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BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

---- In the Matter of ---- )  
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PUBLIC UTILITIES COMMISSION )  
 )  
"HECO, HELCO, MECO Relating to the )  
Major Power Outages of October 15-16, 2006 )  
\_\_\_\_\_ )

Docket Number: 2006-0431

PUBLIC UTILITIES  
COMMISSION

2006 NOV -8 A 11: 02

FILED

LIFE OF THE LAND'S  
MOTION TO INTERVENE  
&  
CERTIFICATE OF SERVICE

HENRY Q CURTIS  
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Aloha Commissioners:

On Friday, October 27, 2006, the Hawai'i Public Utilities Commission's ("Commission") Order 22986 opened a Commission docket to investigate the October 15-16, 2006 Power Outages.

The Commission stated in Order 22986 that there appears to be many more questions and concerns that need to be addressed; such as the existence of and possible underlying causes that contributed to or may have contributed to the outages, the integrity and reliability of the system in general, and the reasonableness of the HECO Companies' actions prior to and during the outages. ... The Preliminary Issues include: (1) Aside from the earthquake, are there any underlying causes that contributed or may have contributed to the Power Outages? (2) Were the activities and the performances of the HECO companies prior to and during the Power Outages reasonable and in the public interest? Specifically, were the power restoration processes and communications re the Outage reasonable and timely under the circumstances?

#### Background

The Power Outages of October 15-16, 2006 was Hawai'i's first and only multi-island outage since electrification started in the 1880s.

O`ahu's modern grid system dates from 1958 when the first 138-kV Transmission Line was installed between Waiau and Wahiawa. The Northern Electric Transmission Line Corridor was built from 1959-64.

Since then O`ahu has experienced three island-wide outages (1983, 1988, 1991) which occurred during the Hawaiian Electric Industries (HEI) formation and expansion years (1981-91). The Commission opened up outage dockets in 1983 and 1988, extending the 1988 docket to include the 1991 outage. Two major Outage Studies were completed by consultants hired by the utility: Stone and Webster ("S&W", 1984) and Power Technologies Inc. ("PTI", 1993).

S&W and PTI recommended a Southern Transmission Line Corridor, Integrative Vegetative Management ("IVM") and Live Wire Maintenance ("LWM"), among other things. These reports

and recommendations shaped utility actions and non-actions over a 2 decade period. Widespread community opposition occurred regarding the proposed 138kV Transmission Line on the new Southern Transmission Corridor: Waiiau-CIP.

### Possible Issues

This docket may touch on several other issues, including:

(1) Telecommunications: Should the electric utility rely on land lines, electric-grid powered cellular technology, or non-electric-grid powered cellular technology? Will new telecommunication towers be needed? Should telecommunication companies co-locate their equipment, or should every company use their own poles? Will communities continue to oppose new cell towers? Should the phone company be part of the docket?

(2) Distributed Generation: Are there sufficient back-up generators? Should sections of the islands be able to operate apart from the total grid? Does Maui Energy Coordinator Kal Kobayashi's Virtual Grid proposal make sense? Do critical facilities need greater DG installations? Should Waikiki, the economic engine of the state, have Distributed Generation? Why was Waikiki among the last locations on three islands to get re-energized?

(3) Operations: (a) Load Shedding. Should one generator be pre-matched to one particular load in order to stop a total crash of the system? If one Kahe generator had powered Wai`anae, could the system have come on line faster? (b) How should operators distinguish between Acts of God (hurricanes, earthquakes, tsunamis) and generator malfunctions?

(4) Independent Power Producers: Could Maui's HC&S stay on-line to power critical facilities? Akin to the 1983 outage where Oahu Sugar re-energized the O`ahu grid, could HC&S have quickly re-energized the Maui grid?

(5) Externalities: We live in a world where all things are interconnected. The choices we make today affect our pocketbooks, or environment and our planet (climate change).

(6) Proposed Power Plant: Will the Outage Report state that HECO's proposed power plant in

Campbell Industrial Park is required? Or that MECO should build a power plant at Waena? Or Keahole should be expanded?

(7) Waikiki: The argument in favor of the East O`ahu Transmission Line was in part based on the critical need to power Waikiki. Yet Waikiki was one of the last areas to receive power as the utility re-electrified the island west to east.

This docket will likely interface with several active dockets: Distributed Generation, Energy Efficiency, Proposed Power Plants, Proposed Transmission Lines, etc; and perhaps the pending Combined Heat and Power docket.

The Commission noted that building the record "can only be done effectively in a formalized process, since a regulatory schedule can be established, discovery can be conducted, and written testimonies can be taken under oath." Along with this approach, it is important that the Commission be exposed to multiple viewpoints and perspectives.

Intervention: The right of intervention is at the discretion of the PUC. The Motion to Intervene must include responses to criteria found in Hawaii Administrative Rules (HAR) 6-61-55.

1) Timeliness. Our motion to intervene is timely. Our Motion to Intervene was filed on November 8, 2006, within the 20 day time limit specified by PUC Rules Section 6-61-57.

2) The nature of the applicant's statutory or other right to participate in the hearing. Our statutory right to participate is based on the Hawai'i State Constitution (Article XI, Section 9: Environmental Rights). Our right to participate is supported by our Petition and Charter of Incorporation (December 16, 1970) and LOL Board Actions including authorizing Henry Curtis, Vice-President for Consumer Affairs, to represent LOL before the PUC re HRS Section 6-61-12.

