

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
465 S. KING STREET, #103
HONOLULU, HAWAII 96813

LEODOLOFF R. ASUNCION, JR.
CHAIR

NAOMI U. KUWAYE
COMMISSIONER

COLIN A. YOST
COMMISSIONER

Telephone: (808) 586-2020
Facsimile: (808) 586-2066

Website: puc.hawaii.gov
E-mail: puc@hawaii.gov

May 31, 2024

Kevin M. Katsura
Director, Regulatory Non-Rate Proceedings
Hawaiian Electric Company, Inc.
Kevin.Katsura@hawaiianelectric.com

Re: Docket No. 2024-0121, In the Matter of the Application of Hawaiian Electric Company, Inc., Hawai'i Electric Light Company, Inc., Maui Electric Company, Limited DBA Hawaiian Electric, For Approval of Stipulated Comprehensive Double Pole Removal Plan.

Dear Mr. Katsura:

To assist the Public Utilities Commission ("Commission") in its review of the above -referenced docket, please respond to the following Information Request ("IRs") by June 14, 2024.

Thank you for your assistance.

Sincerely,

Melissa Mash
Commission Counsel

MM:ljk

Enclosure

c: Service List, Docket No. 2024-0121, via the Commission's Case and Document Management System Electronic Distribution List.

Docket No. 2024-0121

Information Requests to Hawaiian Electric Company, Inc., Hawai'i Electric Light Company, Inc., Maui Electric Company, Limited ("Hawaiian Electric")

General Instructions:

Unless otherwise directed, all responses to these IRs that concern or require tabular or graphic representations of data should include the data in an electronic spreadsheet file compatible with MS Excel. All spreadsheet files provided in the responses to these IRs should be provided in live or dynamic format with cell logic, references, calculations, and formulas intact, and all cells unhidden and unprotected. Supporting files should be submitted in eServices in standard file formats and not secured or password protected.

PUC-HECO-IR-01

Reference: "Application Hawaiian Electric; Exhibit C; Verification," filed on April 30, 2024 ("Application"), at 6. Application, Exhibit A at 44.

In the Application at 6, Hawaiian Electric states that "[g]iven that the backlog double poles have a finite quantity and because Hawaiian Electric is under an obligation to remove all of them by 2028, as part of the Stipulated Plan, Hawaiian Electric requests that the Commission seek State funding in the amount of \$500,000 per year for the next four (4) years, until the backlog removals are complete." However, prior to the filing of the Application, Hawaiian Electric stated on December 21, 2023, as seen in the Application Exhibit at 44, that Hawaiian Electric "estimated that an additional \$2.1M to \$2.5M per year over the remaining 5 years will be needed to address these backlog double poles."

Please respond to the following:

- a) Please clarify if the statements above refer to the removal of 1) only backlog double poles that require standard transfer and removal, or 2) the total of backlog double poles and preventive double poles that exist to date.
- b) If the double poles referenced are only referring to the backlog double poles, then please confirm that Hawaiian Electric is not requesting additional funding to remove all preventive poles to date.
- c) What type of State funding is Hawaiian Electric requesting that the Commission seek to fund this program?
- d) Please provide a pro forma income statement for each island for the revenues received from joint pole attachments, that covers years 2024 to 2030.

- e) Please provide Hawaiian Electric's actual expenses for double pole removals for each island for years 2018 through present, and Hawaiian Electric's annual budget for double pole removals for each island from present through 2035.
- f) In the December 1, 2023 response, Hawaiian Electric stated it would need an additional \$2.1M to \$2.5M per year to address the backlog double poles, please explain in detail why the estimated amount required changed from \$2.1M to \$2.5M per year (as of December 1, 2023), to \$500,000 per year (as of April 30, 2024) to address the same backlog, including a detailed breakdown by expense type, of the difference in the two cost estimates.
- g) What is the estimated cost to remove a double pole that requires a standard transfer? Please provide a breakdown of the cost (i.e., materials, company labor, contractor labor, project coordination, etc.).
- h) If Hawaiian Electric is not provided the additional funding of \$500,000 per year to meet the ten-year commitment which ends on April 4, 2028 (ten years from the filing of Docket 2018-0075), as requested, please provide:
 - i. the estimated number of double poles that can be removed per year for years 2024, 2025, 2026, 2027, and 2028.
 - ii. the estimated balance of backlog and preventive double poles requiring standard transfers that will remain on April 4, 2028.
 - iii. The estimated additional years required beyond April 4, 2028, to fully remove the double pole backlog, including preventive poles in existence as of April 4, 2028.

