



September 19, 2023

The Honorable Chair and Members of the  
Hawai'i Public Utilities Commission  
465 South King Street  
Kekuanao'a Building, First Floor  
Honolulu, Hawai'i 96813

Dear Commissioners:

Subject: Docket No. 2017-0352 – To Institute a Proceeding Relating to a Competitive Bidding Process to Acquire Dispatchable and Renewable Generation Responses to Commission's Questions and Requests for Clarifications

Pursuant to the Commission's letter issued on September 14, 2023, in the subject proceeding, the Hawaiian Electric Companies<sup>1</sup> respectfully submit their responses to the Commission's questions:

1) *Please provide an update on the status of the Stage 3 RFPs for Hawaii Island, Oahu, and Maui, for both firm generation and RDG, as applicable.*

The Companies are presently engaged in the detailed evaluation of the proposals that were selected to the Priority List in the Stage 3 Request for Proposals for O'ahu ("Stage 3 O'ahu RFP"), the Stage 3 Request for Proposals for Hawai'i Island ("Stage 3 Hawai'i RFP"), and the Renewable Dispatchable Generation portion of the Stage 3 Request for Proposals for Maui ("Stage 3 Maui Variable RFP"). The Firm Renewable Generation portion of the Stage 3 Request for Proposals for Maui ("Stage 3 Maui Firm RFP") is still in the initial evaluation phase.<sup>2</sup> On a going forward basis, please see the response to Question #2, below.

2) *Please discuss whether the Companies anticipate the need to request any changes or modifications to the respective Stage 3 RFP schedules for Hawaii Island, Oahu, and Maui, for both firm generation and RDG, as applicable. If any changes are being contemplated or anticipated, please discuss when the Companies plan to make the necessary requests to the Commission.*

The Companies respectfully request the Commission's review and approval of the proposed revised schedules for the Stage 3 O'ahu RFP, Stage 3 Hawai'i RFP, and the

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<sup>1</sup> Hawaiian Electric Company, Inc. ("Hawaiian Electric"), Hawai'i Electric Light Company, Inc. ("Hawai'i Electric Light"), and Maui Electric Company, Limited ("Maui Electric") are collectively referred to as the "Companies".

<sup>2</sup> The Proposal Due Date for the Stage Maui Firm RFP was delayed until August 17, 2023. The Proposal Due Date for the Stage 3 O'ahu RFP, the Stage 3 Hawai'i RFP, and the Stage 3 Maui Variable RFP was April 20, 2023.

The Honorable Chair and Members  
of the Hawai'i Public Utilities Commission  
September 19, 2023  
Page 2

Stage 3 Maui Variable RFP, submitted as Attachment A, enclosed herewith. Specifically, the Companies request that the selection of the Final Award Group be extended from October 27, 2023 to December 1, 2023 for the Stage 3 O'ahu RFP, the Stage 3 Hawai'i RFP and the Stage 3 Maui Variable RFP. No changes are proposed for the schedule for the Stage 3 Maui Firm RFP, or to the Guaranteed Commercial Operations Date for any Stage 3 projects.

The Companies submit that good cause exists for this extension and make this request based on the following:

- In response to the unprecedented situation affecting Maui, Maui Electric has activated its Incident Management Team ("IMT"), and Hawaiian Electric and Hawai'i Electric Light have activated their IMTs to support the Maui IMT. The Companies' personnel required to evaluate proposals have been activated and are unable to devote the time and resources necessary to select the Final Award Group by the current Schedule Date of October 27, 2023.

- While the Companies do not know how long the IMTs will need to be activated to address and support the current situation on Maui, the Companies expect to be able to select the Final Award Group by December 1, 2023 for the Stage 3 Hawai'i Island RFP, the Stage 3 O'ahu RFP and the Stage 3 Maui Variable RFP.

- The damage sustained to the Companies' transmission and distribution ("T&D") facilities in West Maui requires the Companies to re-evaluate interconnection options for Maui projects. The rebuild of T&D facilities is uncertain as the immediate restoration with "temporary structures" may not reflect the electrical configuration of the system, which the Companies intend to work with the West Maui community to rebuild. As the Companies continue to assess the system over the next few months, more information may become available to help guide the evaluation of the proposed Stage 3 projects.

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If circumstances change and the Companies are able to select the Final Award Group for the Stage 3 Hawai'i Island RFP, the Stage 3 O'ahu RFP, and the Stage 3 Maui Variable

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<sup>3</sup> Exhibit A to this letter provides the detailed justification for the confidential treatment of the information.

RFP prior to December 1, 2023, the Companies will do so, in consultation with the Independent Observer.

3) *Please discuss whether and how the Companies are reconsidering community engagement efforts related to the Stage 3 RFP projects, with respect to Independent Power Producer (“IPP”) projects and/or self-build projects. Specifically, please discuss whether there are any requirements for community outreach or milestones that will be delayed for IPP projects or self-build projects.*

The Companies do not anticipate changes or additions to existing requirements for community outreach or milestones that would result in potential delays for IPP projects or self-build projects. The Companies understand that stakeholder interest in community resilience and wildfire mitigation are likely to be heightened in all communities and will work with Proposers to refine their community outreach plans to address these matters within the proposed RFP schedule.

