# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of )

HAWAIIAN ELECTRIC COMPANY, INC.,

HAWAII ELECTRIC LIGHT COMPANY, INC.,)

MAUI ELECTRIC COMPANY, LIMITED and )

KAUAI ISLAND UTILITY COOPERATIVE )

For Approval to Establish a Rule )

to Implement a Community-Based )

Renewable Energy Program and Tariff )

and Other Related Matters. )

DOCKET NO. 2015-0389

ORDER NO. 37796

APPROVING THE REVISED LANAI RFP

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#### APPROVING THE REVISED LANAI RFP

By this Order, the Public Utilities Commission ("Commission"): (1) approves the Revised Lanai Request for Proposals ("RFP")<sup>1</sup> filed by HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT COMPANY, INC., and MAUI ELECTRIC COMPANY, LIMITED (collectively "Hawaiian Electric" or "Companies"), subject to the modifications set forth in this Order; and (2) directs Hawaiian Electric to file a final RFP for Lanai by June 21, 2021.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup>As detailed below, Hawaiian Electric filed parts of the Lanai RFP in multiple dockets on different dates, the most recent of which is March 30, 2021, in this docket.

<sup>&</sup>lt;sup>2</sup>The Parties and Participants to this proceeding are:

<sup>(1)</sup> Hawaiian Electric; (2) KAUAI ISLAND UTILITY COOPERATIVE;

<sup>(3)</sup> the DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"),

#### BACKGROUND AND RELEVANT PROCEDURAL HISTORY

Α.

# Docket No. 2017-0352

On October 6, 2017, the Commission opened Docket No. 2017-0352 to receive filings, review approval requests, and resolve disputes, if necessary, related to Hawaiian Electric's requests to proceed with competitive procurement of dispatchable firm generation and new renewable energy generation on the islands of Oahu, Hawaii, Maui, Molokai, and Lanai.<sup>3</sup>

On October 23, 2017, in Docket No. 2017-0352, Hawaiian Electric filed certain draft Requests for Proposals ("RFPs").4 Hawaiian Electric did not file draft RFPs for Molokai

an <u>ex officio</u> party; (4) the Intervenor the DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, and TOURISM; and the Participants, pursuant to Order No. 33751, at 100: (5) SUNPOWER CORPORATION; (6) HAWAII SOLAR ENERGY ASSOCIATION; (7) ULUPONO INITIATIVE, LLC; (8) BLUE PLANET FOUNDATION; (9) HAWAII PV COALITION; and (10) THE ALLIANCE FOR SOLAR CHOICE.

 $<sup>^3\</sup>underline{\text{See}}$  Docket No. 2017-0352, Order No. 34856, "To Institute a Proceeding Relating to a Competitive Bidding Process to Acquire Dispatchable and Renewable Generation," filed on October 6, 2017.

<sup>4&</sup>lt;u>See</u> "Hawaiian Electric Companies' Draft Requests for Proposals, Books 1 and 2, Filed October 23, 2017; Exhibit 1, Draft Request for Proposals for Renewable Firm Capacity and Dispatchable Energy Resources on the island of Maui (including Appendices A-L); Exhibit 2, Draft Request for Proposals for Renewable Energy Project(s) on the island of Oahu (including Appendices A-L); Exhibit 3, The Hawaiian Electric Companies' Proposed Process for Successful Execution of the Competitive

and Lanai with this filing. Instead, Hawaiian Electric requested to suspend the variable renewable dispatchable RFPs for Molokai and Lanai for distinct reasons.

On February 27, 2019, by Order No. 36187 in Docket No. 2017-0352, as the Parties, stakeholders, and the Commission moved into Phase 2 of the Companies' competitive procurement, the Commission requested that the Companies' plans for competitive procurement for Molokai and Lanai be filed in Docket No. 2017-0352 "in the near-term."

On May 20, 2019, in a letter to the Commission, Hawaiian Electric stated its intent to file draft RFPs for Lanai and Molokai by July 2019 and August 2019, respectively.

On June 10, 2019, the Commission expressed support for the Companies' commitment to filing their draft RFPs related to

Bidding Program; Exhibit 4, Timelines for Each Proposed Procurement; Exhibit 5, The Hawaiian Electric Companies' Code of Conduct and Code of Conduct Manual for the Competitive Bidding Program; Exhibit 6, The Hawaiian Electric Companies' Interconnection Requirements Study Process; and Exhibit 7, Suspension of Lanai and Molokai RFPs," filed on October 23, 2017 ("October 23 Filing").

<sup>&</sup>lt;sup>5</sup>See October 23 Filing, Exhibit 7.

Guidance in Advance of the Hawaiian Electric Companies' Phase 2 Draft Requests for Proposals for Dispatchable and Renewable Generation," filed on February 27, 2019 ("Order No. 36187"), at 13-14.

<sup>&</sup>lt;sup>7</sup>See Hawaiian Electric Companies' "Comments re Stage 2 Draft RFPs," filed in Docket No. 2017-0352, on May 20, 2019, at 23.