PUC-HECO-IR-02

Reference: "Application Hawaiian Electric; Verification," filed on April 30, 2024 ("Application"), at 10 and 11. Application, Exhibit A, at 10. Application, Exhibit B, at 15. Application, Exhibit B, at 3.

In the Application at 10 and 11, Hawaiian Electric states that "[t]he Parties have agreed to sixteen specific stipulations," including "[t]agging of new and existing equipment so ... the public can readily identify what equipment belongs to whom." Hawaiian Electric also verbally stated at the December 11, 2023, status update meeting that "Hawaiian Electric prioritizes which poles it removes by categorizing them as either "high", "medium", or "low" priority." In the Application Exhibit B at 15, Hawaiian Electric introduces vegetation management as part of the stipulation in that "[t]he subcommittee discussed that vegetation management can speed up pole transfers." In Application Exhibit B at 3, Hawaiian Electric introduces dashboarding as part of the stipulation on the "concept of using Alden ONE, at no cost to the Stakeholders."

Please respond to the following:

- a) Please describe in detail if and how any of the new processes and process improvements presented in the Application contribute to reduction in the cost to remove a) a double pole requiring a standard transfer; b) a preventive double pole requiring a standard transfer.
- b) Has Hawaiian Electric established a priority system for the remediation of double poles? If so, please describe the priority system.
- c) Please describe in detail the criteria that Hawaiian Electric utilizes to determine what vegetation management is required by each stakeholder. Please cite where the vegetation management requirements exist in the current pole attachment contracts or agreements, and how any new requirements will be documented or added to the existing contracts or agreements.
- d) Please provide a detailed description of the information and data regarding the status of double poles and double pole removals that will be made available to the general public via outreach, communication, and dashboarding.

PUC-HECO-IR-03

Reference: “Application Hawaiian Electric; Exhibit C; Verification,” filed on April 30, 2024 (“Application”), at 3. Hawaii Administrative Rules Chapter 6-80-80. “Application Hawaiian Electric”; Docket No. 2023-0311, filed September 19, 2023, Exhibit 1, at 6. “Application Hawaiian Electric”; Docket No. 2023-0175, filed February 8, 2023, Exhibit 1, at 6. “Application Hawaiian Electric”; Docket No. 2023-0176, filed February 8, 2023, Exhibit 1 at 7. “Hawaiian Electric Responses to PUC-HECO-IR-5b”; Docket No. 2023-0311, filed February 8, 2024, at 12.

In the Application at 3, Hawaiian Electric states that “[i]n its license agreements with carriers, Hawaiian Electric remains aware that it cannot unilaterally impose any requirements and that it must work within its bargaining power to get parties to agree on any terms.” Hawaii Administrative Rules 6-80-80 state that “[a]ny entity that adds to or modifies its existing attachment after receiving such notification shall bear a proportionate share of the costs incurred by the owner in making such pole, duct, conduct, or right-of-way accessible.” In the Application Docket No. 2023-0311 Exhibit 1 at 6 and Application Docket No. 2023-0175 Exhibit 1 at 6 and Application Docket No. 2023-0176 Exhibit 1 at 7, Hawaiian Electric states in its Site License Agreements (“SLA”) that “In the event that Hawaiian Electric determines, in its reasonable discretion, that any Licensed Site is necessary for Hawaiian Electric’s use in serving its customers or in meeting any of its regulatory obligations, or its obligations under any financing, land use or other agreement, Hawaiian Electric may terminate any Permit issued hereunder by giving at least [redacted] prior written notice.” In Responses to PUC-HECO-IR-5b Docket No. 2023-0311 at 12, Hawaiian Electric states that “[attacher] would be required to remove and potentially modify its equipment based on the new or upgraded structure,”

continuing to add that “Hawaiian Electric would provide [attacher] written notice pursuant to SLA section 3.6.1 and would work with [the attacher] to coordinate the timely removal or transfer of [attacher’s] equipment.”

