost of CT-4 and CT-5 was two times the original cost estimate. Item 2 indicates that HELCO was unable to complete these units until 2004 "due to the extraordinary delays encountered in simultaneously obtaining the land use and air permits required to construct the combustion turbines." Please provide the following:

- a. Please explain why the word "simultaneously" was underlined in this passage.

- b. By underlining the word "simultaneously," was the statement intended to imply that extraordinary delays could, or may, have been avoided had HELCO not attempted to simultaneously obtain the land use and air permits? Please explain.
- c. Were there any actions or approaches that HELCO believes could have reasonably been undertaken in order to avoid the extraordinary delays in obtaining the land use and air permits?
1. If the response to part (c) above is affirmative, please identify and describe each such action or approach.
 2. When did HELCO first become aware of the alternative actions or approaches identified in part (c)(1) above? Please explain.
- d. Prior to Keahole CT-4 and CT-5, had HELCO ever attempted to simultaneously obtain the land and use permits required for the construction of any other generating unit addition?
1. If the response to part (d) is affirmative, please identify each such generating addition.
 2. If the response to part (d) is negative, please identify and describe each similar effort undertaken by HECO or MECO. If none, please so state.

- e. Please identify and describe the factors that HELCO believed could have positively contributed to successfully and timely obtaining "simultaneous" approvals of the land and air use permits for Keahole CT-4 and CT-5.

CA-IR-386

Ref: HELCO-1501, p. 5, & HELCO-1503 (Keahole CT-4/CT-5).

Referring to the bottom of page 5, Item 5 (i.e., of the 11 reasons that the completed cost of CT-4 and CT-5 was two times the original cost estimate) identifies substantial costs to obtain the land use approval and air permit. The additional costs include \$740,000 for the land use permit, \$1.05 million for the air permit, and \$6.7 million for project legal costs. Please provide the following:

- a. Did HELCO track the costs of the land use permit, air permit and project legal costs on a monthly basis? If not, please explain why not and how such costs can be separately identified at this time.
- b. Referring to part (a) above, please provide the monthly expenditures for each of these project cost categories (i.e., land use, air permit and legal costs).
- c. Please provide a breakdown of \$6.7 million of project legal costs by law firm and generally describe the services provided by each firm.

Witness T-20 Mr. Peter Young

CA-IR-387

Ref: HELCO Response to CA-IR-223, page 7 and pages 28-46, Customer Costs.

The summary of "Relative Customer Costs by Phase" contains comparable cost data for transformers, service drops and meters. Please explain how these values were estimated and indicate whether any of the amounts stated are other than HELCO 2006 amounts.

CA-IR-388

Ref: HELCO Response to CA-IR-223, pages 9-16 and 19-26, Accounting Data for Functionalizations.

These pages summarize the Company's functionalization of various accounting inputs, apparently based upon recorded information. Please confirm that test year actual data, after all ratemaking adjustments, was used or provide explanations for exceptions to the use of test year adjusted amounts, with references into HELCO Exhibits/Workpapers for the input values used on these pages.

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

FOURTH SUBMISSION OF INFORMATION REQUESTS

INSTRUCTIONS

In order to expedite and facilitate the Consumer Advocate's review and analysis in the above matter, the following is requested:

1. For each response, the Company should identify the person who is responsible for preparing the response as well as the witness who will be responsible for sponsoring the response should there be an evidentiary hearing;
2. Unless otherwise specifically requested, for applicable schedules or workpapers, the Company should provide hard copies of each schedule or workpaper together with one copy of each such schedule or workpaper on electronic media in a mutually agreeable format (e.g., Excel and Quattro Pro, to name two examples); and
3. When an information request makes reference to specific documentation used by the Company to support its response, it is not intended that the response be limited to just the specific document referenced in the request. The response should include any non-privileged memoranda, internal or external studies, assumptions, Company instructions, or any other relevant authoritative source which the Company used.
4. Should the Company claim that any information is not discoverable for any reason:
 - a. State all claimed privileges and objections to disclosure;

- b. State all facts and reasons supporting each claimed privilege and objection;
- c. State under what conditions the Company is willing to permit disclosure to the Consumer Advocate (e.g., protective agreement, review at business offices, etc.); and
- d. If the Company claims that a written document or electronic file is not discoverable, besides complying with subparagraphs 4(a-c), identify each document or electronic file, or portions thereof, that the Company claims are privileged or will not be disclosed, including the title or subject matter, the date, the author(s) and the addressee(s).

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

FOURTH SUBMISSION OF INFORMATION REQUESTS

Witness T-2 Mr. Beck.

CA-IR-389

Ref: HELCO-206 vs. Monthly PUC Reports; Customer Forecast.

At HELCO-206, the test year forecasted number of Schedule R Residential customers was 61,373, while at June of 2006 HELCO reported an actual number of customers of 61,454 (plus another 458 employees on Schedule E). Please provide the following information:

- a. Explain any issues with respect to the validity of comparing these two values, since the HELCO-206 value is an average for the entire year 2006, while as of June (the mid-point of 2006) actual customer counts appear to be above the forecast.
- b. State all reasons why/if HELCO objects to an upward adjustment of the residential customer count and sales volumes to recognize the favorable actual versus forecast variance as of June 2006 or at some later date.

CA-IR-390

Ref: HELCO-206 vs. Monthly PUC Reports; Customer Forecast.

At HELCO-206, the test year forecasted number of Schedule G/J Commercial customers was 12,348, while at June of 2006 HELCO reported an actual number of customers of 12,723. Please provide the following information:

- a. Explain any issues with respect to the validity of comparing these two values, since the HELCO-206 value is an average for the entire year 2006, while the June (the mid-point of 2006) actual customer counts appear to be significantly above the forecast.
- b. State all reasons why/if HELCO objects to an upward adjustment of the commercial customer count and sales volumes to recognize the favorable actual versus forecast variance as of June 2006 or at some later date.

CA-IR-391

Ref: HELCO-206 vs. Monthly PUC Reports; Customer Forecast.

At HELCO-206, the test year forecasted number of Schedule P Large Power customers was 61, while at June of 2006 HELCO reported an actual number of customers of 64. Please provide the following information:

- a. Explain any issues with respect to the validity of comparing these two values, since the HELCO-206 value is an average

for the entire year 2006, while the June (the mid-point of 2006) actual customer counts appear to be significantly above the forecast.

- b. State all reasons why/if HELCO objects to an upward adjustment of large power customer count and sales volumes to recognize the favorable actual versus forecast variance as of June 2006 or at some later date.
- c. Provide monthly actual KWH sales volumes for each Schedule P customer for January through August 2006 and compare such values to the 238.1 GWH forecasted sales (by customer as available) in HELCO-201, page 2.
- d. Given your response to parts (b) and (c) of this information request, please explain whether any further adjustment to test year Schedule P sales volumes is appropriate and provide calculations to support any such adjustment(s).

CA-IR-392

Ref: HELCO Response to CA-IR-248a; Updated Sales Levels.

In its response, HELCO states, "HELCO believes that the sales forecast provided in its written testimony HELCO T-2 should be utilized in this Docket, until actual 2006 sales data are available."

Please respond to the following:

- a. State whether HELCO intends to update all forecasted sales data to replace the forecasted data in HELCO-201 and HELCO-207 with corresponding actual 2006 amounts.
- b. Explain the timing and process through which any planned updating of forecasted GWH sales, numbers of customers, and Electric Sales Revenues on HELCO-301 would be calculated and made available to the Consumer Advocate for analysis and responsive testimony (include dates of each planned activity).
- c. Provide in hard copy and Excel magnetic media all available information and calculations regarding the estimated impact upon HELCO's prefiled revenue requirement of all anticipated revisions or updates to test year sales volumes and customer levels.

Witness T-4 Lisa Giang.

CA-IR-393

Ref: WP-404, Page 7, Station Summary.

- a. Please explain why the capacities of the following generating units are different between WP-404 and Exhibit 502. Please refer to the attached table HELCO Generating Unit Capacity Comparison that shows the capacity of all the HELCO generating units, purchased power, hydro and wind resources from witnesses Lisa Giang, T-4 (WP-404, Page 7)

and Dan Giovanni, T-5 (HELCO 502, Age of Generating Units, Page 1).

Unit Name	WP 404	HELCO 502
	Net Dependable Capacity (MW)	Net Capacity
Shipman 3	6.7	6.8
Shipman 4	7.2	6.7
Hill 6	20.3	20.2
Puna Steam	14.0	14.1
Kanoelehua D11	2.0	2.5
Kanoelehua CT1	11.0	11.5
Keahole CT2	12.5	13.0
Puna CT3	20.0	20.4
Keahole CT4	20.0	22.1
Keahole CT5	20.5	22.2

- b. Please indicate the correct capacity for the above generating units.

CA-IR-394

Ref: HELCO-WP-402, Page 2-3, Test Year Fuel Prices.

Please explain why the Hawaii Use Tax is not applied to fuel purchased from Tesoro Hawaiian Corporation?

CA-IR-395

Ref: HELCO-WP-402, Page 2-3, Test Year Fuel Prices.

Please provide the fuel costs for the Kanoelehua D11, D15, D16, D17 and CT1 units, including the base fuel prices, ocean transportation costs, land transportation costs, storage costs, wharfage, all applicable taxes and all applicable costs as similar to other units in the referenced workpaper.

CA-IR-396

Ref: HELCO-WP-402, Page 2-3, Test Year Fuel Prices.

Please provide the fuel costs for the Panaewa, Ouli, Kapua, Punaluu units including base fuel prices, ocean transportation costs, land transportation costs, storage costs, wharfage, all applicable taxes and all applicable costs as similar to other units in the referenced workpaper.

CA-IR-397

Ref: WP-404, Page 7, Station Summary.

"Helcohyd" is a unit included in the station summary.

- a. Is this an individual unit or a combination of HELCO's hydro-electric generating units?
- b. If so, please provide the detailed information for each unit as shown in WP 404, Page 7, Station Summary.

CA-IR-398

Ref: CA-IR-39 Ref: HELCO 403, and WP 403, Page 3.

- a. Please identify the tables that are referred to as "Demand loss versus system load tables" in the response to the referenced IR in the fourth line of the second bulleted paragraph.
- b. Please identify and explain the column titles shown in the tables, HELCO_loss calc data_2006.xls, pages 2 through 6.

- c. Please explain why distribution losses including distribution feeder, distribution transformer and secondary components of distribution losses, would be the same in 2005 as in 1993.
- d. The purpose and scope of the system loss analysis, HELCO System Loss Analysis, Dated July 1993, as prepared by Transmission & Distribution Planning Department, Hawaiian Electric Company, Inc., page 1, line 5 indicates, "The year 1995 is included since this study assumes that combustion turbine#4 (CT4) and combustion turbine #5 (CT5) would be placed in service by December 1995." Has a system loss analysis been prepared since 1993 to reflect actual system losses with CT4 and CT5 in operation? If not, why are system losses from a 13-year-old analysis appropriate and accurate for use in a 2006 Test Year?

Witness T-5 Mr. Dan Giovanni.

CA-IR-399

Ref: HELCO Response to CA-IR-49, Attachment 14; GAM Projects.

Please provide the following cost information associated with the Generation Asset Management program:

- a. Actual capital spending and expensed LABOR costs by GAM project and by RA for each listed unit, broken down annually for each year 2002 through 2005 and 2006 to-date (through August).

