

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

----- In the Matter of ----- )  
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PUBLIC UTILITIES COMMISSION )  
 )  
Instituting a Proceeding )  
To Investigate Integrated )  
Grid Planning. )  
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DOCKET NO. 2018-0165

ORDER NO. 36218

ACCEPTING THE IGP WORKPLAN AND PROVIDING GUIDANCE

FILED

2019 MAR 14 A 10:48

PUBLIC UTILITIES  
COMMISSION

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OF THE STATE OF HAWAII

----- In the Matter of -----	)	
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PUBLIC UTILITIES COMMISSION	)	Docket No. 2018-0165
	)	
Instituting a Proceeding	)	Order No. <b>36218</b>
To Investigate Integrated	)	
Grid Planning.	)	
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ACCEPTING THE IGP WORKPLAN AND PROVIDING GUIDANCE

By this Order, the State of Hawaii Public Utilities Commission ("commission") accepts the integrated grid planning ("IGP") workplan ("Workplan") filed by HAWAIIAN ELECTRIC COMPANY, INC. ("HECO"), HAWAII ELECTRIC LIGHT COMPANY, INC. ("HELCO"), MAUI ELECTRIC COMPANY, LIMITED ("MECO") (collectively "Companies" or "HECO Companies"),<sup>1</sup> and provides guidance on the Workplan.

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<sup>1</sup>The Parties to this proceeding are HECO, MECO, HELCO, the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), an ex officio party, and the Intervenor admitted in Order No. 35727, i.e., RENEWABLE ENERGY ACTION COALITION OF HAWAII, INC.; LIFE OF THE LAND; ENERGY ISLAND; COUNTY OF HAWAII; HAWAII PV COALITION; ENERGY FREEDOM COALITION OF AMERICA, LLC; HAWAII SOLAR ENERGY ASSOCIATION; PROGRESSION HAWAII OFFSHORE WIND, LLC; ULUPONO INITIATIVE, LLC; and BLUE PLANET FOUNDATION (collectively, "Parties"). See In re Public Util. Comm'n, Docket No. 2018-0165, Order No. 35727, "Admitting Intervenor," filed on October 2, 2018 ("Order No. 35727"). The commission notes that Order No. 35727 inadvertently and erroneously referred to County of Hawaii as "COM" in the ordering clause. See Order No. 35727 at 24. To avoid any

I.

BACKGROUND

By Order No. 35569, issued on July 12, 2018, the commission opened the instant docket to investigate the IGP process proposed by the HECO Companies.<sup>2</sup> Pursuant to Order No. 35569, the Companies filed their Workplan on December 14, 2018.<sup>3</sup> Order No. 35569 prescribed the minimum requirements for the Workplan.<sup>4</sup> Consistent with Order No. 35569,

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confusion, the commission hereby affirms that Order No. 35727 granted County of Hawaii's motion to intervene in this proceeding.

<sup>2</sup>See In re Public Util. Comm'n, Docket No. 2018-0165, Order No. 35569, "Instituting a Proceeding to Investigate Integrated Grid Planning," filed on July 12, 2018 ("Order No. 35569" or "Opening Order").

<sup>3</sup>See "Planning Hawaii's Grid for Future Generations; Integrated Grid Planning Workplan, December 14, 2018" ("IGP Workplan" or "Workplan").

<sup>4</sup>The commission specifically required that the Workplan include detail and description of "(1) the proposed Working Groups, including their specific objectives, composition, expected deliverables, and timelines for those deliverables; (2) a specific proposal for how forecasting assumptions, system data, modeling inputs, studies, analyses, meeting summaries, and other data will be shared with the commission and stakeholders throughout the IGP process; (3) the process and timeline for defining and quantifying grid needs (including generation, transmission, and distribution); (4) the process and timeline for sourcing and procuring solutions to meet identified grid needs; (5) the process and timeline for analysis for optimization of the grid solutions identified in the procurement phase; (6) opportunities for midstream evaluation and potential course correction for the IGP process; and (7) when and how independent facilitation will assist the IGP process." See Order No. 35569 at 27-28.

the Workplan provided a summary and description of the proposed IGP process and a description of the major steps of that process, including forecasts and planning inputs, identifying and quantifying system needs, a methodology and process for sourcing solutions, and solution evaluation and optimization.<sup>5</sup>

The Workplan also details the Companies' stakeholder engagement model that includes broad public engagement, a Stakeholder Council, a number of working groups,<sup>6</sup> and a Technical Advisory Panel.<sup>7</sup> The Workplan provides a detailed timeline for all major IGP events, more defined process descriptions - including current gaps in process implementation - and details the composition and objectives of each Working Group.

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<sup>5</sup>See Workplan at 11.

<sup>6</sup>These working groups include the Forecasting Assumptions Working Group, the Resilience Working Group, the Distribution Planning Working Group, the Standardized Contract Working Group, the Grid Services Working Group, the Solution Evaluation and Optimization Working Group, and the Competitive Procurement Working Group (individually "Working Group"). See Workplan at 51, 58, 60, 62, 66, 68, 69, and 71.

<sup>7</sup>See Workplan at 42.