Please respond to the following:

- a) Has Hawaiian Electric further investigated efforts to revise existing contract language for any license agreements currently in place with each pole attaching entity, to ensure the attaching entity responds within the given timelines established by Hawaiian Electric, to perform equipment transfers? Has Hawaiian Electric further investigated efforts to establish penalties if attaching entities do not respond or act within the required times established by Hawaiian Electric, to perform equipment transfers?
- b) Does Hawaiian Electric believe that modification of HAR Chapter 6-80-80 to include mandatory timeframes and or corrective action is necessary to prevent the creation of and remove the backlog of double poles?
- c) Docket No.’s 2023-0175, 2023-0176, and 2023-0311 filed by Hawaiian Electric include proposed Site License Agreements (SLA’s) for third party colocations on Hawaiian Electric structures, property, etc. Has Hawaiian Electric considered revising the existing pole attachment agreements and contract language to include language that is similar to the language used in the proposed colocation SLA’s, regarding actions taken if colocation entities do not comply with deadlines established by Hawaiian Electric in the SLA’s?

PUC-HECO-IR-04

Reference: “Application Hawaiian Electric; Exhibit A; Verification,” filed on April 30, 2024 (“Application”), at 21. Application, at 10.

In the Application at 21, Hawaiian Electric states that it “targets to complete the transfer/removal of approximately 1,300 backlog double poles per year.” In the Application at 10, Hawaiian Electric states that “[t]he Parties have agreed to sixteen specific stipulations that ... the Parties believe to be the most impactful to improving the efficiency and rate of double pole removals.”

Please respond to the following:

- a) Please confirm if Hawaiian Electric’s statement in the Application pertains to transfer/removal of 1,300 backlog double poles per year for every year going forward. If not, then how many years is this statement referring to?
- b) Please confirm if Hawaiian Electric’s statement in the Application pertains to the transfer/removal of 1,300 backlog double poles per year for double poles requiring standard transfers, non-standard transfers, or both.

- c) Provide the last known double pole removal procedure for double poles requiring standard transfers and double poles requiring non-standard transfers, prior to recently implemented efficiencies. Please also provide the proposed new double pole removal procedure, either in workflow diagram or grocery list style, for double poles requiring standard transfers and double poles requiring non-standard transfers.

PUC-HECO-IR-05

Reference: "Application Hawaiian Electric; Exhibit B; Verification," filed on April 30, 2024 ("Application"), at 6-9. Application, at 10-11.

In the Application at 6-9, Hawaiian Electric states that as part of Stipulation 5 "applicable Stakeholders agree to share their respective approved contractor list and use reasonable efforts to allow certain qualified contractors to move their equipment at the same time that such contractors are moving equipment of other Stakeholders, and then be invoiced accordingly." In the Application at 10-11, Hawaiian Electric states that "[t]his can minimize the number of different contractors that need to schedule and perform transfer work on a specific pole and limit how many times contractors or union crews go to that pole, thereby accelerating the pace of transfers and removals."

Please respond to the following:

- a. Does Hawaiian Electric anticipate that increasing the list of eligible contractors will speed up the equipment transfer and double pole removal process?
- b. Please confirm that with all improved initiatives identified in the stipulations, there will be sufficient labor resources to achieve Hawaiian Electric's projected removal goals.