- b. Actual capital spending and expensed NON-LABOR costs by GAM project and by RA for each listed unit, broken down annually for each year 2002 through 2005 and 2006 to-date (through August).
- c. Test year proposed capital spending and expensed LABOR and NON-LABOR costs by GAM project and by RA for each listed unit.
- d. Remaining authorized GAM capital spending and expensed costs by project and by RA subsequent to the test year, given your responses to parts (a) and (b) of this information request.
- e. Explain and provide calculations associated with any efforts by HELCO to ensure that test year GAM capital spending and expensed costs are at levels representative of ongoing conditions and plans.
- f. Provide a detailed breakdown of the Capital and O&M line items by unit in Attachment 14, indicating the authorized and current plan capital and expense spending by individual projects for each listed unit.

Ref: HELCO's Response to CA-IR-257a; Turbine Overhauls.

The data table summarizing prior turbine overhauls indicates no activity since the 12/12/2004 completion of work on Shipman 3.

Please provide the following information:

- a. Explain how this history, with no turbine overhaul work in 2005 or 2006 to-date is thought to be consistent with the referenced statement in testimony that, "A steam turbine overhaul is performed once a year."
- b. What is the normal time interval (number of years) for each of the steam units' turbine overhaul, according to typical industry practice, manufacturer advisories, measured performance indicators or other information relied upon by HELCO in scheduling such work?
- c. Provide the Company's current schedule for the next turbine overhaul for each of the steam units.
- d. Regarding the \$642,000 normalized cost for the Hill 6 overhaul in HELCO-WP-510, please provide a breakdown of the cost elements and activities associated with this amount and explain how the turbine overhaul portion of such work was determined.

CA-IR-401

Ref: HELCO Response to CA-IR-2 (T-5), Attachment 2 and Attachment 3; Reconciliation of Production Department Project Hours.

The projected "Project Hours" within the RA labor hours forecast sheets in Attachment 2 (pages 1, 25, 30) do not tie to the Attachment 3 listed "Project" hours. Please explain and reconcile the differences between these sources and itemize all other rate case and other project hours contained in the test year forecast.

CA-IR-402

Ref: HELCO Response to CA-IR-2 (T-5), Attachment 2 and HELCO-539, page 2; Reconciliation of Overtime Hours.

The projected "OT Hours" within the RA labor hours forecast sheets in Attachment 2 (pages 1, 23, 25 and 28) do not tie to the HELCO-539 listed "Overtime Hours." Please explain and reconcile the differences between these sources and quantify any necessary corrections to the hours input into the test year forecast.

CA-IR-403

Ref: HELCO Response to CA-IR-2 (T-5), Attachment 2; Footnote Calculations of Nonproductive (Sick, Other Injuries, etc.) Hours.

The projected elements of Nonproductive Labor for each RA appear to be based upon historical average data for experienced sick leave hours, injury hours, etc. Please provide the following information regarding this process:

- a. Confirm that the goal of the calculations is to establish a normal, ongoing level of nonproductive hours within each RA, or explain any exceptions to this stated goal.
- b. Explain why the footnote calculations routinely round up the calculated historical data and provide complete copies of all reports, studies, workpapers and other information that is supportive of such rounding up process.
- c. Explain why HGK is forecasted to experience 190 hours of sick paid time off per employee and provide all data supportive of the conclusion that such a high paid absence rate is normal and indicative of ongoing operations.
- d. Provide actual year 2005 paid absence data for HGK personnel and explain whether such experience in 2005 is supportive of the proposed 190 hours/year rate for each employee.
- e. Provide actual year 2006 year-to-date paid absence data for HGK personnel and explain whether such experience in 2006 is supportive of the proposed 190 hours/year rate for each employee.

CA-IR-404

Ref: HELCO Response to CA-IR-2 (T-5), Attachment 2; Footnote Calculations of Overtime Hours.

The projected elements of Overtime Labor for each RA appear to be based upon historical average data or selected historical year

data for experienced overtime hours. Please provide the following information regarding this process:

- a. Confirm that the goal of the calculations is to establish a normal, ongoing level of overtime hours within each RA, or explain any exceptions to this stated goal.
- b. Explain why the footnote calculations routinely round up the calculated historical average overtime hours data and provide complete copies of all reports, studies, workpapers and other information that is supportive of such rounding up process.
- c. Confirm that for HGA employees with labor class TCS, projected extra straight time compensation of 630 hours per employee is forecasted and that all of these hours contribute to added O&M labor expense at the Company's standard hourly labor rates.

CA-IR-405

Ref: HELCO Response to CA-IR-2 (T-5), Attachment 2; Proposed Test Year Overtime Hours.

For each of the following Production Department RA overtime hours estimates, please provide:

- a. The actual calendar year 2005, and
- b. year-to-date August 2006 actual overtime hours.
- c. Explain the basis for concluding that the test year estimated hours (as stated below) are reasonable; and

d. provide any additional information required to reconcile and understand whether recent actual overtime trends are supportive of the Company's estimated overtime levels:

1. HGA (TCS labor class) TY estimated 630 hours/employee.
2. HGA (all non TCS) TY estimated 160 hours/employee.
3. HGC TY estimated 730 hours/employee.
4. HGH TY estimated 660 hours/employee (all but 1 employee).
5. HGK TY estimated 775 hours/employee.
6. HGM TY estimated 550 hours/employee.
7. HGP TY estimated 700 hours/employee.
8. HGT TY estimated 100 hours/employee.
9. HGW TY estimated 700 hours/employee.
10. HGX TY estimated 970 hours/employee.

CA-IR-406

Ref: HELCO Response to CA-IR-2 (T-5), Attachment 2, page 25; Technical Supt. Position.

Please state whether or not the first listed position forecasted in RA=HGT was intended to be eliminated from the test year expense forecast and, if so, provide either the reference information and additional data required to confirm such elimination or additional adjustment calculations required to effect such elimination.

CA-IR-407

Ref: HELCO Response to CA-IR-69, Attachment 1; Historical Overtime Hours.

Please provide the number of overtime hours incurred within each listed RA in each year 2003, 2004 and 2005 that was for staffing at the unmanned Shipman station and explain how and when the proposed new staffing at Shipman is expected to reduce overtime at the other stations. Provide copies of all studies, reports, workpapers and other data associated with your response.

CA-IR-408

Ref: HELCO Response to CA-IR-71, Workload Requirements and Overtime Hours.

According to part (d) of the response, "Further, it is not possible to quantify the extent to which higher staffing for maintenance is intended to remedy high overtime rates in 2004 and 2005 because the maintenance staffing levels forecasted were based on the numbers of specific trades and craft personnel required to keep up with anticipated increased workload requirements." Please provide the following information:

- a. Explain the process through which HELCO evaluated its ability to reduce overtime by increased staffing of production maintenance personnel.
- b. Describe and quantify the desired or targeted levels of overtime that indicate optimal staffing conditions in each production maintenance RA.

- c. Provide copies of all reports, analyses, projections, workpapers and other documents relied upon by HELCO to measure and interpret the referenced "anticipated increased workload requirements".

CA-IR-409

Ref: HELCO Response to CA-IR-1 (T-5), Attachment 2: Capitalized versus Expensed Labor Hours/Costs.

Please confirm that every hour of the Production Department labor set forth in the forecast input sheets is assumed to be expensed on the Company's books and provide the following information:

- a. If anything but unqualified confirmation is provided, explain and provide reference into all labor hours for which test year costs are capitalized.
- b. Provide the accounting distribution (expense versus capital) for all actual annual Production labor costs by RA for each year 2001, 2002, 2003, 2004, 2005 and 2006, to-date.
- c. To the extent any Production Department labor costs were capitalized in the data provided in response to part (b) of this information request, explain why such accounting will not be recurring or should otherwise be ignored for ratemaking purposes.
- d. Provide complete copies of all studies, reports, projections and other documents supportive of your response to part (c) of this information request.

CA-IR-410

Ref: HELCO Response to CA-IR-2 (T-5), Attachment 1, page 4 of 5; HN0, HW0 Costs.

Please provide supporting documentation for the \$38,504 and \$117,800 estimated test year production expenses charged from these Administrative and Engineering RAs.

Witness T-6 Mr. Jay Ignacio.

CA-IR-411

Ref: HELCO Response (T-6) to CA-IR-1 (T&D Direct Labor).

Referring to CA-IR-1, part (b), pages 29-100 appear to represent labor input sheets by Distribution Department labor class while pages 157-169 represent resource leveling report detail for the Distribution Department. For certain Distribution RA labor classes, the total projected labor hours per the labor input sheets do not tie to the total labor hours per the resource leveling reports (e.g., RA:DC labor classes TCS and DTECHCREW). Please provide the following:

- a. Please confirm that the labor input sheets represent the primary source documentation supporting the Distribution Departments 2006 labor hour forecast. If this cannot be confirmed, please explain.
- b. Is the resource leveling report a Pillar module that summarizes the forecast labor hours from the labor input sheets or does it originate from another data source? Please explain.

- c. Please explain whether the referenced labor input sheets or the resource leveling reports represent the labor hours for the Distribution Department that have been included in the 2006 test year forecast.
- d. The labor hour differences (i.e., between the labor input sheets and the resource leveling reports) for RA:DC labor classes TCS and DTECHCREW appear to be attributable to capital project hours. Please provide the following:
 - 1. Please explain and reconcile the labor hour forecast differences between the identified sources and explain the basis for such differences.
 - 2. Please clarify whether the labor input sheet or the resource leveling report more accurately reflects the labor hours included in the 2006 forecast.

CA-IR-412

Ref: HELCO Response (T-6) to CA-IR-1 (T&D Direct Labor).

Referring to CA-IR-1, part (b), pages 29-100 appear to represent labor input sheets by Distribution Department labor class. The top section of the labor input sheet for each RA labor class summarizes the regular time, nonproductive time, overtime and O&M/Capital % distribution. Please provide the following:

- a. Please explain how the O&M percentages (e.g., DA-Enablr 100%, DC-TCS 95%, DC-TECHCREW 65%) set forth on the

labor input sheets for each RA labor class are used within Pillar, if at all, in determining the 2006 O&M expense forecast for the Distribution department.

- b. To the extent that the resource leveling report detail for the Distribution Department (see pages 157-169) identify different (e.g., higher or lower) labor hours attributable to capital projects, the effective O&M % would be different from the rates referenced in part (a) above. Please provide the following:
1. Should the hours attributable to capital projects from the labor input sheets or the resource leveling reports be used to determine the O&M %? Please explain.
 2. If the response to part (b)(1) indicates that the labor hours from the resource leveling report should not be used, please explain the purpose of the resource leveling report and why it would be inappropriate to recognize the capital hours from that report.

CA-IR-413

Ref: HELCO Response (T-6) to CA-IR-1 (T&D Direct Labor).

Referring to CA-IR-1, part (b), pages 29-100 appear to represent labor input sheets by Distribution labor class. The labor input sheets for certain labor classes attribute significant hours to Account 184.06 (e.g., DA-Enablr, DA-TC, DC-BUOC,

DC-Facsup, etc.) or to Account 163 (e.g., DS-WAREH). Please provide the following:

- a. Please confirm that Pillar redistributes the labor dollars associated with the forecast labor hours assigned to Account 184.06 among and between the various Distribution O&M accounts. If this cannot be confirmed, please explain.
- b. Referring to the response to part (a) above, please explain the process by which the labor dollars associated with the forecast labor hours assigned to Account 184.06 are distributed among and between the various Distribution O&M accounts.
- c. Please confirm that Pillar redistributes the labor dollars associated with the forecast labor hours assigned to Account 163 among and between the various Distribution O&M accounts. If this cannot be confirmed, please explain.
- d. Referring to the response to part (c) above, please explain the process by which the labor dollars associated with the

forecast labor hours assigned to Account 163 are distributed among and between the various Distribution O&M accounts.

e. Please provide a copy of any documentation demonstrating the NARUC O&M account distribution process described in response to part (b) above. If such information has been previously supplied, please provide a pinpoint reference to the specific documents that show the distribution of the following labor classes:

1. DA-Enablr;
2. DA-TC;
3. DC-BUOC;
4. DC-Facsup; and
5. DS-WAREH.

CA-IR-414

Ref: HELCO Responses (T-6) to CA-IR-1, CA-IR-111 & HELCO-WP-101(F) (T&D Direct Labor).

