

**SUBMISSION OF PROPOSED FINAL DRAFT  
VARIABLE REQUESTS FOR PROPOSAL**

FEBRUARY 2, 2018

Docket No. 2017-0352

*Exhibit 6 – The Hawaiian Electric Companies’  
Code of Conduct*



**Hawaiian Electric  
Maui Electric  
Hawai‘i Electric Light**

**Exhibit 6**  
**The Hawaiian Electric Companies' Code of Conduct**

Hawaiian Electric Company, Inc., Maui Electric Company, Ltd., and Hawaii  
Electric Light Company, Inc. (collectively the "Company") Code of Conduct  
Pertaining to the Implementation of a  
Competitive Bidding Process for New Power Supplies

**Purpose**

The Framework for Competitive Bidding ("Framework"), adopted on December 8, 2006, by the Public Utilities Commission of the State of Hawaii (the "Commission") pursuant to Decision and Order No. 23121 (Docket No. 03-0372, Instituting a Proceeding to Investigate Competitive Bidding for New Generating Capacity in Hawaii), requires that the utility develop and follow a code of conduct in order to ensure the fairness and integrity of the competitive bidding process, in particular where a utility or its affiliate seeks to advance an energy generation resource proposal in response to a Company RFP (as defined below). The Framework, at Section III.A.4., requires the utility to submit to the Commission for review and approval (subject to modification if necessary by the Commission), a Code of Conduct prior to the commencement of any competitive bid process under the Framework.

This Code of Conduct Pertaining to the Implementation of a Competitive Bidding Process for New Power Supplies ("Code of Conduct") outlines the policies and general procedures under which the competitive bidding process for generation resources will be undertaken by the Company and its affiliates to ensure that the competitive bidding process is undertaken in a fair and unbiased manner, that all bidders have access to the same information to ensure no bidder has an unfair advantage, and that self-build and/or affiliate options do not have any unfair competitive advantage or enjoy undue preference over third-party bids.

**Definitions**

- Affiliate Team -- Employees and consultants of an Affiliate (as defined in Hawaii Revised Statutes §269-19.5(a)) who prepare a proposal to be submitted to the Company in response to a Company RFP.
- Code of Conduct Procedures Manual. The Company-prepared manual required by the Framework which implements procedures, in accordance with the policies outlined in the Framework and this Code of Conduct, for communications within the Company between the Company RFP Team (including the Evaluation Teams (Price and Non-Price Teams)), Shared Resources and Unassigned Company Resources and between the Company and bidders into an RFP, including a Self-Build Team and/or Affiliate Team.
- Company RFP – A written request for proposal issued by the electric utility to solicit bids from interested third-parties, and where applicable from the utility or its affiliate, to

supply a future generation resource or a block of generation resources to the utility pursuant to the competitive bidding process.

- Company RFP Team – Company employees and consultants who prepare and evaluate responses to a Company RFP.
- Confidential Information – Includes any Confidential Resource Proposal Information and Confidential RFP Process Information. Confidential Information does not include public information, such as information on resources (including a utility's benchmark, Parallel Plan or Contingency Plan resource options) in PSIP filings with the Commission.
- Confidential Resource Proposal Information – Any non-public information developed and provided by the Company Self-build Team, its affiliates or third- party bidders during the RFP process (such non-public information may include, for example, the identity of competing bidders, and their technical, trade or financial information).
- Confidential RFP Process Information – Any non-public information regarding the RFP process developed and used during the competitive bidding solicitation process.
- Consumer Advocate – The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, State of Hawaii
- Director of Energy Procurement – The supervisor of the Department within the Company responsible for the implementation of the competitive bidding process pursuant to the Framework. The Director of Energy Procurement shall be a member of the Company RFP Team.
- Energy Contract Manager – The staff position(s) within the Company's Renewable Acquisition Department responsible for managing the Company RFP Team(s). The Energy Contract Manager shall be a member of the Company RFP Team he/she manages.
- Independent Observer – The neutral person or entity appointed by the Commission to monitor the utility's competitive bidding process, and to advise the utility and Commission on matters arising out of the competitive bidding process, as described in Part III.C of the Framework.
- Self-build Team – Company employees and consultants who prepare a proposal to be submitted by the Company in response to a Company RFP.
- Shared Resources -- Company employees and consultants who, because of the scarcity of their expertise within the Company, are designated as a shared resource for both the Company RFP Team and the Self-Build Team (but not any Affiliate Team).
- Unassigned Company Resources – Company employees who are requested to perform services for the Company RFP Team or the Self-Build Team on a limited, *ad hoc* basis not necessitating their placement on the team requiring such assistance. Unassigned Company Resources, once identified, may become Shared Resources, or if necessary because of the abundance of work performed for a team, may be placed on such team.