Please contact the undersigned if you should have any further questions or desire clarification to any of the responses above.

Sincerely,

/s/ Rebecca Dayhuff Matsushima

Rebecca Dayhuff Matsushima  
Vice President  
Resource Procurement

Enclosure

cc: Division of Consumer Advocacy  
Independent Observer

**EXHIBIT A: CONFIDENTIALITY JUSTIFICATION TABLE**

Pursuant to Protective Order No. 36148, the Hawaiian Electric Companies (“Companies”) hereby identify redacted confidential and/or proprietary information that is being submitted as “confidential information” and: (1) identifies, in reasonable detail, the confidential information’s source, character, and location; (2) states clearly the basis for the claim of confidentiality; and (3) describes, with particularity, the cognizable harm to the producing party or participant from any misuse or unpermitted disclosure of the information.

<b>Reference</b>	<b>Identification of Item</b>	<b>Basis of Confidentiality</b>	<b>Harm</b>
<p>The Commission’s Request to Companies regarding evaluation process.</p>	<p>Confidential information related to Companies’ evaluation process as part of closed bidding process allowed by the Framework for Competitive Bidding (“Framework”).</p>	<p>Confidential commercial and proprietary information which falls under the frustration of legitimate government function exception of the Uniform Information Practices Act (“UIPA”).</p>	<p>The confidential evaluation process used by the Companies in the Stage 3 O’ahu Request for Proposals, Stage 3 Hawai’i Request for Proposals, and the Stage 3 Maui Request for Proposals (collectively, the “Stage 3 RFP”) is a closed bidding process, allowed pursuant to Part II.H.3 of the Framework, which, if disclosed publicly to third parties, could compromise the Companies’ ability to properly evaluate future proposals in future competitive procurements.</p> <p>Evaluation methods and processes of the Companies used to evaluate proposals in competitive procurements such as the Stage 3 RFP must remain confidential to current proposers and future proposers, as such knowledge could result in proposals tailored to the evaluation method and process and not fairly represent the proposal, providing it an impermissible competitive advantage over other proposals without such information. As a result, disclosure of any aspect of the evaluation process could inadvertently result in improper results to the detriment of the Companies and its customers.</p>

Reference	Identification of Item	Basis of Confidentiality	Harm
			<p>The Companies maintain that the subject information falls under the frustration of legitimate government function exception of the UIPA, as disclosure of the subject information would impair the Commission's ability to obtain necessary information to properly perform its review of this regulatory proceeding (as the Companies would not have submitted the confidential information in this docket but for: (1) the governmental function of overseeing the Companies' issuance of the Stage 3 RFP and evaluation of proposals submitted into the Stage 3 RFP; and (2) the Companies' belief and reliance that the information would not be publicly disclosed).</p> <p>The confidential information: (1) has not been previously disclosed or otherwise publicly disseminated; (2) is not of the kind of information that the Companies would customarily disclose to the public; and (3) is of a nature that its disclosure could (a) impair the Commission's ability to obtain necessary information from similarly situated parties in the future, and (b) cause substantial harm to the Companies and/or its customers as described above.</p>

Attachment A

Proposed revisions to Section 3.1 of the Stage 3 Hawai‘i RFP, the Stage 3 O‘ahu RFP, and the Stage 3 Maui Variable RFP:

**Table 1**  
**Proposed RFP Schedule**

<b>Milestone</b>	<b>Schedule Dates</b>
1. Draft RFP filed	May 2, 2022
2. Community Meeting	May 24, 2022
3. Parties and Participants filed Comments by	June 2, 2022
4. Community Meeting 2	July 14, 2022
5. Technical Status Conference	August 5, 2022
6. Order 38735 Issued	December 1, 2022
7. Proposed Final RFP Filed	December 22, 2022
8. Issue RFP	January 20, 2023
9. Hawaiian Electric and Affiliate Proposal Due Date	April 19, 2023 at 2:00 pm HST
10. IPP Proposal Due Date	April 20, 2023 at 2:00 pm HST
11. Selection of Priority List	July 6, 2023
12. Hawaiian Electric and Affiliate BAFOs Due	July 13, 2023
13. IPP BAFOs Due	July 14, 2023
14. Selection of Final Award Group	<del>October 27, 2023</del> <u>December 1, 2023<sup>1</sup></u>
15. IRS and Contract Negotiations Begin	<del>November 3, 2023</del> <u>December 8, 2023<sup>2</sup></u>

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<sup>1</sup> If the Companies are able to select the Final Award Group for the Stage 3 O‘ahu RFP, the Stage 3 Hawai‘i RFP, or the Stage 3 Maui RFP earlier than December 1, 2023, the Companies will do so, in consultation with the Independent Observer.

<sup>2</sup> If the Selection of Final Award Group takes place earlier than December 1, 2023, this date will also be adjusted consistent with and pursuant to Section 5.2 of the Stage 3 O‘ahu RFP, the Stage 3 Hawai‘i RFP, or the Stage 3 Maui RFP .