Referring to CA-IR-1, part (b), pages 29-100 appear to represent labor input sheets by Distribution labor class. The response to CA-IR-111 (p.3) provides standard labor rates by labor class for 2006. Pages 628-651 of HELCO-WP-101(F) represent the rate

case direct labor report for the Distribution department. Please provide the following:

- a. Please confirm that Pillar applies the 2006 standard labor rates from the response to CA-IR-111 to the labor hours set forth on the labor input sheets contained in CA-IR-1, part (b), to determine the direct labor dollars set forth in the referenced pages of HELCO-WP-(F). If this cannot be confirmed, please explain.
- b. For each Distribution RA, please provide the labor hours by labor class associated with each transmission and distribution O&M account. If the requested information is not available, please provide the following:
 1. Please explain why the requested information cannot be obtained from the Pillar system.
 2. Please explain how the Consumer Advocate can substantiate that the direct labor amounts set forth in the direct labor report (HELCO-WP-101(F)) are the result of applying the 2006 standard labor rates to the direct labor hours from the Distribution labor input sheets.

CA-IR-415

Ref: HELCO Responses (T-6) to CA-IR-1 & CA-IR-86 (T&D Overtime).

Page 5 of the response to CA-IR-86 represents an update of HELCO-608. For the identified Technical Division crews, the 2006 forecast overtime hours tie to CA-IR-1, part (b) (pages 43, 55, 71 & 94). However, the straight time hours only tie for HDC-TECHCREW and HDW-CREW. Please provide the following:

- a. Please confirm that the forecast straight time hours should tie to the number of annual regular work hours (2080) less nonproductive time for all employees in each work group. If this cannot be confirmed, please explain.
- b. Referring to CA-IR-86, page 5, please describe and reconcile the difference between the HDH-CREW straight time hours of 53,188 and the 55,176 straight time hours set forth on CA-IR-1, part (b), page 55.
- c. Referring to CA-IR-86, page 5, please describe and reconcile the difference between the HDK-CREW straight time hours of 33,732 and the 37,584 straight time hours set forth on CA-IR-1, part (b), page 71.

CA-IR-416

Ref: T-6, HELCO-611 & Response to CA-IR-96 (Distribution Staffing).

HELCO's response to CA-IR-96 (pages 2-9) updated HELCO-611 for actual 2006 monthly employee counts through June 2006.

Please provide a further update of CA-IR-96 to reflect monthly distribution department employee counts through September 2006.

CA-IR-417

Ref: T-6, HELCO-611 & Response to CA-IR-96 (Distribution Staffing).

HELCO's response to CA-IR-96 (pages 2-9) updated HELCO-611 for actual 2006 monthly employee counts through June 2006. According to this response, the Distribution Department total employee count was 112 (June 2006) as compared to 123 employees included in the 2006 test year forecast. The actual employee number for RA:HDC includes three (3) apprentice electrician positions in the months of February – June 2006, while the 2006 test year forecast included one (1) employee in that position. Please provide the following:

- a. Please explain why HELCO hired two (2) additional apprentice electricians than was included in the test year forecast.
- b. How long does the electrician apprenticeship last?
- c. Is the pay scale for electrician apprentices less than full time electrician positions? Please explain and provide comparative labor rates.

CA-IR-418

Ref: T-6, HELCO-611 & Response to CA-IR-96 (Distribution Staffing).

HELCO's response to CA-IR-96 (pages 2-9) updated HELCO-611 for actual 2006 monthly employee counts through June 2006. According to this response, the Distribution Department total employee count was 112 (June 2006) as compared to 123 employees included in the 2006 test year forecast. The actual employee number for RA:HDH includes eight (8) apprentice positions in the months of February – June 2006, while the 2006 test year forecast included three (3) employees in that position. Please provide the following:

- a. Please explain why HELCO hired five (5) additional apprentices than included in the test year forecast.
- b. Please identify the full-time HDH positions the eight (8) apprentices were hired to train for.
- c. How long does each apprenticeship last?
- d. Is the pay scale for apprentice positions less than the comparable full time position? Please explain and provide comparative labor rates.

CA-IR-419

Ref: T-6, HELCO-611 & Response to CA-IR-96 (Distribution Staffing).

HELCO's response to CA-IR-96 (pages 2-9) updated HELCO-611 for actual 2006 monthly employee counts through June 2006.

According to this response, the Distribution Department total employee count was 112 (June 2006) as compared to 123 employees included in the 2006 test year forecast. The actual employee number for RA:HDK includes four (4) apprentice positions in the months of March – June 2006, while the 2006 test year forecast included three (3) employees in that position. Please provide the following:

- a. Please explain why HELCO hired one (1) additional apprentice than included in the test year forecast.
- b. Please identify the full-time HDK positions the four (4) apprentices were hired to train for.
- c. How long does each apprenticeship last?
- d. Is the pay scale for apprentice positions less than the comparable full time position? Please explain and provide comparative labor rates.

CA-IR-420

Ref: T-6, HELCO-611 & Response to CA-IR-96 (Distribution Staffing).

HELCO's response to CA-IR-96 (pages 2-9) updated HELCO-611 for actual 2006 monthly employee counts through June 2006. According to this response, the Distribution Department total employee count was 112 (June 2006) as compared to 123 employees included in the 2006 test year forecast. The actual employee number for RA:HDW includes three (3) apprentice

positions in the months of March – June 2006, while the 2006 test year forecast included two (2) employees in that position. Please provide the following:

- a. Please explain why HELCO hired one (1) additional apprentice than included in the test year forecast.
- b. Please identify the full-time HDW positions the three (3) apprentices were hired to train for.
- c. How long does each apprenticeship last?
- d. Is the pay scale for apprentice positions less than the comparable full time position? Please explain and provide comparative labor rates.

CA-IR-421

Ref: HELCO-106, pages 47-58, Time of Use Rates Response (T-6) to CA-IR-1 (T&D Direct Labor).

Please explain the Company's promotion and implementation plan for the newly proposed time of use rates, indicating how customers in each rate class will be advised of the availability of TOU rates and informed regarding potential savings that are achievable. Provide copies of all documents prepared for such promotion/implementation effort.

Witness T-8 Mr. Curtis Beck.

CA-IR-422

Ref: T-8, page 21 and HELCO Response to CA-IR-267, parts e and f; Expansion of REWH Program.

After listing REEEPAAH options that were considered in part (e), the Company states in response to part (f), "Of the elements described in response to part (e), HELCO has now focused its efforts on the residential grant program. HELCO may broaden the solar water heater grant program to allow proposals for other types of residential energy efficiency measured besides solar heaters."

Please provide the following:

- a. State and describe each option being considered to "broaden the solar water heater grant program."
- b. For each option described in response to part (a), explain the specific changes needed to existing REWH program parameters to enable the option to be offered by HELCO.
- c. Explain each reason why the broadening of REWH and all other new incentives or buy-downs should not be considered within the "next rate case, DSM program application, or other appropriate proceeding" that is referenced by T-8 at page 21, lines 6-11, consistent with the intent of D&O 22420?

Witness T-9, Mr. Paul Fujioka.

CA-IR-423

Ref: HELCO Responses to CA-IR-84, CA-IR-111 & CA-IR-112 (Standard Labor Rates).

The response to CA-IR-84 discusses the process followed by the Distribution Department in assisting Management Accounting with adjusting 2004 employee wages and hours to develop the 2006 standard labor rates. CA-IR-111(e) sought a copy of the documentation supporting the development of the 2004 standard labor rates. CA-IR-112(a) requested the integrated spreadsheet files used to develop the standard labor rates HELCO used in preparing the 2006 rate case test year forecast. It is unclear how 2004 actual wages and dollars were actually adjusted in developing the 2006 standard labor rates. Please provide the following:

- a. In response to CA-IR-112, HELCO provided a spreadsheet file ("CA-IR-112,p2-15.xls"). In the spreadsheet file, certain cells are highlighted in "yellow." Please explain the significance of the highlighted items.
- b. Referring to HELCO's response to CA-IR-112, the font color for certain rows of the HELCO spreadsheet file ("CA-IR-112,p2-15.xls") was changed from "black" to "red." Please explain the significance of these items.
- c. To the extent that employees who were full time in 2006 only worked part of the year in 2004, please explain how HELCO adjusted the 2004 actual results to reflect a full year of

wages and hours. In responding hereto, please provide three examples of this adjustment process, using the 2004 actual data provided in response to CA-IR-111 and the adjusted data set forth in response to CA-IR-112.

- d. To the extent that new employee positions were forecasted to be filled in 2006, but the positions were not filled in any part of 2004, please explain how HELCO adjusted the 2004 actual results to reflect a full year of wages and hours for each position. In responding hereto, please provide three examples of this adjustment process, using data provided in response to CA-IR-111 and CA-IR-112.

Witness T-14, Mr. Clyde Nagata.

CA-IR-424

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 18-22 of Attachment 1 represent the PIA for Project H0000655, Keahole Power Plant Rezoning. The "justification" section (Attachment 1, page 21) states: "Applying for reclassification of the Keahole land was a condition of the BLNR D&O on 3/25/02 for HELCO's request for extension. Reclassification and rezoning will facilitate further expansion of Keahole (i.e., ST-7), as well as with operating the existing and near

future facilities (i.e., CT2, EMDs, and CT-4/5)". This PIA was approved in May 2002 subsequent to the issuance of the referenced BLNR D&O in March 2002. Please provide the following:

- a. Subsequent to May 2002, have any changes or occurrences arisen that would cause the original justification for this project to no longer be accurate? Please explain.
- b. Would the reclassification and rezoning activities have been required in the absence of HELCO's plans to expand the site to include:
 1. CT-4? Please explain.
 2. CT-5? Please explain.
 3. ST-7? Please explain.

CA-IR-425

Ref: HELCO-1401, HELCO-1407, HELCO-WP-1401, HELCO-WP-1407 (p. 6) & HELCO-WP-1409 (Plant Additions).

HELCO-1401 and HELCO-1407 indicate that the \$45.318 million of plant additions for the 2006 test year is net of "in-kind" contributions. However, it is unclear from a review of HELCO-1407, HELCO-WP-1401 or HELCO-WP-1407 whether and to what extent the contributions set forth on HELCO-WP-1409 (A through D) were actually deducted from the forecast of gross plant additions to derive the \$45.318 million of plant additions. Please provide the following:

- a. Does additional documentation exist that provides a breakdown of the 2006 forecast between gross construction expenditures and contributions to arrive at the \$45.318 million plant addition?
 1. If so, please provide such information in a spreadsheet file format (by project, if available).
 2. If not, please explain how the Company determined that the \$45.318 million was net of contributions?
- b. Does additional documentation exist that shows how the CIAC amounts set forth on HELCO-WP-1409(A), (B) and (C) were determined?
 1. If so, please provide a copy of said documentation.
 2. If not, please explain.
- c. The specific and blanket project CIAC amounts set forth on HELCO-WP-1409(A) and (B) tie to the amounts set forth on (C). However, it is not clear how the 2006 CIAC forecast of \$190,791 determined on HELCO-WP-1409(D) ties or supports the amounts on (A), (B) or (C). Please explain and demonstrate how \$190,791 on (D) is included on (A), (B) or (C).
- d. Referring to HELCO-WP-1409(D), please provide the following with regard to the \$11,593 of CIAC for Project H0000725:

1. How was this amount determined? Please explain.
2. Does this amount reflect "In Kind" or "In Cash" CIAC? Please explain.
3. Please reconcile this amount with the CIAC amounts set forth in response to CA-IR-185, Attachment 1, page 27.