### Implementation and Application of the Code of Conduct

Employees of the Company and any Affiliates who will be involved in the competitive bidding process must comply with the Code of Conduct. Members of the Company RFP Team, Self-build Team, Shared Resources, Unassigned Company Resources and any Affiliate Team who may bid to provide a generation resource option must implement the Code of Conduct in order to

be eligible to evaluate bids or participate in the development and submission of a Company or affiliate resource option. The Code of Conduct addresses: (1) communication requirements and procedures associated with the relationship between utility employees; (2) communication requirements and procedures associated with the relationship between utility RFP personnel and bidders; and (3) communication requirements associated with the relationship between Company management and the various entities involved in the competitive bidding process. The Code of Conduct Procedures Manual implements the requirements of the Framework and this Code of Conduct and provides further requirements for such communications.

The Code of Conduct also includes the procedures for addressing cases where limited resources and expertise of the Company may be shared by the Self-build Team and Company RFP Team. While the Company will make every reasonable effort to develop internally separate teams for evaluating the bids and developing the self-build option, the small size of the Company and limitation of resources and expertise generally will require specialized services, information exchange and sharing of resources in certain limited circumstances, such as in the course of resource planning activities. Where the Company has identified these limited resources and expertise, the Company has designated such resources and expertise as Shared Resources with strict communications restrictions and the requirement to maintain a communications log of all communications with either team.

Finally, this Code of Conduct does not apply to communications and information shared between utility employees in the normal course of their employment that is not associated with any active RFP.

#### General Rules

1. Acknowledgement of Code of Conduct. Any employee (whether full-time, part-time, temporary or contract) or consultant involved in the competitive bidding process as a member of the Company RFP Team, the Self-build Team or the Affiliate Team, or designated as a Shared Resource or Unassigned Company Resource, shall comply with the procedures outlined herein in order to be eligible to evaluate bids or prepare self-build or affiliate options in response to the Company RFP and must sign an acknowledgement of the Code of Conduct (Shared Resources and Unassigned Company Resources shall not be permitted to participate in, or advise the Company RFP Team in evaluating bids).
2. Core Teams. To enhance the opportunity to maintain separation of resources between the Company RFP Team and the Self-build Team, while recognizing the potential problems associated with limited resources, the following procedures shall be followed. Both the Company RFP Team and the Self-build Team may identify core team members. The core members of each team will have no involvement with other teams (e.g., a core member of the Company RFP Team will have no involvement with the utility Self-build Team) in any defined team functions associated with the RFP. Further, no team member from one team may switch teams, i.e., from the Company RFP Team to the Self-Build Team and vice versa, within any particular RFP. Other employees, not a member of any

team, could serve as Shared Resources, but will be subject to the conditions defined in General Rule 6 below.

3. Duty Not to Disclose Confidential Information Across Teams. Members of the Company RFP Team may work with members of the Self-build Team or with an affiliate on other projects not related to the Company RFP, but are precluded from discussing or disclosing, directly or indirectly through others, Confidential Information with: (i) the Self-build Team and any affiliates except in accordance with the procedures outlined in this Code of Conduct and the RFP, or (ii) any Company employee, individual or entity without a business need to know.
4. Work Locations. Members of the Company RFP Team and the Self-build Team do not have to be physically separated from each other but members of each team must take all reasonable measures to keep all Confidential Information (including electronic data) pertaining to the competitive bidding process confidential.
5. Organizational Charts. A copy of the organizational charts for the Company RFP Team, the Self-build Team, Shared Resources, identified Unassigned Company Resources and Affiliate Team will be developed and provided to the Independent Observer. All team members, Shared Resources and Unassigned Company Resources will be specifically identified by name and position.
6. Managing of Shared Resources. Certain Company resources, such as select staff from various functional areas of the Company (e.g. generation and transmission planning, engineering, system and power plant operations, environmental, financial analysis, risk management, etc.) that are not members of any team, may be treated as a shared resource to perform services for the Company RFP Team and to carry on their regular functions throughout the resource planning process (including the development of the utility's Parallel Plan or Contingency Plan as defined in the Framework), which may require communication with or services performed for the Self-build Team. Shared Resources may perform these services subject to complying with the Code of Conduct and the Code of Conduct Procedures Manual. Any information received by employees serving as a Shared Resource from their communication with one team (either the Company RFP Team or Self-build Team) will not, either directly or indirectly through others, be provided to members on the other team or to other bidders, except through the formal RFP communication process. A written record of the time, date and substance of all conversations, data and written material directly or indirectly exchanged with any member of the Company RFP Team or the Self-build Team that pertain to the Company RFP, shall be maintained. The Independent Observer will have contemporaneous access to these communication logs. In any limited case where information or resources are required to be provided by one team to another, and because of confidentiality or proprietary reasons, cannot be disseminated through the Company RFP Website, all such communications will be directed through the Energy Contract Manager copied to and with direct oversight by the Independent Observer.
7. Managing of Unassigned Company Resources. Certain unassigned Company resources may be requested to perform services for either the Company RFP Team or the Self-

Build Team on an *ad hoc* basis that does not necessitate such resource being added to the team requesting assistance. Such Unassigned Company Resources may provide such services subject to complying with the Code of Conduct and the Code of Conduct Procedures Manual. In connection with providing such services, Unassigned Company Resources shall be required to maintain a written record of such services in the same manner and fashion as the written records required of Shared Resources. The Independent Observer will have contemporaneous access to these communication logs.

