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January 21, 2021

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

Re: Docket No. 2017-0352 = To Institute a Proceeding Relating to a Competitive Bidding Process to Acquire Dispatchable and Renewable Generation

Dear Mr. Katsura:

The Commission has reviewed the Independent Observer's ("IO") report dated December 22, 2020, filed in this docket on December 23, 2020. According to the IO, "[w]ith the withdrawal of the EDF project, Hawaiian Electric's Final Award Group lost 172,384 MWh of annual renewable dispatchable variable energy. This raised the question of whether Hawaiian Electric would pursue a replacement project from the Priority List or would procure any additional renewable energy needs in another procurement (i.e., a Stage 3 RFP)."

The IO continues, "[s]ince EDF's withdrawal, Hawaiian Electric has reviewed the possibility of selecting a replacement project from the Priority List and has shared some of their analysis with us. Hawaiian Electric has also considered holding a third RFP. As of the date of issuance of this report, Hawaiian Electric has not made a final decision."

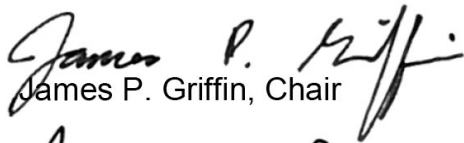
The Commission is appreciative of the IO's assessment and recommendations and believes that guidance from the Commission at this point will be helpful for Hawaiian Electric in moving forward. As such, the Commission requests Hawaiian Electric to proceed with developing a Stage 3 RFP, specifically for Hawaii Island.

Consistent with prior guidance, the Commission intends that this will be an "all-source" procurement, based upon an updated assessment of grid needs for the island, and open to a variety of utility-scale and distributed renewable energy technologies. The Commission will hold a status conference to discuss Hawaiian Electric's initial plans

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in this regard. Details regarding the status conference will be provided by notice in this docket.

Sincerely,


James P. Griffin, Chair


Jennifer M. Potter, Commissioner


Leodoloff R. Asuncion, Jr., Commissioner

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c: Service List, Docket No. 2017-0352, via the Commission's Document Management System electronic Distribution List

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