CA-IR-426

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 23-27 of Attachment 1 represent the PIA for Project H0000725, Queen K-Kaiwi-Palani 69KV. In general terms, the PIA involves HELCO relocating wood/ steel poles, circuits, conductors and communications to facilitate plans by the state of Hawaii to widen portions of Queen K Highway. Please provide the following:

- a. Is the project estimate of \$1,642,669 still an accurate estimate of the plant addition? Please explain.
- b. Please provide a breakdown of the \$1,642,669 project estimate between major components (e.g., wood poles, steel poles, circuits, etc.). If the requested information is not available, please explain.

- c. The "purpose/objective" and "scope description" sections (Attachment 1, page 23) generally discuss the relocation effort and refer to removal of existing facilities. Please provide the following:
1. Upon completion of the project, please confirm that the cost of the original poles, circuits, etc. will be retired. If this cannot be confirmed, please explain.
 2. Please provide the original cost of the original poles, circuits, etc. to be retired.
 3. Please confirm that the \$1,642,669 project estimate represents the cost of the new construction, not the cost of new construction less the original cost of plant to be retired. If this cannot be confirmed, please explain.
 4. Does the 2006 test year rate case forecast reflect the retirement of the original cost of poles, circuits, etc.? If so, how? If not, why not?
- d. The "contributions" section (Attachment 1, page 27) identifies CIAC to be provided by the State, including "In Kind" (\$26,040 for underground infrastructure) and "In Cash" (\$488,479 for the State's share of wood pole relocation), including GET. Please provide the following:

1. Is the \$1,642,669 project estimate gross or net of these contribution amounts? Please explain.
 2. Have these contributions been explicitly recognized in the 2006 test year rate case forecast?
 - (a) If so, how?
 - (b) If not, why not?
- e. The "cost sharing" section (Attachment 1, page 27) identifies \$47,900 to be provided by the State, including GET, for its share of the cost to relocate an existing underground distribution line. Please provide the following:
1. Is the \$1,642,669 project estimate gross or net of the State's share of the relocation cost? Please explain.
 2. Have the relocation costs been explicitly recognized in the 2006 test year rate case forecast? If so, how? If not, why not?

CA-IR-427

Ref: HELCO-WP-1401 & Responses to CA-IR-180, CA-IR-181 & CA-IR-182 (Plant Additions).

The referenced responses identify various revisions (e.g., completion dates, project cost estimates, etc.) to HELCO's original forecast of test year plant additions. In light of the number of revisions identified by the Company, please update HELCO-WP-1401 showing HELCO's current assessment of plant additions, by project, expected to be completed in the 2006 forecast

test year. [If the requested information was previously provided by HELCO or the Company is already in the process of compiling such update, please so state and provide a pinpoint reference to the documents containing the requested update.]

CA-IR-428

Ref: HELCO-WP-1401 & Responses to CA-IR-180, CA-IR-181 & CA-IR-182 (Plant Additions).

The referenced responses identify various revisions (e.g., completion dates, project cost estimates, etc.) to HELCO's original forecast of test year plant additions. Referring to the response to part (a) above, please provide a breakdown of the updated construction cost estimate, by project, between HELCO in-house labor (including labor hours), outside contract labor, material costs, etc. [If this information is not readily available in the format requested, please provide HELCO's best estimate of in-house direct labor costs (amount and hours, if available) included in each project cost estimate.]

CA-IR-429

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 34-38 of Attachment 1 represent the PIA for Project H0000853, AMR-Turtle Meters & Eqpt. Please provide a

copy of the "Turtle meter study and economic analysis" referenced in the "justification" section of the PIA (Attachment 1, page 36).

CA-IR-430

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 39-46 of Attachment 1 represent the PIA for Project H0001249, Alii Heights Unit 2 Ph. 1 S/D. In general terms, the PIA involves HELCO extending its underground distribution system to serve a residential subdivision. Please provide the following:

a. The "issues, impacts, considerations" section (Attachment 1, page 42) indicates that Towne Keauhou LLC will make a total payment of \$211,427 toward the project (i.e., advance of \$103,400 and contribution of \$108,027). Please provide the following:

1. HELCO-WP-1409 does not identify any 2006 advance associated with this project. Did HELCO collect the advance from the developer in 2005 or 2006? Please explain.
2. HELCO-WP-1409 does not identify any 2006 contribution associated with this project. Did

HELCO collect the contribution from the developer in 2005 or 2006? Please explain

3. If the responses to parts (a)(1) and (a)(2) above indicate that the advance or the contribution were collected by HELCO in 2006, please refer to HELCO-WP-1409 and explain how such amounts were reflected in the 2006 test year forecast.
 4. If the responses to parts (a)(1) and (a)(2) above indicate that the advance or the contribution were collected by HELCO in 2005, please explain HELCO's accounting for these developer payments and how such amounts were reflected in the test year forecast.
- b. The "issues, impacts, considerations" section (Attachment 1, page 42) also state that "this project will grow the business and generate revenues for HELCO when permanent services are energized." Please provide the following:
1. Have permanent service been energized? If so, when? If not, when are the permanent services expected to be energized?
 2. Please describe the total scope of the residential subdivision (i.e., number of homes and other amenities) and explain the current status of the subdivision build-out.

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 47-56 of Attachment 1 represent the PIA for Project H0001360, Kuakini Distr & Svcs. In general terms, the PIA involves HELCO converting a 12.47KV overhead distribution line to a permanent underground distribution line, as requested by the County of Hawaii. Please provide the following:

- a. The "contributions" section (Attachment 1, page 51) identifies \$240,000 of "in kind" contributions (including GET) for with this project. Please provide the following:
 1. HELCO-WP-1409 does not identify a 2006 contribution associated with this project. Did HELCO actually collect the \$240,000 from the County of Hawaii in 2006? Please explain.
 2. Is the \$674,283 for the 2006 plant addition (see HELCO-WP-1401) gross or net of the \$240,000 contribution? Please explain.
 3. Please explain HELCO's accounting for the County of Hawaii contribution and how such amount was reflected in the test year forecast, with specific reference to HELCO-WP-1409.

- b. The "contributions" section (Attachment 1, page 51) also identifies \$705,000 of "cost sharing" (including GET) associated with this project. Please explain and describe the reference to project "cost sharing," particularly in the context of the \$705,000 amount.

CA-IR-432

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 57-62 of Attachment 1 represent the PIA for Project H0001368, Kaloko Unit #2 Transf. In general terms, the PIA involves HELCO installing a substation transformer and switchgear in an existing substation to serve the Kaloko Heights subdivision. Please provide the following:

- a. The "justification" section (Attachment 1, page 59) indicates that "the anticipated load is 6 MW" and that the "project cost is prorated based on anticipated loads."
1. Please explain what is meant by the statement that the "project cost is prorated based on anticipated loads."
 2. Does the \$816,635 of 2006 plant addition (see HELCO-WP-1401) represent a prorated cost estimate? Please explain.

- b. The "contributions" section (Attachment 1, page 61) identifies a \$452,489 cash advance "contribution in advance paid by developer" (including GET), associated with this project. Please provide the following:
1. HELCO-WP-1409 does not identify any 2006 contribution associated with this project. Did HELCO actually collect the \$452,489 from the developer in 2006? Please explain.
 2. Is the \$816,635 for the 2006 plant addition (see HELCO-WP-1401) gross or net of the \$452,489 contribution?
 3. Please explain HELCO's accounting for the developer payment and how such amount was reflected in the test year forecast, with specific reference to HELCO-WP-1409.

Witness T-19 Dr. Ren Orans.

CA-IR-433

Ref: HELCO Responses to CA-IR-214 and CA-IR-22, Confidential Attachment Table C-1; Cost Increases Mainly Due to New Housing Development.

According to the CA-IR-214 response, "Specifically, Table C-RS1 documents the rise in residential new construction since 1997." However, the Confidential Table C-2 in CA-IR-22 clearly shows that the majority of GWH sales growth is caused by customers classes

other than Residential. Please explain all reasons why HELCO's inclining block rate design proposal that is intended to promote consumption efficiency and fair allocation of costs is appropriate for Residential customers, while Rate Schedules J and P that also contribute significantly to demand and cost growth are proposed to continue with declining block energy rates (do not repeat the response to CA-IR-230).

CA-IR-434

Ref: HELCO Response to CA-IR-230, Load Factor Rates.

According to the CA-IR-230 response, "An inclining block commercial rate would remove the incentive for efficient consumption and possibly assign significantly increased costs to the largest users, many of which are high load factor customers now." Please respond to the following:

- a. Explain whether and why it is Mr. Orans' or HELCO's belief that high load factor customers' are more efficiently served by HELCO, such that declining block rates are appropriate for such customers as load factor increases?
- b. Does Mr. Orans or HELCO believe that any correlation exists between residential customers, KWH usage levels and their load factors, such that customers with loads falling in the proposed third tier of the proposed Residential rate are reasonably assumed to be lower load factor customers?

- c. If the response to part (b) of this information request is negative, please explain why residential customers with higher monthly kwh usage are thought to be using electricity less efficiently than lower usage customers.
- d. If the response to part (b) of this information request is positive, please provide complete copies of all studies, reports, workpapers, calculations, projections and other information relied upon in support of your response.

Witness T-20 Mr. Peter Young.

CA-IR-435

Ref: T-20, page 35; Rider A Rate Design.

Please provide the following information regarding Rider A:

- a. Explain which specific cost of service results were relied upon to develop each of the proposed Rider A rate elements, indicating any cost discounting, allocations and other input assumptions employed, providing reference into relevant WP-2001 for each cost input value.
- b. Describe whether and how Rider A is proposed to be modified or supplanted by the proposed Standby Rate filed by HELCO in Docket No. 03-0371 on August 28, 2006.
- c. For each HELCO customer served under Rider A in the test year, describe the customer's facility and utilization of Rider A and provide a copy of the contract for such service.

- d. For each HELCO customer taking service under Rider A in the test year, provide calculations of annual revenue impacts to the customer(s), illustrating how the proposed Rider A rates compare to present Rider A rates and to proposed Standby Rates at test year billing determinants.

CA-IR-436

Ref: T-20, pages 21-30; Determination of Proposed Customer Charges.

HELCO is proposing no change to the \$10 monthly Residential Customer Charge, but has proposed significantly increased Customer Charge amounts for Schedules G, J, H and P. The testimony on this topic merely recites the percentage of calculated customer costs or total fixed costs that the proposed charge recovers, which percentages vary among rates for no identified reasons. Please provide the following information:

- a. Explain in detail the procedures employed, calculations and rationale supportive of the specific dollar amounts of the proposed customer charges.
- b. Provide complete copies of rate analyses workpapers and other documents associated in any way with the response to part (a) of this information request.
- c. If the cost recovery percentages recited in testimony were the sources of guidance relied upon to actually determine

the proposed rate levels, please describe how the recovery percentages were determined to be reasonable.

- d. Provide complete copies of all studies, reports, workpapers and other information supportive of your response to part (c) of this information request.

CA-IR-437

Ref: T-20, pages 24, 26 and 29; Determination of Proposed Demand Charges.

