

Procurement Process and Competitive Bidding Framework

Competitive Procurement Working Group
March 16, 2020



Hawaiian Electric
Maui Electric
Hawai'i Electric Light

Agenda

- ◆ Welcome
 - Ground Rules
- ◆ CPWG Meeting #10 Objectives
- ◆ Review and discuss the updated IGP Sourcing Process diagram
- ◆ Discuss the redlines made to Competitive Bidding Framework (CBF)
 - Continuation on Section II
 - Contingency and Parallel Plans
 - Section III
- ◆ Next Steps, Proposed Meeting Schedule & Deliverables



Welcome and Objectives



Hawaiian Electric
Maui Electric
Hawai'i Electric Light

Ground Rules

- ◆ Chatham House Rule will apply – no personal or organizational attribution will be made to any comments/feedback provided during the meeting by any participant nor in written documentation.
- ◆ Working group meetings, and other information exchanges are intended solely to provide an open forum or means for the expression of various points of view in compliance with antitrust laws.
- ◆ Under no circumstances shall engagement activities be used as a means for competing companies to reach any understanding, expressed or implied, which tends to restrict competition, or in any way, to impair the ability of participating organizations to exercise independent business judgment regarding matters affecting competition or regulatory positions.
- ◆ Proprietary information shall not be disclosed by any participant during any industry engagement meeting or information exchange. In addition, no information of a secret or proprietary nature shall be made available to industry engagement participants.
- ◆ All proprietary information which may nonetheless be publicly disclosed by any participant during any industry engagement meeting or information exchange shall be deemed to have been disclosed on a non-confidential basis, without any restrictions on use by anyone, except that no valid copyright or patent right shall be deemed to have been waived by such disclosure.



CPWG Purpose & Objectives

Purpose:

The Competitive Procurement Working Group will establish a fair, efficient, streamlined procurement process that will facilitate the procurement of resources in alignment with Hawaiian Electric's grid plans as identified through the IGP process.

Objectives:

- Provide strategic input and feedback on competitive procurement process development, activities and results, and aspects for improvement.
- Review current procurement practices in Hawai'i and in other jurisdictions.
- Develop competitive procurement best practices for application in Hawai'i.
- Develop an improved process and accelerated timeframe for procurements that align with broader IGP objectives.
- Foster collegial, balanced discussion to achieve shared understanding of the competitive procurement process, and to build common ground through iterative discussion and feedback.

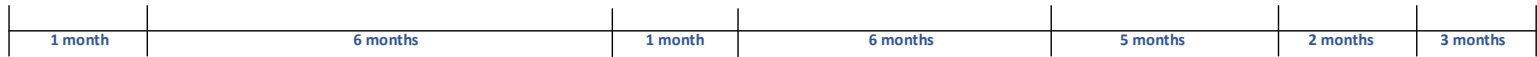


Objectives for Today

- ◆ Review the revised IGP Sourcing Process and confirm shared understandings
- ◆ Review and discussion session
 - ◆ Incorporation of feedback from Meeting #9
 - ◆ Section II
 - ◆ Additional proposed modifications to the CBF
 - ◆ Definitions, Section III and Contingency & Parallel Plans
- ◆ Discuss next steps and path forward for CPWG and CBF evolution