## II.

### DISCUSSION

#### A.

##### ACCEPTING THE WORKPLAN

The Workplan meets and often exceeds the minimum requirements set forth in Order No. 35569. Because of the IGP's novelty, the Companies will be forced to develop several new methods and process improvements, and address new technical challenges. The Workplan provides the commission with more information as to the nature of these process improvements, as well as sufficient detail and a reasonable roadmap that describes the state of current processes, identifies gaps that need to be filled, and provides a method to fill those gaps.

The strength of the Workplan lies in the robust stakeholder engagement model. The Stakeholder Council, the Technical Advisory Panel, and each Working Group has clear objectives, responsibilities, membership, and schedules. But, the Workplan does not presuppose the outcome of each Working Group's discussions - to do so in advance would deny the Working Groups the flexibility they will need to complete their respective tasks. Critically, the Companies have connected the anticipated work products of these groups to specific IGP process gaps.

The Workplan proposes mechanisms to enable the flow of information between the different tiers of the Stakeholder

Council, Technical Advisory Panel, and Working Groups.<sup>8</sup> The Companies' approach is reasonable, particularly for this early stage. Given the large number of groups and individuals involved in the IGP process, including the Stakeholder Council, Technical Advisory Panel, each Working Group, and the Parties, the commission expects the Companies to continue to develop and adapt their information sharing methods so that everyone may meaningfully contribute to the IGP process, and benefit from others' contributions.

All in-person Working Group meetings will have webinar access and will be independently facilitated by a team of outside consultants to enable greater stakeholder participation.<sup>9</sup> This is clearly responsive to the commission's guidance regarding when and how independent facilitation will assist the IGP process. The Companies should consider additional opportunities where independent review and evaluation will aid the IGP process, such as the "Review Points" identified in the Workplan, and discussed further below.<sup>10</sup>

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<sup>8</sup>Workplan at 45, Figure 12.

<sup>9</sup>See Workplan at 44 and 47-49.

<sup>10</sup>See Workplan at 39, Figure 10.

Ultimately, the Workplan is responsive to prior commission guidance, and provides a solid foundation for the IGP process to build upon.

B.

COMMISSION GUIDANCE

As the commission stated in the Opening Order, the HECO Companies will take a leadership role throughout the IGP process, and the commission will "ensure that the process is conducted in a timely, transparent, and collaborative manner, by providing guidance and directives where necessary and appropriate."<sup>11</sup> Consistent with the Opening Order, the commission provides the following initial guidance as the Companies begin to implement the Workplan.

The commission reiterates its intent to foster an IGP process that is transparent and inclusive,<sup>12</sup> and as such, the commission directs the Companies to provide all Parties to this docket reasonable notice of, and the opportunity to attend each Working Group and Stakeholder Council meeting. The Companies may provide notice of these meetings electronically - i.e.,

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<sup>11</sup>See Opening Order at 22.

<sup>12</sup>See Opening Order at 20.

on their website and/or via email - and may provide notice of multiple meetings simultaneously.<sup>13</sup> The commission expects all Working Group and Stakeholder Council participants to meet the standards of conduct set forth in Order No. 35727.<sup>14</sup>

To further promote transparency, the Companies shall post on their website a summary of every Stakeholder Council meeting, Technical Advisory Panel meeting, and Working Group meeting, and make this information available and accessible continuously, until the commission directs otherwise.

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<sup>13</sup>See Workplan at 46 (stating that "[t]he Companies have launched a public IGP website to share information on IGP development activities, related educational materials, including videos, and information on public workshops, the Stakeholder Council, Working Groups, and the Technical Advisory Panel. The information for these activities will include schedules, meeting agendas, presentations (by the Companies, stakeholders and experts), and meeting summaries."). As of the date of this Order, the Companies' IGP website, available at <https://www.hawaiianelectric.com/clean-energy-hawaii/integrated-grid-planning>, contains most of this information, but does not yet have schedules for any future Working Group meetings.

<sup>14</sup>The commission stated that "it is imperative that participation in this docket meet a high standard of quality, relevance, and timeliness." Order No. 35727 at 21. The commission also stated that it will "reconsider an Intervenor's status in this docket if, at any time during the course of this proceeding, the commission determines that the Intervenor is attempting to unreasonably broaden the issues established by the commission, is unduly delaying the proceeding, or is failing to meaningfully participate and assist the commission in the development of a sound record." Id.



The commission will provide additional guidance and directives, where necessary and appropriate, throughout the IGP process. At a minimum, the commission will provide review and guidance at each "Review Point" identified by the HECO Companies.<sup>15</sup> Before the commission defines the procedure for these Review Points, it would be helpful for the commission to better understand the nature and scope of review the Companies envision. Therefore, the Companies shall file a brief explanation of the review they envision at the identified Review Points, well in advance of the first identified Review Point (the Forecast Review), and no later than July 31, 2019. As discussed above, the Companies should consider whether independent evaluation of these Review Points will aid the IGP process.

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<sup>15</sup>See Workplan at 39, Figure 10.

III.

ORDERS

THE COMMISSION ORDERS:

1. The commission accepts the Workplan.
2. The commission provides the initial guidance set forth herein as the Companies begin to implement the Workplan.

DONE at Honolulu, Hawaii MAR 14 2019.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By James P. Griffin  
James P. Griffin, Chair

By Jennifer M. Potter  
Jennifer M. Potter, Commissioner

APPROVED AS TO FORM:

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2018-0165.lm

CERTIFICATE OF SERVICE

The foregoing order was served on the date of filing by mail, postage prepaid, and properly addressed to the following parties:

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