HELCO is proposing significantly increased Demand Charge amounts for Schedules J, H and P. The testimony on this topic merely recites the percentage of calculated demand-related costs that the proposed charge recovers, which percentages vary among rates for no identified reasons. Please provide the following information:

- a. Explain in detail the procedures employed, calculations and rationale supportive of the specific dollar amounts of the proposed demand/capacity charges.
- b. Provide complete copies of rate analyses workpapers and other documents associated in any way with the response to part (a) of this information request.
- c. If the cost recovery percentages recited in testimony were the sources of guidance relied upon to actually determine the proposed demand/capacity rate levels, please describe

how the recovery percentages were determined to be reasonable.

- d. Provide complete copies of all studies, reports, workpapers and other information supportive of your response to part (c) of this information request.

CA-IR-438

Ref: HELCO Response to CA-IR-227; Production O&M Classification.

According to the response at part (c), "All of the non-fuel production O&M expenses are classified as demand-related in HELCO's cost of service study." Please respond to the following:

- a. Is Mr. Young aware of any steam unit O&M expenses that are variable with output levels, rather than being fixed costs, such as emission fees, boiler chemicals, demineralizer chemicals, etc.?
- b. If the response to part (a) of this information request is affirmative, please list and quantify each known steam production O&M expense element other than fuel that is believed to not be a fixed capacity cost.
- c. If the response to part (a) is negative, please explain the basis for, and provide complete copies of all documents relied upon to support Mr. Young's "understanding that the determination of the test-year estimates of non-fuel production O&M expenses are based on activities related to

the operation and maintenance of the generation plant facilities.”

- d. Please explain Mr. Young’s understanding of cost causation for boiler maintenance expenses chargeable to NARUC Account 512, indicating the extent to which the scope of boiler maintenance is increased upon use of the boiler to produce electricity.
- e. The response to part (c) also states, “...diesel and combustion turbine overhaul costs tend to vary based on run hours or adjusted run hours (taking into account the number of starts) rather than based on kWh generated.” Please explain whether Mr. Young believes that such costs are a fixed cost associated with the capacity of such units that does not vary based upon output levels.
- f. Please explain whether or not Mr. Young believes that diesel or CT overhaul expenses would tend to be higher for a diesel or CT generating unit of any given capacity that produces significantly more energy than another unit that is rarely started or dispatched?
- g. According to part (c) of the response, “As has been discussed in other dockets to which the Consumer Advocate is a party, production O&M generally does not vary directly with kWh generated.” Please state whether HELCO has

done any additional work to study or determine a more precise classification of production O&M expenses since this issue was raised by the Consumer Advocate in prior rate case proceedings.

- h. If the response to part (g) of this information request is negative, please provide complete copies of any studies, reports, analyses, workpapers or published authority that is relied upon by the Company to treat all non-fuel production demand costs as fixed capacity costs to be allocated on a demand basis.

CA-IR-439

Ref: T-20, pages 26 and 27; Schedule H Rate Design.

Please provide the following information regarding Schedule H:

- a. Explain whether there is now, or has been in the recent past, any cost of service basis for providing the Schedule H end-use service, rather than systematically migrating the remaining 264 customers onto Schedules G, J or P.
- b. State each reason for the Company's proposed provision allowing "customers with existing Schedule H service to relocate their Schedule H service."
- c. Explain in detail how customers with existing Schedule H service may be impacted by a policy that requires migration onto another service schedule within five years of closing

Schedule H to new customers, with reference to anticipated billing demand impacts, metering impacts, customer charge issues and any re-wiring or other customer impacts that are anticipated.

- d. Provide complete copies of all studies, workpapers, reports, projections and other documents produced by or for HELCO to evaluate its options regarding Schedule H service, including ,but not limited, to the proposals stated by Mr. Young as well as each other option that was considered.
- e. How many of the approximately 264 test year Schedule H customers are believed by HELCO to have combined loads of:
 - 1. 25 kW or less?
 - 2. between 25kW and 200 kW?
 - 3. over 200 kW?

CA-IR-440

Ref: T-20, page 43, HELCO-106, p.47; Schedule TOU-R Rate Design.

Please provide the following information regarding the proposed TOU-R rate design:

- a. Provide estimated cost information for the “difference in the installed cost of the time-of-use meter versus the regular meter” indicating the extent to which the proposed added

\$1.00 of monthly customer charge will timely recover such incremental cost.

- b. At present usage patterns, what portion of an average Schedule R customer's energy consumption is during Priority Peak Period, Mid-Peak period and Off-Peak period?
- c. Explain how the 300 meter limit for TOU-R was developed and describe when/how it is expected to be modified upon completion of the new Customer Information System.
- d. How does HELCO intend to promote TOU-R service, so that customers are aware of the rate, and can evaluate whether to participate? Provide copies of any documents used to support the response.
- e. To what extent does HELCO expect that a typical customer would incur any costs pursuant to Rule 14 for shared use of telephone lines to participate in TOU-R service?
- f. What has been the customer participation rate to-date in HECO's TOU-R service and how have customers' bills been impacted?
- g. Please provide copies of, or reference to, any reports produced by HECO with respect to its TOU-R service experience.
- h. Explain the rationale behind the proposed 200% of Rider T on-peak energy rate adjustment, 100% of Rider T mid-peak

energy rate adjustment and 160% of off-peak Rider T energy adjustment rates.

CA-IR-441

Ref: T-20, page 44, HELCO-106, p.50; Schedule TOU-G Rate Design.

Please provide the following information regarding the proposed TOU-G rate design:

- a. Provide estimated cost information for the “difference in the installed cost of the time-of-use meter versus the regular meter” indicating the extent to which the proposed added \$4.00 of monthly customer charge will timely recover such incremental cost.
- b. At present usage patterns, what portion of an average Schedule G customer’s energy consumption is during Priority Peak Period, Mid-Peak period and Off-Peak period?
- c. Explain how the 100 meter limit for TOU-R was developed and describe when/how it is expected to be modified upon completion of the new Customer Information System.
- d. How does HELCO intend to promote TOU-G service, so that customers are aware of the rate and can evaluate whether to participate? Provide copies of any documents to be used.
- e. To what extent does HELCO expect that a typical customer would incur any costs pursuant to Rule 14 for shared use of telephone lines to participate in TOU-G service?

- f. What has been the customer participation rate to-date in HECO's TOU-G service and how have customers' bills been impacted?
- g. Please provide copies of, or reference to, any reports produced by HECO with respect to its TOU-G service experience.
- h. Explain the rationale behind the proposed 200% of Rider T on-peak energy rate adjustment, 100% of Rider T mid-peak energy rate adjustment and 160% of off-peak Rider T energy adjustment rates.
- i. Please confirm that the specification of Priority Peak period in the testimony is correct, and the proposed tariff should be corrected to state 5:00 pm to 9:00 pm, Monday – Friday.

CA-IR-442

Ref: T-20, page 45, HELCO-106, p.53; Schedule TOU-J Rate Design.

Please provide the following information regarding the proposed TOU-J rate design:

- a. Provide estimated cost information for the “difference in the installed cost of the time-of-use meter versus the regular meter” indicating the extent to which the proposed added \$10.00 of monthly customer charge will timely recover such incremental cost.

- b. At present usage patterns, what portion of an average Schedule J customers' energy consumption is during Priority Peak Period, Mid-Peak period and Off-Peak period?
- c. Explain how the 50 meter limit for TOU-J was developed and describe when/how it is expected to be modified upon completion of the new Customer Information System.
- d. How does HELCO intend to promote TOU-J service, so that customers are aware of the rate and can evaluate whether to participate? Provide copies of any documents to support the response.
- e. Explain the basis for the proposed Priority Peak demand charge of \$19.25, beyond observing the 50% of unit demand cost result that is achieved by the rate.
- f. What types of customers does HELCO believe may benefit from participation in TOU-J, given the nature of their loads and the ability to shift demand and energy consumption to mid-peak and off-peak periods?
- g. Explain the rationale behind the proposed 280% of Rider T on-peak energy rate adjustment, 200% of Rider T mid-peak energy rate adjustment and 160% of off-peak Rider T energy adjustment rates.

- h. Please confirm that the specification of Priority Peak period in the testimony is correct, and the proposed tariff should be corrected to state 5:00 pm to 9:00 pm, Monday – Friday.

CA-IR-443

Ref: T-20, page 48, HELCO-106, p.56; Schedule TOU-P Rate Design.

Please provide the following information regarding the proposed TOU-P rate design:

- a. Provide estimated cost information for the “difference in the installed cost of the time-of-use meter versus the regular meter” indicating the extent to which the proposed added \$10.00 of monthly customer charge will timely recover such incremental cost.
- b. At present usage patterns, what portion of an average Schedule P customers’ energy consumption is during Priority Peak Period, Mid-Peak period and Off-Peak period?
- c. Explain how the 12 meter limit for TOU-P was developed and describe when/how it is expected to be modified upon completion of the new Customer Information System.
- d. How does HELCO intend to promote TOU-P service, so that customers are aware of the rate and can evaluate whether to participate? Provide copies of any documents to be used.

- e. Explain the basis for the proposed Priority Peak demand charge of \$24.50, beyond observing the 55% of unit demand cost result that is achieved by the rate.
- f. Has HELCO identified any specific Schedule P customers that may immediately benefit from participation in TOU-P, given the nature of their loads and the ability to shift demand and energy consumption to mid-peak and off-peak periods?
- g. If the response to part (f) of the information request is affirmative, please identify and quantify the savings potential to each such customer.
- h. Explain the rationale behind the proposed 280% of Rider T on-peak energy rate adjustment, 200% of Rider T mid-peak energy rate adjustment and 160% of off-peak Rider T energy adjustment rates.
- i. Please confirm that the specification of Priority Peak period in the testimony is correct, and the proposed tariff should be corrected to state 5:00 pm to 9:00 pm, Monday – Friday.

CA-IR-444

Ref: HELCO-WP-2012, page 3; Variable O&M Expenses.

Please define what is contained in "Variable O&M", explain the derivation of the "Variable O&M Expenses (2006 cents/kWh) on line 2 and provide complete copies of all workpapers, reports,

calculations, projections and other supporting documentation for the 2.22369 cents per kWh amount.

CA-IR-445

Ref: HELCO-WP-2012, page 46; Customer Related Unit Costs.

- a. Please state whether the listed cost items are those which change as a direct result of adding a new customer and explain why only Meters, Services, Meter O&M, Service O&M, Customer accounting/service/sales expenses and related Working Capital are included as marginal customer costs.
- b. Are there any other marginal customer-related costs that increase directly whenever a new customer is added?

CA-IR-446

Ref: HELCO-WP-2012, page 68; Distribution Facilities Unit Costs.

- a. Please explain which distribution facilities NARUC Accounts and which distribution O&M NARUC Accounts are included in the determination of Distribution costs that are treated by HELCO as marginal demand related costs on a per kW basis within page 62.
- b. State whether Mr. Young believes that this classification of costs is appropriate, even if it includes all distribution lines and transformers as a demand cost.

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

FIFTH SUBMISSION OF INFORMATION REQUESTS

INSTRUCTIONS

In order to expedite and facilitate the Consumer Advocate's review and analysis in the above matter, the following is requested:

1. For each response, the Company should identify the person who is responsible for preparing the response as well as the witness who will be responsible for sponsoring the response should there be an evidentiary hearing;
2. Unless otherwise specifically requested, for applicable schedules or workpapers, the Company should provide hard copies of each schedule or workpaper together with one copy of each such schedule or workpaper on electronic media in a mutually agreeable format (e.g., Excel and Quattro Pro, to name two examples); and
3. When an information request makes reference to specific documentation used by the Company to support its response, it is not intended that the response be limited to just the specific document referenced in the request. The response should include any non-privileged memoranda, internal or external studies, assumptions, Company instructions, or any other relevant authoritative source which the Company used.
4. Should the Company claim that any information is not discoverable for any reason:
 - a. State all claimed privileges and objections to disclosure;

- b. State all facts and reasons supporting each claimed privilege and objection;
- c. State under what conditions the Company is willing to permit disclosure to the Consumer Advocate (e.g., protective agreement, review at business offices, etc.); and
- d. If the Company claims that a written document or electronic file is not discoverable, besides complying with subparagraphs 4(a-c), identify each document or electronic file, or portions thereof, that the Company claims are privileged or will not be disclosed, including the title or subject matter, the date, the author(s) and the addressee(s).