On an appeal by Life of the Land, the Hawaii Supreme Court opinion re In Re Application of Hawaiian Electric Company, Ltd., 56 Haw. 260 (1975) stated: "The practical effect of denying the appellants standing would be to silence the voice of all those who would speak in the public interest."

3) The nature and extent of the applicant's property, financial, and other interest in the pending matter; Life of the Land is a non-profit Hawaii-based organization. Our members and supporters live, work and recreate in Hawaii. They are concerned about energy policy, and the impact our energy choices have on land use, the environment, quality of life, aesthetics, and health. Our members and supporters are affected by System Reliability and Power Outages. This docket will likely interface with several active dockets which LOL has been granted intervenor status in: Distributed Generation, Energy Efficiency, Proposed Power Plants, Proposed Transmission Lines, etc.

4) The effect of the pending order as to the applicant's interest; Our members and supporters are concerned with the choices the Commission will make. Our members and supporters are concerned about distributed generation, renewable energy, energy justice, environmental justice, externalities and climate change.

The actions of the Commission in this docket are likely to shape energy policy for many years to come. We need to protect our interests as we have brought before the Commission in the generic restructuring docket (PUC DN. 96-0493); the Board of Land and Natural Resources (Docket OA-2801) on Wa`ahila Ridge; MECO's IRP 2000-2020 Plan (PUC DN. 99-0004); HECO's IRP-2 and IRP-3 Advisory Group; PUC's Distributed Generation (PUC DN 03-0371); and HECO's East Oahu Transmission Project (PUC DN 03-0417).

5) Other Means Available Wherein Applicant May Protect His Interest. There are no other means available to protect our interests. Dropping the ball at this point would be an act of self-capitulation.

6) Other Parties Do Not Represent LOL's Interests. The existing parties will be the fossil fuel based utilities and the Consumer Advocate which protects consumers interests. Life of the Land represents environmental interests. Consumer and environmental issues are distinct, although they overlap. A minimal divergence is sufficient for separate representation. We strongly believe that time is running out in regard to climate change. We must make the changes now if we are to survive. When all economic impacts are considered, the transition will make our economy stronger.

7) LOL's Participation will Assist the Development of a Sound Evidentiary Record.

Life of the Land is very familiar with major outage reports (S&W, PTI), the outage dockets; we toured HECO's old Energy Management System on Ward Avenue, the Kahe Power Plant and several Independent Power Producers generators and facilities. Our presence in the docket will enable the PUC to get a more complete picture of the environmental, social and economic costs/benefits associated with this project and the alternatives. Our research into economic and constitutional issues, as demonstrated in our Statement of Position in docket 03-0417, will enable the Commission to view and consider all of the pertinent available information needed to make a sound decision.

8) LOL's Participation Will Neither Unduly Broaden The Issues Nor Delay This Proceeding.

Our listing of possible issues that this docket may touch on should not be confused with our intervention in the docket. We are not advocating any expansion of issues, merely noting that other issues may arise in this docket. If they do arise, they may affect positions we have and are advocating in other dockets. We will not seek to broaden the issues or delay the proceedings, but will be able to offer input should they arise.

Life of the Land has a history of following PUC directives in previous dockets we have participated in (96-0493 Restructuring; 99-0004 MECO IRP; HECO DSM). Our comments, testimonies, expert witnesses and exhibits will be provided so as to strengthen the defensibility of the PUC decision. We do not seek to muddy the waters, but rather to bring clarity to the issues at hand. Allowing intervention by Life of the Land, the filing of our comments and questions, and granting the other relief sought in this petition, the PUC will merely place Life of the Land in the same substantive and procedural position as the other parties to these proceedings.

9) LOL's Interests Differ From Those Of Those Of The General Public. The Consumer Advocate is bound by the law to represent the interests of the general public, that is, the consumers of utility services. Life of the Land is concerned with environmental impacts.

10) Whether the applicant's position is in support of or in opposition to the relief

sought. This docket focuses on investigating the outages. We support that. Life of the Land

opposes relying on fossil fuel as a solution to any energy problem. We are in a time crunch. We must make the transition to renewable resources now.

11) National Security. Life of the Land sat and sits on military Technical Review Committees and Restoration Advisory Boards (1995-2006) for the Army's Schofield Barracks (USAGH TRC), Pearl Harbor Naval Base (PH RAB), Air Force's Central Oahu (CO-RAB) and Hickam Air Force Base (Hickam-RAB). We evaluated hazardous sites that impact flora, fauna, and people including children of military parents. We needed to understand the sites, the risks, etc. to understand and make recommendations. We also participated on the U.S. EPA/Hawai'i Department of Health's Source Water Assessment Project (SWAP) Community Advisory Committee (CAC). Community groups need site visits and access to information in order to make informed decisions and recommendations. Some parties may allege (slander, libel) us by suggesting that we can't be trusted with sensitive information. The Commission should require any such party to substantiate any alleged claim.

Certificate of Service

I hereby certify that I have this date served a copy by hand delivery of the foregoing Motion To Intervene by Life of the Land, in PUC Docket Number 2006-0431, upon the following parties. The original and 8 copies to the PUC, two copies to the Consumer Advocate, and one copy each to HECO, MECO, HELCO and HECO's Attorney.

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Dated November 8, 2006



Henry Q Curtis