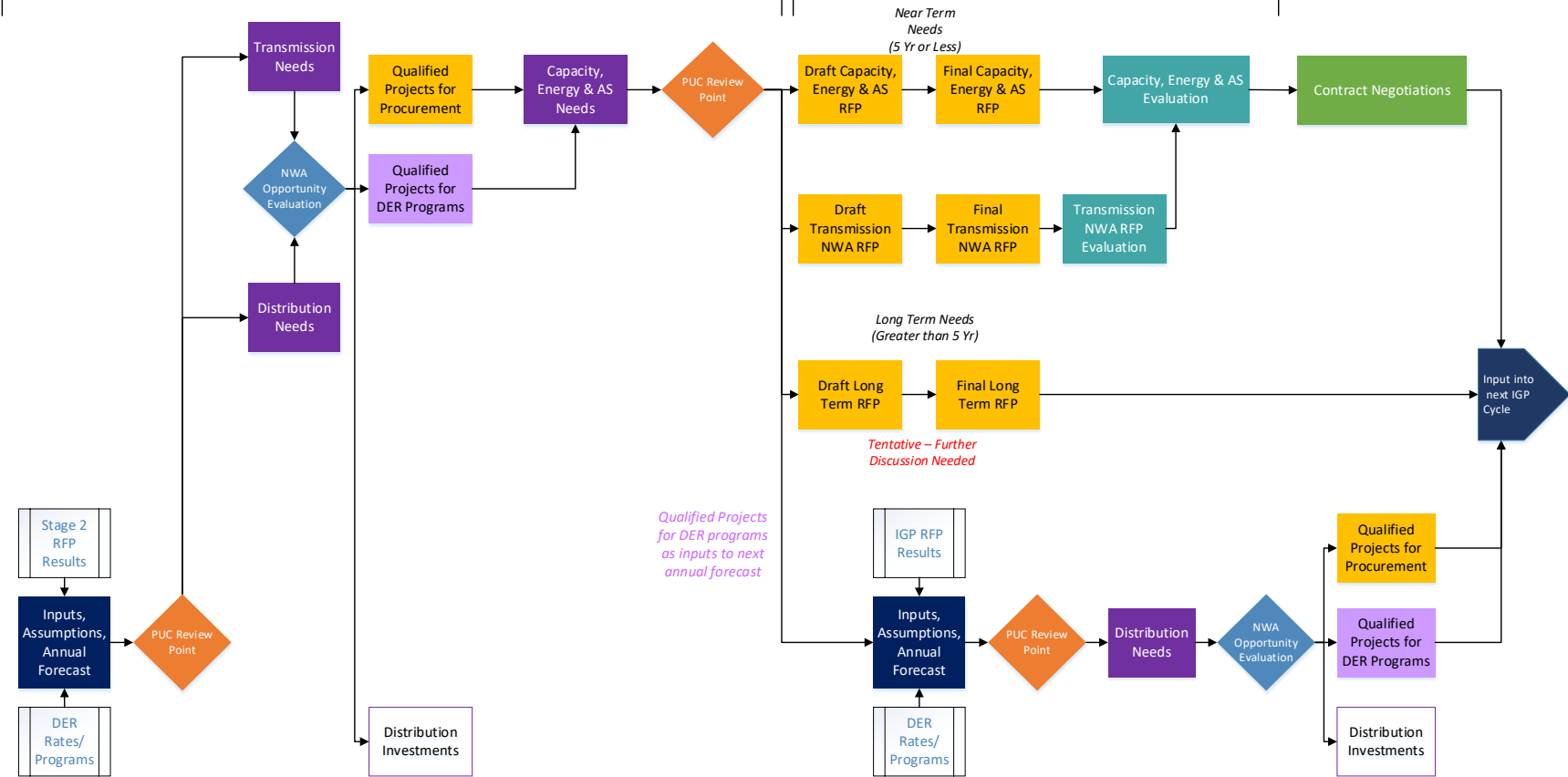


IGP Bi-Annual Procurement Timeline



Independent Evaluation Provided By TAP

Independent Observer



Qualified Projects for DER programs as inputs to next annual forecast

Tentative – Further Discussion Needed

IGP Annual Planning Timeline



Proposed modifications to the CBF

- Definitions
 - New terms added to better identify steps and processes
- Section II
 - Incorporation of feedback received from the prior meeting
- Contingency and Parallel Planning
 - Parallel Plan Removal
 - Contingency Planning Application
- Section III
 - Electric Utility
 - Self-build applicability
 - Code of Conduct submission date
 - Hawaii Public Utilities Commission
 - Approval/acceptance of Grid Needs Assessment
 - Independent Observer
 - Can be contracted by the Electric Utility or Commission



Next Steps and Schedule

Next Meeting:

- ◆ Date: April 20, 2020
- ◆ Time: TBD
- ◆ Location: American Savings Bank Building, Room ASB2
 - ◆ Possibly on-line only
- ◆ Topics:
 - ◆ Continue discussion of additional proposed modifications to the CBF.
 - ◆ Please send any additional comments on today's discussion to:
 - ◆ IGP@hawaiianelectric.com and Isaac Kawahara (renewableacquisition@hawaiianelectric.com)