DOCKET NO. 05-0315

HAWAII ELECTRIC LIGHT COMPANY, INC.

FIFTH SUBMISSION OF INFORMATION REQUESTS

General Information Requests.

CA-IR-447 Please identify, describe and quantify each element of the Company's asserted rate base, test year operating income, cost of capital, cost of service allocations or proposed rate design that HELCO intends to revise, update or otherwise modify. For each such element, provide complete copies of all relevant statistical and financial reports, calculations and workpapers for review by the Consumer Advocate in sufficient time for its analysis and the submission of information requests and responsive testimony addressing all such modifications.

- CA-IR-448 a. Has HELCO identified any errors or omissions in its prefiled testimony, exhibits or workpapers?
- b. If affirmative, please explain and quantify each of the corrections that are needed and provide complete copies of supportive documentation for same.

Witness T-4 Lisa Giang.

CA-IR-449 **Ref: HELCO WP-545, Page 2, Derivation of Test Year 2006, Puna Geothermal Venture Energy and Capacity Payments.**

The footnote for Line 5, "avoided energy rate," references document "HELCO-315, page 1." Please provide HELCO-315.

CA-IR-450 **Ref: HELCO WP-404, Page 98, HELCO Operations and Maintenance Cost.**

This table shows Variable O&M Costs for HELCO generating units. Kanoelehua CT1 shows zero Variable O&M Costs.

- a. Please provide Variable O & M Costs for Kanoelehua CT1.
- b. If the Variable O&M Cost for Kanoelehua CT1 is supposed to be zero, please explain.

CA-IR-451 **Ref: HELCO WP-545, Pages 5 through 12, PGV and HELCO.**

HELCO WP-545, Pages 5 through 12, is The Performance Agreement with Puna Geothermal Venture. Please provide all pages of this agreement, including all amendments, attachments and exhibits.

CA-IR-452 **Ref: HELCO WP-545, Pages 13 through 21.**

HELCO WP-545, Pages 13 through 21, is Power Purchase Agreement and Interconnection Agreement with Encogen Hawaii, L.P.

- a. Please provide all the pages to this agreement including all amendments, attachments and exhibits.
- b. Please provide the definitions and values used to determine the energy charge as shown on HELCO WP-545, Page 17 for the following:
 1. Facility Price;
 2. GDPIPD_{Current};
 3. GDPIP_{Base}; and
 4. Fuel Component_{Base}.

CA-IR-453

Ref: CA-IR-34, b.

The P-Month Production Simulation Model manual includes several Appendices. Appendix "F-0 P-POOL/P-MAREA UI SPEC" was omitted in the Manual that was sent to us. Please provide Appendix F.

CA-IR-454

Ref: CA-IR-34.

The referenced IR requested the following,

- "2. Energy and hourly load to be served by HELCO firm and non-firm generating units.
3. Energy and hourly load to be served by firm and non-firm purchased power producers."

PTN1.hcp and PTN2.hcp were provided in response to 2. and 3. above.

- a. Is this information intended to be used for every week of the year or is there additional information necessary to model PGV? Please explain.

PTN7.hcp is "Pattern File 7, - Shipman 3&4 (must run)" units.

PTN7.hcp shows data for the first seven days of January 2006.

- b. Is this information intended to be used for every week of the year or is there additional information necessary to model Shipman 3&4? Please explain.

- c. Were pattern files used to model any other generating units including the following? If so, please provide the pattern files for the following units:

1. Hill 5;
2. Hill 6;
3. Puna CT3;
4. Puna Steam;
5. Kanoelehua CT1;
6. Kanoelehua D11, D15-D17;
7. Waimea D12-D14;
8. HEP; and
9. Distributed generators: Panaewa, Ouli, Punaluu, Kapua.

PTN15.hcp is "Pattern File 15-Keahole D21-23." PTN15.hcp shows data for the first seven days of January in the year 2002.

- d. Is this information intended to be used for every week of the year or is there additional information necessary to model Keahole diesel units 21, 22, and 23? Please explain.

CA-IR-455

Ref: HELCO WP-404, Page 7, Station Summary.

- a. What are the units of measure associated with the columns labeled "Cold Start" and "Warm Start?"
- b. Please provide Cold Start and Warm Start costs in dollars per start for each generating unit.

CA-IR-456

Ref: HELCO WP-404, Page 3, Weighted Average Cost per Mbtu.

- a. HELCO-WP-404, page 3 provides total Fuel Expense (\$) by plant for Test Year 2006. Please provide monthly Total Fuel Expense (\$) for each generating unit.
- b. Please provide monthly Purchased Energy Cost (\$) for PGV and HEP.

CA-IR-457

Ref: HELCO WP-404, Page 1.

HELCO WP-404, provides Total Fuel Consumption (MBtu) by generating unit for Test Year 2006. Please provide monthly Total Fuel Consumption (MBtu) for each generating unit.

CA-IR-458

Ref: CA-IR-34, 2.

“CA-IR-34, subpart 2 requested Energy and hourly load to be served by firm and non-firm generating units.” Line 4 of the response to CA-IR-34, subpart 2 states, “The energy and load for the non-firm HELCO and purchased power producers generating units are inputs, which are shown in HELCO-WP-404, pages 29-30 and in HTY06_R9.trf. The production simulation model treats the non-firm generating units as having constant level outputs for all hours of a given month and was described in HELCO T-4, pages 29-30.”

- a. HELCO WP-404, Pages 29-30 Fixed Transaction Summary, lists a maximum and minimum capacity. Please indicate the constant level output to use for each non-firm generating unit consistent with the response above.
- b. Please provide the maximum capacity for the wind units listed on WP-404, Pages 29 and 30.

Witness T-5 Mr. Dan Giovanni.

CA-IR-459

Ref: D&O No. 18365, page 47 and HELCO-534/HELCO-541.

In the prior rate case Decision and Order, the Commission found reasonable a “stipulated amounts of \$8,372,600” for Production O&M expenses. In contrast, much larger combined amounts were actually spent in subsequent years if the “TOTAL” values on

HELCO-534 and HELCO-541 are comparable to this allowed rate case expense value. Please provide any additional information necessary to make the Commission's approved Production O&M value comparable to the amounts shown for 2000 through 2006 and explain changes and trends in such data.

Witness T-8 Mr. Curtis Beck.

CA-IR-460

Ref: HELCO Response to CA-IR-354c (CHP Support from HECO).

The response indicates "no utility CHP projects [are] expected to be completed in 2006" and the only expenses that will be incurred in 2006 are for HECO support totaling \$13,667. Please confirm that the reclassified \$75,000 for test year CHP support (HELCO T-8, page 10, line 1) should be reduced to \$13,667 or provide complete copies of all information relied upon in support of rate recovery of any larger amount.

CA-IR-461

Ref: HELCO-WP-803, page 9 & Response to CA-IR-268 (IRP in Base Rates).

The response to CA-IR-268e states, "The \$434,200 was not further adjusted in determining the Company's asserted revenue requirement." However, in HELCO-WP-803 on page 9 a Rate Case Normalization adjustment of (\$117,200) is posted to

activity 711 where the \$434,200 was reclassified. Please provide the following information:

- a. Explain the relationship between the rate case adjustment and the reclassified HELCO charges, if any.
- b. According to T-8 at page 17, "This adjustment recognizes that expenses for IRP vary from year-to-year. Although in 2006 HELCO anticipates higher than normal IRP expenses, the 2006 budget as reduced by \$117,000 is representative of the average expense over the past five years." Please provide actual historical expenses for the past five years by activity and expense element and all calculations supportive of this statement.
- c. What are HELCO's estimated IRP charges by NARUC, activity and expense element for each year 2007, 2008 and 2009?

Witness T-9, Mr. Paul Fujioka.

CA-IR-462

Ref: HELCO-WP-918 & Response to CA-IR-112 (Standard Labor Rates).

The response to CA-IR-112, including the supporting spreadsheet file, shows the development of the 2004 standard labor rate, by labor class. The employment position data detailed in the spreadsheet file (i.e., from which pages 3-16 were printed) contains

various ranges that have either been highlighted or the font color changed to "red" or "blue." Please provide the following:

- a. As a general matter, please confirm that the use of highlights or red/blue font colors was employed by different HELCO departments to identify changes made to the actual 2004 employee positions or employee compensation (i.e., to reflect a full twelve months), as discussed in the response to CA-IR-84 by the Distribution department. If this cannot be confirmed, please explain.
- b. The use of "yellow" to highlight different data "fields" (e.g., Employee ID, Award Code, Labor Cost Class, Productive Hours, & Amount) within the spreadsheet file varies between employee positions. The lack of uniformity is unclear. Please explain and clarify how different combinations of highlighting data fields should be interpreted (i.e., new position forecast to be filled in 2006, existing vacant position forecast to be filled in 2006, change in 2004 annual rate of pay for existing position, etc.).
- c. The use of "red" font color in different data "fields" (i.e., Employee ID, Employee Division, Position Key, Position Title, Labor Cost Class, Award Code, Productive Hours, & Amount) also varies between employee positions. The lack of uniformity is unclear. Please explain and clarify

how the use of "red" fonts in different combinations of data fields should be interpreted (i.e., new position forecast to be filled in 2006, existing vacant position forecast to be filled in 2006, change in 2004 annual rate of pay for existing position, etc.).

d. The Employee ID column does not always include an employee identification number. Please explain how each of the following situations should be interpreted:

1. The employee field is "blank."
2. A five digit number has been input into the employee field.
3. The word "vacant" has be input into the employee field.
4. The word "new" has be input into the employee field.

e. For two merit employees, the Productive Hours appear in bold "blue" font. Please explain the intended purpose of this use of bold "blue" font.

CA-IR-463

Ref: HELCO-WP-918, Responses to CA-IR-111 & CA-IR-112 (Standard Labor Rates).

Pages 7-16 of CA-IR-112 provide productive pay and hours for each merit and bargaining unit position considered in the development of the 2004 base standard labor rates. Pages 5-89 of the response to CA-IR-111 provide a further breakdown of the

productive pay and hours between regular (pay and hours) and overtime (pay and hours) for each position. For merit and bargaining unit, please select one employee at random from each labor class and provide the following 2004 actual data:

- a. Straight time hours, overtime hours, nonproductive hours, and total hours.
- b. Straight time pay, overtime pay, nonproductive pay, and total pay.
- c. Referring to the response to parts (a) and (b) above, should the labor rate derived by dividing nonproductive pay by nonproductive hours equal the labor rate derived by dividing productive pay by productive hours for each position? Please explain.

CA-IR-464

Ref: HELCO-920 & Response to CA-IR-140 (Pension Costs).