PUC-HECO-IR-06

Reference: "Application Hawaiian Electric; Exhibit B; Verification," filed on April 30, 2024 ("Application"), at 2.

Hawaiian Electric admits that there is "[c]urrently there is no single database for tracking double pole equipment and transfers."

- a) Please describe in detail Hawaiian Electric's plans and implementation schedules to develop a single database for use between the different operating companies Hawaiian Electric Company, Maui Electric, and Hawaii Electric Light. If Hawaiian Electric has no plans to consolidate its databases, please explain why not.
- b) Please describe in detail Hawaiian Electric's plans and implementation schedules to improve its current individual databases for tracking double pole

equipment transfers and double pole removals, and to improve the methods for gathering data, metrics, and status from its various databases (PIE, joint pole, etc.). Please include the implementation schedule for such improvements. If Hawaiian Electric has no plans to improve its databases, please explain why not.

PUC-HECO-IR-07

Reference: “Application Hawaiian Electric; Verification,” filed on April 30, 2024 (“Application”), at 7.

Hawaiian Electric states that “[d]ouble poles identified, in part, by a 2018 audit are referred to as “backlog” double poles.”

Is Hawaiian Electric planning to conduct or otherwise complete any pole attachment inventory audit that may be ongoing? If such a pole attachment inventory audit was completed, please provide either the report or a summary of the report.

PUC-HECO-IR-08

Reference: “Application Hawaiian Electric; Verification,” filed on April 4, 2018 (“HT HECO Transfer Application”), Docket No. 2018-0075, at 23, 4, and 35.

In HT HECO Transfer Application at 23, Applicants state that “[t]he baseline double pole field survey will provide details on the condition of all poles in question, the exact quantity of poles, the quantity of attachments on the poles, and whether the transfer work is standard and will now be the responsibility of Hawaiian Electric Companies to perform, or non-standard and remain the responsibility of Hawaiian Telcom to perform.”

In HT HECO Transfer Application at 23, Applicants also state that:

“The Hawaiian Electric Companies have committed to performing a minimum of 1,000 standard transfers and double pole removals per year. Hawaiian Telcom has committed to performing a minimum of 50 non-standard transfers and double pole removals per year. The double pole backlog will be brought to a net zero within ten years.”

In HT HECO Transfer Application at 4, further, Applicants claim that one of the most notable benefits of the new arrangement is the “[r]emoval of double poles: Effectively eliminating future and addressing current double poles by instituting a collaborative remediation effort identifying, planning and committing to equipment transfers and the removal of approximately 14,000 double poles.”

In HT HECO Transfer Application at 35, lastly, Applicants assert that “[t]he attachment fees paid by Hawaiian Telcom will be used to remediate a significant portion of the backlog of double poles. Hawaiian Electric Companies’ customers will not bear the burden of these costs, as any attachment materials for Hawaiian Telcom facilities will

be provided and paid for by Hawaiian Telcom and all non-standard transfers of Hawaiian Telcom equipment shall be performed by Hawaiian Telcom, including the removal of the old pole, at their cost.”

Please respond to the following:

- a) For the double poles that require non-standard transfers and pole removals by Hawaiian Telcom, please confirm that Hawaiian Telcom can meet its commitment of bringing its non-standard transfer double pole backlog to a net zero by the end of the ten-year period (April 24, 2028). If so, please provide Hawaiian Telcom’s proposed double pole removal schedule from present through April 24, 2028.
- b) Please confirm that Hawaiian Telcom’s work and costs to perform the non-standard transfers and double pole removals are NOT included in the cost estimates, schedules, or implementation plans provided in this Application (Docket No. 2024-0121).
- c) Please explain in detail why Hawaiian Electric is now unable to meet its commitment to effectively eliminate future and addressing current double poles as referenced, without requiring additional funding.

FILED

2024 May 31 P 15:15

PUBLIC UTILITIES

COMMISSION

F-308269

2024-0121

The foregoing document was electronically filed with the State of Hawaii Public Utilities Commission's Case and Document Management System (CDMS).