

JOSEPH P. VIOLA Vice President Regulatory Affairs

May 20, 2019

FILED

2019 MAY 20 P 2: 18

The Honorable Chair and Members of the Hawai'i Public Utilities Commission Kekuanaoa Building, 1st Floor 465 South King Street Honolulu, Hawai'i 96813

PUBLIC UTILITIES COMMISSION

Dear Commissioners:

Subject: Rebuild Agreement with Puna Geothermal Venture

Status of PGV

Hawai'i Electric Light Company acknowledges the Commission's letter dated May 9, 2019 ("Letter") requiring Commission approval and a public hearing for the rebuild of the transmission line under the rebuild agreement between Hawai'i Electric Light and Puna Geothermal Venture ("PGV"). The Company respectfully submits the following update on the status of providing distribution service to PGV.

Prior to receiving the Letter, to restore electric service to PGV, Hawai'i Electric Light installed 13 wooden poles that are currently being used to provide 12 kilovolt distribution service to PGV. The poles, which are sized to also carry transmission lines above the distribution lines, vary in height from approximately 60 to 65 feet above the ground. Both transmission line and distribution line conductors have been installed on the poles. The Company tied the new transmission lines to its 6500 line on May 8, 2019. However, none of the new transmission lines were energized. ¹

As a result of the Commission's directives, Hawai'i Electric Light immediately ceased work on the transmission lines, disconnected the newly installed wires from the 6500 line, and removed the transmission conductors from the poles that are outside PGV's property. However, the Company has since discovered that four of the new wooden poles – all on PGV's property – need to be immediately replaced with steel poles, due to residual underground heat causing the wood poles to smolder. The impacts of the residual heat can be fully mitigated with the use of steel poles. The Company considers this to be an emergency safety concern that must be and is being addressed in advance of filing its forthcoming application for Commission approval pursuant to Sections 269-27.5 and -27.6 of the Hawai'i Revised Statutes.

¹ Rather than duplicate efforts and add to the number of poles in the area, the poles were designed to carry both transmission and distribution lines, even though the transmission conductors are not currently carrying electricity nor connected to the grid. The transmission lines will be used and connected with the grid only if the Commission ultimately approves of the transmission line.

Once the four steel replacement poles are installed, the conductors will be transferred over, and the four wooden poles will be removed. PGV will pay for the entire cost of the existing line and replacement poles. Distribution line (i.e., less than 46 kV) work is continuing to tie in service to the PGV facility, also at PGV's expense.

For the Commission's information, the Company has undertaken and participated in community outreach efforts to inform our customers and respond to their questions regarding the transmission line project. In March 2019, the Company visited the two customers that reside near the transmission line project (i.e., the customers referenced in the Letter). Both customers were supportive of the Company's efforts and did not have concerns regarding the project. The Company also made presentations regarding the project at two community outreach meetings that PGV conducted on March 22, 2019, and on May 17, 2019.

The Company expects to file an application consistent with the Commission's instructions in June 2019.

Please contact Dave Okamura at (808) 969-0329 should you have any questions.

Sincerely,

Joseph P. Viola Vice President Regulatory Affairs

c: Division of Consumer Advocacy