Part (a) of CA-IR-140 requested a copy of the 2006 pension actuarial study. In response thereto, the Company stated that completion of the valuation report had been delayed due to the Pension Protection Act of 2006 and that the report should be completed in September depending on when the President signs the bill. Please provide the following:

- a. Has the referenced actuarial report been finalized?
- b. If the response to part (a) above is affirmative:

1. Please indicate when the 2006 study was completed.
 2. Please provide a copy of the report as originally requested by CA-IR-140.
- c. If the response to part (a) above is negative:
1. Please provide the Company's best estimate as to when the report will be finalized.
 2. Please provide a copy of the study upon completion.
[Note: This request is considered to be ongoing until such time as the final 2006 actuarial pension study is completed and provided to the Consumer Advocate.]
- d. Please update and revise HELCO-920, as necessary, to reflect the final contribution and NPPC amounts from the 2006 actuarial report.

CA-IR-465

Ref: HELCO-920 & Response to CA-IR-119 (Pension Asset).

In response to CA-IR-119, the Company provided the ERISA minimum and IRC maximum tax-deductible pension funding amounts for each year during the period 1987-2006. In calendar years 1994 and 1998, it appears that the actual trust contributions (see HELCO-920) exceeded the IRC maximum tax-deductible contribution. Please provide the following:

- a. Please confirm that HELCO's actual contributions to the pension fund (see HELCO-920) did, in fact, exceed the IRC maximum tax deductible amount in 1994 and 1998.
1. If the response to part (a) above does not confirm that HELCO's actual trust contribution exceeded the IRC maximum in 1994 and 1998, please explain the basis for the Company's response.
 2. If the response to part (a) above does not confirm that HELCO's actual trust contribution exceeded the IRC maximum in 1994 and 1998, please reconcile the trust contributions with the IRC maximum amounts set forth on the referenced documents for each of those years.
- b. In 1994 or 1998, was any portion of HELCO's pension contribution subject to the 10% non-deductible excess tax penalty due to the amount of the contribution being in excess of the IRC maximum? If so, please provide the following:
1. Please identify and describe the specific facts and circumstances that lead to HELCO's excess pension trust contributions and the resulting imposition of such a penalty.
 2. Please explain HELCO's accounting for such penalty on its books and records.

- c. Do the trust contributions set forth in Column B of HELCO-920 include any amounts associated with supplemental retirement benefits for executive or other senior officials that are not tax deductible for income tax purposes? If so, please identify each supplement retirement package and provide the related amounts for each year during the period 1987-2006.

CA-IR-466

Ref: HELCO Response to CA-IR-132 (Pension Asset).

CA-IR-132(b) requested the Company to confirm that Commission adoption of HELCO's proposal to include a pension asset in rate base would have no effect on whether the fair value of the pension plan assets will, or will not exceed the ABO in future years. In response, HELCO stated:

"A Commission decision to include the pension asset in rate base will have an effect on whether the fair value of the pension plan assets exceeds or does not exceed the ABO in future years, to the extent that such a decision encourages HELCO to continue to keep the pension plan adequately funded. Adequately funding the pension plan results in a higher fair value of pension plan assets, other things being equal."

Please provide the following clarification:

- a. Please define the phrase "adequately funding the pension plan" as used in the above context.

- b. During the period 1987-2006, does HELCO believe that it has adequately funded its pension plan? If not, please explain.
- c. Based on the above quoted response, please confirm that Commission inclusion of a pension asset in rate base is a prerequisite for HELCO to continue to adequately fund its pension plan. If this cannot be confirmed, please provide a detailed explanation.
- d. If the Commission were to deny HELCO's proposed rate base inclusion of the pension asset, does the Company intend to no longer adequately fund the pension plan? If adequate funding will cease, please explain.
- e. In the Company's last rate case (HELCO 2000 test year, Docket No. 99-0207), the Commission adopted HELCO's proposed rate base inclusion of the pension asset, which was not opposed by any party.
 - 1. Please provide the Company's best estimate of the additional contributions to the pension plan in each subsequent year that HELCO would not have otherwise contributed in the absence of rate base inclusion of the pension asset. If none, please so state.

2. Assuming Commission adoption of the Company's proposal to include the pension asset in rate base in the current proceeding, please provide the additional contribution HELCO anticipates it will make to the pension plan in each of the next three years above and beyond the expected annual contributions if the pension asset is not included in rate base.

CA-IR-467

Ref: HELCO-910, HELCO-1002 & Response to CA-IR-129 (Pension Asset & Employee Benefits Transfer).

CA-IR-129 requested, in part, the percentage of NPPC allocated to corporate overhead during the 2006 test year and by year during the historical period 1987-2005. Pages 3 and 4 of the referenced response present data supporting the historical percentage of employee benefit costs transferred to capital and billed to other parties. Please provide the following:

- a. Referring to pages 3 and 4 of the response to CA-IR-129, please identify the source of the amounts for employee benefit cost pool (Line A) and transfers to construction (Line B) and other (Line C).
- b. Please identify the specific NARUC accounts that are included in each of the following lines of pages 3 and 4 of the response:
 1. the employee benefit "cost pool" amounts (Line A);

2. transfers to "construction" (Line B); and
 3. transfers to "other" (Line C).
- c. Referring to HELCO-910 (test year forecast) and HELCO-1002 (actual amounts 2000-2005), please explain why the "recorded" employee benefit costs and transfer amounts do not appear to tie to the comparable amounts set forth on pages 3 and 4 of the response to CA-IR-129 - specifically, the employee benefit cost pool (Line A) and transfers to construction (Line B) and other (Line C).
- d. Referring to part (c) above, please reconcile the amounts contained in the referenced data sources and update or revise the response to CA-IR-129 (or HELCO-1002), as necessary. If no revisions are deemed to be necessary, please explain the basis for such conclusion.

Witness T-10 Ms. Julie K. Price.

CA-IR-468

Ref: HELCO Response to CA-IR-142 (Pension Asset & OACI).

In September 2006, the FASB issued FAS158 ["Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)"]. In response to part (c) of CA-IR-142, HELCO discussed the probability that, if FASB largely adopted the framework of the

exposure draft, HELCO would likely record a charge to AOCI on its balance sheet because the PBO is larger than the ABO. If adopted in that form, the response to CA-IR-142(c) also indicated that the joint applicants in Docket No. 05-0310 would seek to update their application and HELCO would update its test year estimates in the rate case to reflect the new standard. Please provide the following:

- a. Has the Company had an opportunity to review FAS158?
- b. Has the Company reached a conclusion as to whether FAS158 largely adopts the exposure draft such that the contemplated revisions in Docket No. 05-0310 and in HELCO's pending rate case will be required? Please explain.
- c. If HELCO has determined that revisions to the pending rate case will be required as a result of FAS158, please update HELCO's test year estimates to reflect the requirements thereof and provide copies of all workpapers, analyses and spreadsheet files.

Witness T-13 Ms. Lorie Ishii.

CA-IR-469

Ref: HELCO response to CA-IR-178, page 3; Section 199 Deduction Calculation.

In calculating Qualified Production Activity Income, deductions are taken by the Company for Customer Accounts Expense and

Customer Service Expense based upon a revenue-based allocation set forth in footnote #2. Please provide the following information:

- a. Explain the basis for such deductions, indicating what Customer Accounts and Customer Service expenses have to do with the production function of the business.
- b. Confirm that HELCO-WP-2001 at page 50 calculates "TOTAL PRODUCTION" O&M of \$228,490,700 that is associated with the production function of the business.
- c. If anything but an unqualified confirmation is provided in response to part (b) of this information request, please explain in detail why the indicated total functional cost amounts are not indicative of the production element of the business and provide copies of all calculations and documents associated with your response.
- d. Provide a complete copy of all calculations of the HELCO Section 199 deduction to be taken within the HEI consolidated tax return for 2005.

CA-IR-470

Ref: HELCO Response to CA-IR-280, part d; Deferred Taxes Related to Interest Differential.

Please state with specificity where "interest earned on undrawn revenue bond funds" is thought to be reflected in the Company's ratemaking income statement or cost of capital, causing the "tax effect of interest expense" to be properly "included in rate base as a

component of working cash and correspondingly, the deferred tax asset should also be included in rate base.” Provide exhibit and workpaper references associated with your response.

CA-IR-471

Ref: HELCO Response to CA-IR-280, parts j, k, n and u; Deferred Taxes Related to DSM, IRP and Sun Power for Schools.

Please provide the following information associated with deferred taxes arising from DSM, IRP costs and Sun Power for Schools:

- a. Explain whether over or under-recoveries of DSM, IRP and Sun Power for Schools expenditures made by HELCO are included in rate base or allowed to earn/pay a deferred return on investment.
- b. Describe the origin of the debit deferred tax reserve balances associated with the DSM, IRP and Sun Power for Schools recoveries, indicating when and how taxable income was created by ratemaking for such activities and when/how reversal of timing differences is expected to occur.
- c. Given your responses to parts (a) and (b) of this information request, please explain why the deferred taxes are properly included in rate base.

CA-IR-472

Ref: HELCO Response to CA-IR-280, part p; Deferred Taxes Related to Emission Fees.

Please provide the following information associated with deferred taxes arising from Emission Fees:

- a. Explain whether over or under-recoveries of emission fees are included in rate base, with reference to any such inclusion.
- b. Describe the origin of the debit deferred tax reserve balances associated with the emission fees, indicating when and how taxable income was created by ratemaking for such activities and when/how reversal of timing differences is expected to occur.
- c. Given your responses to parts (a) and (b) of this information request, please explain why the deferred taxes are properly included in rate base.

CA-IR-473

Ref: HELCO Response to CA-IR-280, part q; Deferred Taxes Related to Capitalized Legal Fees.

Please provide the following information associated with deferred taxes arising from Capitalized Legal Fees:

- a. Explain whether the capitalized legal fees in question are included in rate base, with reference to any such inclusion.
- b. Describe the origin of the debit deferred tax reserve balances associated with the capitalized legal fees,

indicating when and how taxable income was created by ratemaking for such activities and when/how reversal of timing differences is expected to occur.

- c. Given your responses to parts (a) and (b) of this information request, please explain why the deferred taxes are properly included in rate base.

CA-IR-474

Ref: HELCO Response to CA-IR-280, part q; Deferred Taxes for Ellipse Fees and Software.

Please provide the following information associated with deferred taxes arising from Software and Relicensing Fees:

- a. Explain whether the capitalized legal fees in question are included in rate base, with reference to any such inclusion.
- b. Describe the origin of the debit deferred tax reserve balances associated with the software and relicensing fees, indicating when and how taxable income was created by ratemaking for such activities and when/how reversal of timing differences is expected to occur.
- c. Given your responses to parts (a) and (b) of this information request, please explain why the deferred taxes are properly included in rate base.
- d. If software costs are amortized for both ratemaking and tax purposes, please explain whether the deferred taxes for

timing difference arising from per-books expensing is properly included in rate base.

Witness T-14, Mr. Clyde Nagata.

CA-IR-475

Ref: HELCO-WP-1401 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 81-85 of Attachment 1 represent the PIA for Project H1002000, Purchase TSF and Related Eq. In general terms, the PIA appears to encompass a five-year program under which HELCO would install replacement transformers and related equipment, including an annual allowance for ground rod replacement. Please provide the following:

- a. Referring to CA-IR-182, Attachment 1, page 81, please confirm that this project represents a five-year planned effort to purchase, install and replace existing transformers, related equipment and ground rod replacement. If this cannot be confirmed, please explain.
- b. Was Project H1002000 presented to HELCO's board of directors for formal approval prior to commencement of the project?
 1. If so, please provide a copy of the minutes (including presentational materials) of each board of director

meeting in which this project was presented, discussed and ultimately approved.

2. If not, please explain HELCO's capital project approval process, particularly in the context of a \$12.3 million multi-year project not requiring approval of the Company's board of directors.

c. In deciding to commit \$12.3 million to this project over a five-year period, were any specific studies or analyses prepared by, or for, HELCO for the purpose of assessing the need for and cost effectiveness of this project?