8. Access to Information During Bidding Period. It is the objective of the Company that all bidders, as well as the Self-build Team and any Affiliate Team, receive access to the same RFP information at the same time. All communications regarding the RFP will be provided to all bidders through the Company's website or other specialized means of access established for purposes of administering the RFP. No members of the Self-build Team or Affiliate Team will have access to such information before it is distributed to all potential bidders.
9. Duty Not to Disclose Confidential Resource Proposal Information During RFP Process. All Confidential Resource Proposal Information shall be held in confidence during the RFP evaluation and selection process and negotiation of contracts with selected bidders (if necessary), and shall not be discussed or exchanged by the Company RFP Team with any party except the bidder providing the information, Company management personnel responsible for resource decisions, Company RFP Team members, the Independent Observer, and the Commission and the Consumer Advocate, and their respective staffs and consultants. Dissemination of such Confidential Resource Proposal Information shall be limited, to the extent possible, to those with a business need to know.
10. Communications with Company's Interconnection Services Division. In order to provide advance information to prospective bidders of the interconnection requirements of any particular project that may be submitted, bidders shall be permitted the limited opportunity to directly contact the Company's Interconnection Services Division to determine interconnection requirements for their particular project. Employees of the Company's Interconnection Services Division assisting in this effort shall be considered Shared Resources for the purpose of any RFP and the communication requirements and restrictions of General Rule 6 herein with respect to Shared Resources shall apply to assisting employees of the Company's Interconnection Services Division. The Independent Observer shall have contemporaneous access to the communication logs required to be maintained by Interconnection Services Division employees. The specific requirements for these limited communications outside of the prescribed communication process for bidders are found in the Company's Code of Conduct Procedures Manual.
11. Prohibition of Self-build Team and Affiliates from Advance Disclosure of Confidential Resource Proposal Information to Company RFP Team. The Self-build Team and any Affiliate Team are prohibited from providing team members of the Company RFP Team with any Confidential Resource Proposal Information pertaining to the development of a Company Self-Build Team or Affiliate Team resource option in response to a Company RFP until after that proposal is officially submitted.

12. Treatment of Information Requests from Self-Build Team. The Company RFP Team will treat all requests from the Self-build Team and Affiliate Team for information pertaining to the Company RFP in the same manner as requests received from non-affiliate entities. The Self-build Team and the Affiliate Team will be required to submit all questions in writing and will receive a response via the website or other means specified in the RFP, as would any other bidders.
13. No Preferential Treatment. The Company RFP Team, when evaluating proposals will give all proposals the same consideration within the parameters of the particular RFP and the eligibility, threshold and evaluation requirements and criteria contained therein. Self-build options and Affiliate Team bids will not be given any preferential or discriminatory treatment.
14. Applicability of Code. Any employee or consultant who directly or indirectly takes part in the conduct of the competitive bidding process, whether an employee of the Company or of a company under contract, shall comply with the requirements for treatment of Confidential Information obtained during the competitive bidding process. Such employee or consultant shall execute an acknowledgement of the Code of Conduct required under General Rule 1 above.
15. Rules for Evaluators. Any employee or consultant taking part in the evaluation of bids or in the process of selecting power suppliers (the "evaluator") must comply with the following rules:
  - a. In carrying out his or her responsibilities, the evaluator must make his/her decision based on the merits of the proposal and irrespective of all partisan considerations;
  - b. The evaluator must not accept any gifts, favors, entertainment or other advantages from any bidder;
  - c. The evaluator must hold in confidence all Confidential Information obtained through the bidding process;
  - d. Should the evaluator be directly contacted by any bidder, including members of the Self-build Team, he/she must promptly relate such contact to the Energy Contract Manager, and, as applicable, the Independent Observer, if such contact could be deemed to have compromised the evaluation process.
16. Company Officer Certification of Code of Conduct Compliance. A Company officer, identified to the Independent Observer and the Commission, shall have the written authority and obligation to enforce the Code of Conduct. Such officer shall certify, by affidavit, Code of Conduct compliance by all employees participating in a specific RFP process after each specific RFP process ends.
17. Term. This Code of Conduct shall remain in effect with respect to a specific RFP process until the final contract(s) with the successful bidder(s) is executed or when written notice

is provided by the Director of Energy Procurement or his/her designee to the Independent Observer and the Commission.