1. If so, please provide a copy of each such study or analysis.

2. If not, please explain the basis for HELCO's determination that such a study was not needed or warranted under the circumstances.

d. Referring to CA-IR-182, Attachment 1, page 85, the PIA indicates that PUC approval of this project was not required.

Please provide the following:

1. Please confirm that HELCO did not file an application with the PUC seeking approval of this project. If this cannot be confirmed, please explain.

2. Please explain the basis for HELCO's determination that a \$12.3 million, multi-year construction project, did not require filing with and approval of the PUC.
3. Did HELCO separately inform the PUC or Consumer Advocate representatives of the Company's plans to commit \$12.3 million for this multi-year project? If so, please provide a copy of any documentation informally presented to PUC or Consumer Advocate representatives.

CA-IR-476

Ref: HELCO-WP-1401 & Response to CA-IR-180 (Plant Additions).

CA-IR-180, Attachment 2, updates the 2006 forecast plant addition for Project H1002000, Purchase TSF and Related Eq, from \$2,459,527 to \$4,787,280. This response also attributes the \$2.3 million increase to "higher customer demand." Please provide the following:

- a. Does HELCO plan to revise its revenue requirement to incorporate the changes in the plant addition forecast, as set forth on CA-IR-180, Attachment 2, including the \$2.3 million increase related to this transformer project? Please explain.
- b. If the response to part (a) is affirmative, please identify HELCO's planned timetable to incorporate this plant update into its filed exhibits, along with any other changes identified

subsequent to the filing of HELCO's direct testimony in this proceeding.

- c. Please explain the reference to "higher customer demand."
- d. Does HELCO plan to revise its revenue requirement to recognize the "higher customer demand," as referenced on CA-IR-180, Attachment 2? Please explain.

CA-IR-477

Ref: HELCO-WP-1406 & Responses to CA-IR-182 & CA-IR-180 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 81-85 of Attachment 1 represent the PIA for Project H1002000, Purchase TSF and Related Eq. In general terms, the PIA appears to encompass a five-year program under which HELCO would install replacement transformers and related equipment, including an annual allowance for ground rod replacement. CA-IR-180, Attachment 2, updates the 2006 forecast plant addition for this project from \$2,459,527 to \$4,787,280. Please provide the following:

- a. Does Project H1002000 represent a new, unprecedented transformer replacement effort? Please explain.
- b. Please provide the number of transformers to be installed in 2006, broken down between new installations and

replacements of existing transformers, associated with each of the following 2006 plant addition levels:

1. \$2,459,527.
 2. \$4,787,280.
- c. Please provide the total number of transformers planned to be installed throughout the entire five-year program, broken down between new installations and replacements of existing transformers.
- d. Do the \$2,459,527 or \$4,787,280 project "amounts" include any consideration of salvage value or removal costs associated with transformers (and related equipment) to be removed from service and/or replaced? If so, please provide the amounts of salvage value or removal costs associated with both the original and the revised plant additions.
- e. Referring to the response to part (a) above, please provide the Company's best estimate of the original cost of the transformers (and related equipment) to be removed from service during 2006, separately showing the amount of any salvage value or removal costs associated with each of the following 2006 plant addition levels:
1. \$2,459,527.
 2. \$4,787,280.

Ref: HELCO-WP-1406 & Responses to CA-IR-182 & CA-IR-180 (Plant Additions).

HELCO-WP-1406, page 2, sets forth the beginning of year plant balances and the value of annual plant retirements, during the period 2001-2005, for purposes of quantifying the average retirement ratios used in estimating the value of plant retirements in the 2006 test year forecast, except for production plant. Please provide the following with regard to the plant balances and retirements for Distribution transformers:

- a. Does HELCO consider the plant additions and retirements during the period 2001-2005 to be representative of the 2006 forecast plant additions associated with the transformer replacement effort (i.e., Project H1002000)? Please explain.
- b. Should the transformer retirements included in the 2006 test year forecast (see HELCO-WP-1406, p. 3) be revised to reflect the increased focus on the five-year program under which HELCO would install replacement transformers and related equipment? Please explain.
- c. If the response to part (b) above is affirmative, please quantify and provide all revisions identified by the Company.

Ref: HELCO-WP-1401, HELCO-WP-1409(C) & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 86-90 of Attachment 1 represent the PIA for Project H1003000, Minor UG Services. In general terms, the PIA is to design, install and construct new residential and commercial underground services. Please provide the following:

- a. The "Issues, Impacts, Considerations" section (Attachment 1, page 88) states that applicants seeking underground services will be required to make contributions in aid of construction. Please explain and reconcile why this disclosure is inconsistent with the "contributions" section of this PIA (Attachment 1, page 89) which merely states "none" for the various categories of CIAC, cash advances and other payments.
- b. Does HELCO have any specific policies, procedures or guidelines that set forth how each customer's responsibility for the cost of underground services should be determined? If so, please provide a copy thereof. Please explain.
- c. HELCO-WP-1409(C) identifies a 2006 budget of \$1,172,700 for Project H1003000, with \$340,100 and \$304,900 of related CIAC and advances, respectively. Please explain

how these amounts were determined and provide a copy of all supporting documents, including spreadsheet files.

- d. According to HELCO-WP-1401, the 2006 forecast plant addition for Project H1003000 is \$1,531,781, not \$1,172,700. Please provide the following:
1. Please identify, describe and reconcile this difference.
 2. Since the 2006 forecast plant addition is higher than the 2006 budget amount, should the CIAC and advances set forth on HELCO-WP-1409(C) also be revised? If so, please provide the requested revisions, showing all calculations. If not, please explain.

CA-IR-480

Ref: HELCO-WP-1409 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 91-95 of Attachment 1 represent the PIA for Project H1006000, Pole line repl & Reloc. In general terms, the PIA is to replace and/or relocate poles and lines due to highway and road construction projects, substandard or damaged pole lines and private property requests. Please provide the following:

- a. Since this project includes pole replacements and relocations at the request of third parties, why does the

“contributions” section of this PIA (Attachment 1, page 94) state “none” for the various categories of CIAC, cash advances and other payments? Please explain.

- b. Does HELCO-WP-1409(C) recognize any CIAC or advances associated with this project? If so, please provide the amount thereof and explain how such amounts were determined. If not, please explain.

CA-IR-481

Ref: HELCO-WP-1406 & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 101-105 of Attachment 1 represent the PIA for Project H1012000, Unit Substation Purchase. In general terms, the PIA is to upgrade substation transformer and switchgear in 2006 for Ainoloa, Komohana, Hawi and Kamuela. Please provide the following:

- a. Referring to HELCO-WP-1406, does HELCO consider the substation transformer additions and retirements during the period 2001-2005 to be representative of the 2006 forecast level of plant additions associated with Project H1012000)? Please explain.
- b. Please provide the Company’s best estimate of the original cost of the substation transformers (and related equipment)

to be removed from service during 2006, separately showing the amount of any related salvage value or removal costs.

- c. Should the substation transformer retirements included in the 2006 test year forecast (see HELCO-WP-1406, p. 3) be revised to reflect the 2006 planned upgrades? Please explain.

CA-IR-482

Ref: HELCO-WP-1409(C) & Response to CA-IR-182 (Plant Additions).

In response to CA-IR-182, HELCO provided PIAs for 18 of the 21 projects set forth on HELCO-WP-1401 in excess of \$500,000. Pages 106-110 of Attachment 1 represent the PIA for Project H1017000, Minor UG Extensions < \$20K. In general terms, the PIA is to design, install new underground line extensions to residential and commercial customers. Please provide the following

- a. The "Issues, Impacts, Considerations" section (Attachment 1, page 108) states that applicants seeking underground services will be required to make contributions in aid of construction and construction advance payments. Why does the "contributions" section of this PIA (Attachment 1, page 108) state "none" for the various categories of CIAC, cash advances and other payments? Please explain.

- b. Does HELCO have any specific policies, procedures or guidelines that set forth how each customer's responsibility for the cost of underground extensions should be determined? If so, please provide a copy thereof. Please explain.
- c. HELCO-WP-1409(C) identifies a 2006 budget of \$1,128,400 for Project H1017000, with \$530,300 and \$146,700 of related CIAC and advances, respectively. How were these amounts determined? Please provide a copy of any supporting documentation and spreadsheet file.
- d. According to HELCO-WP-1401, the 2006 forecast plant addition for Project H1017000 is \$1,702,162, not \$1,128,400. Please provide the following:
1. Please identify, describe and reconcile this difference.
 2. Since the 2006 forecast plant addition is higher than the 2006 budget amount, should the CIAC and advances set forth on HELCO-WP-1409(C) be revised?
 - (a) If so, please provide the requested revisions, showing all calculations.
 - (b) If not, please explain.

Witness T-20 Mr. Peter Young.

CA-IR-483

Ref: HELCO WP 2001 Cost of Service Electronic Excel File Sheet = "MEALDATA"; Allocation C7 Bad Debt.

Please provide support for the C7 allocation factor and a comparable breakdown of actual bad debts by rate schedule for each of the years 2004, 2005 and 2006 to-date.

CA-IR-484

Ref: HELCO WP 2001 Cost of Service Electronic Excel File Sheet = "MEALDATA"; Allocation C8 Customer Service Expenses.

Please explain the basis for derivation of the C8 allocation factor and provide updated supporting calculations for the test period proposed levels of Customer Service Expenses.

CA-IR-485

Ref: HELCO WP 2001 Cost of Service Electronic Excel File Sheet = "MECCDATA"; Average Peak Kw Per Customer.

Please provide supporting data for all amounts not derived from the CA-IR-225 Class Load Study document (the "from historical billing data" amounts) and explain why the GS1 and GS3 amounts are not 4.2 from the Class Load Study at Table 6.1, rather than the 4.30 value shown.

CA-IR-486

Ref: HELCO WP 2001 Cost of Service Electronic Excel File Sheet = "ENRGLOSS 6061"; Loss Calculations.

Please explain why the "P-SEC" column is not assigned any "SECONDARY LINE LOSS" on line 7 of this worksheet.

Ref: HELCO-WP-2001, page 79; Derivation of Standby Demand Charge.

Please provide the following information regarding this calculation:

- a. Explain all reasons why "Total Costs at Equal Rates of Return" were used as the starting point for the calculations, rather than "Total Costs at Proposed Rates" as used in the Company's August 28, 2006 Standby Tariff filing at Attachment B, page 2.
- b. State whether HELCO's position is that the costs used to establish standby rates should be based upon calculated cost of service at equal rates of return, or cost of service at proposed rate levels (unequal rates of return) and explain the basis for this position.
- c. Explain all reasons why 50% of Transmission Demand costs are treated as Generation demand costs in this workpaper, while 60% of Transmission Demand costs are said to be treated as Generation demand costs in the Company's August 28, 2006 Standby Tariff filing at Attachment B, page 2.
- d. Provide copies of all supporting studies and other information relied upon to determine how transmission costs should be treated in the determination of Standby rates.

- e. Explain how the 20% of Generation Demand costs was determined on line 1 and provide complete copies of all supporting studies and documentation.
- f. Explain whether HELCO supports calculating the standby energy charge as shown in WP-2001, page 80, based solely upon energy cost of service, less Adjustments from HELCO-302, or whether the higher charge resulting from the calculations set forth in the Company's August 28, 2006 Standby Tariff filing at Attachment B, page 2 is more appropriate and explain the basis for this position.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **DIVISION OF CONSUMER ADVOCACY'S FIFTH SUBMISSION OF INFORMATION REQUESTS** 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).

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DATED: Honolulu, Hawaii, October 18, 2006.

Debbie Spooner