Molokai and Lanai, and provided additional guidance regarding the Commission's expectations for these draft RFPs.8

On August 6, 2019, Hawaiian Electric filed its Molokai and Lanai Proposed Draft RFPs in Docket No. 2017-0352.9

В.

# Docket No. 2019-0178

On August 29, 2019, in the interest of clarity and administrative efficiency regarding the competitive procurements for Molokai and Lanai, the Commission transferred the Molokai and Lanai Draft RFPs from Docket No. 2017-0352 to Docket No. 2019-0178.

On November 27, 2019, Hawaiian Electric issued the Request for Proposals for Variable Renewable Dispatchable Generation, for the islands of Molokai and Lanai. 11

<sup>8</sup>See Docket No. 2017-0352, Order No. 36356, "Providing Guidance on the Hawaiian Electric Companies' Phase 2 Draft Requests for Proposals for Dispatchable and Renewable Generation," filed on June 10, 2019, at 23.

<sup>&</sup>lt;sup>9</sup><u>See</u> "Submission of Proposed Draft Requests for Proposals for Molokai and Lanai," filed on August 6, 2019.

<sup>10</sup> See Docket No. 2019-0178, Order No. 36493, "Requests to Institute a Proceeding Relating to a Competitive Bidding Process to Acquire Variable Renewable Dispatchable Generation Paired with Energy Storage for the Islands of Molokai and Lanai," filed on August 29, 2019.

<sup>11</sup>See "Hawaiian Electric Companies' Final Requests for Proposals for Molokai and Lanai; Books 1 and 2; Verification and

On March 10, 2020, the Hawaiian Electric submitted a draft revised RFP for Variable Renewable Dispatchable Generation ("RDG"), Island of Lanai (the "Draft Revised Lanai RDG RFP"), which included a revised scope to accommodate Pulama Lanai's plans. 12

On March 11, 2020, in response to Pulama Lanai's announcement to remove the Four Seasons Resort Lanai at Manele and the Four Seasons Resort Lanai at Koele from the grid, Hawaiian Electric postponed the RFP to re-evaluate the scope and schedule.<sup>13</sup>

On April 6, 2020, the Commission issued Order No. 37063, which extended the period for its review of the Draft Revised Lanai RDG RFP by sixty (60) days, from April 9, 2020, to June 8, 2020, to allow Pulama Lanai to continue discussions with Hawaiian Electric regarding the potential ownership of the electrical system and grid on Lanai. 14

Certificate of Service," filed in Docket No. 2019-0178 on November 27, 2019.

<sup>12</sup> See "Maui Electric Company, Limited's Draft Revised Requests for Proposals for Lanai, Book 1" filed in Docket No. 2019-0178 on March 10, 2020.

<sup>13</sup> See Letter From: K. Matsumoto To: R. Matsushima Re: "Docket No. 2019-0178 - Requests to Institute a Proceeding Relating to a Competitive Bidding Process to Acquire Variable Renewable Dispatchable Generation Paired with Energy Storage for the Islands of Molokai and Lanai; Request for an Extension of the Proposal Due Date for the Lanai Request for Proposals," filed on March 11, 2020.

<sup>14</sup>See Order No. 37063, "Extending, On Its Own Motion, Relevant Deadlines for the Hawaiian Electric Companies'

## Docket No. 2015-0389

On April 9, 2020, the Commission issued Order No. 37070 which, among other things, directed Hawaiian Electric to develop an RFP for community-based renewable energy ("CBRE") on the island of Lanai (the "Phase 2 Lanai CBRE RFP"). 15

On May 1, 2020, Pulama Lanai and Hawaiian Electric ceased discussions regarding the acquisition of the Maui Electric system on the island of Lanai. $^{16}$ 

On June 10, 2020, Hawaiian Electric, in consultation with the Independent Observer, proposed combining the Draft Revised Lanai RDG RFP and the Phase 2 Lanai CBRE RFP. 17

On July 9, 2020, Hawaiian Electric filed its Draft Lanai CBRE RFP. 18 Following a technical conference on July 29, 2020,

Draft Revised Lanai Request for Proposals," filed in Docket No. 2019-0178, on April 6, 2020 ("Order No. 37063").

 $<sup>^{15}\</sup>underline{\text{See}}$  Decision and Order No. 37070, "Commencing Phase 2 of the Community-Based Renewable Energy Program," filed on April 9, 2020 ("Order No. 37070"), at 34-44.

<sup>16</sup>See Letter From: G. Shimokawa To: Commission Re: Docket
No. 2015-0389 - Community-Based Renewable Energy Program;
Companies' Comments to Pulama Lanai's February 10, 2021 Public
Comment, filed on February 17, 2021 ("Hawaiian Electric Response
to Pulama Lanai") at 3.

<sup>&</sup>lt;sup>17</sup>See Hawaiian Electric Response to Pulama Lanai at 3.

<sup>18&</sup>quot;The Hawaiian Electric Companies' Community Based Renewable Energy (CBRE) - Phase 2; Draft Tariff and Appendices, and RFPs and

and a comment period ending on August 12, 2020, Hawaiian Electric filed its proposed final Lanai CBRE RFP on September 8, 2020. Hawaiian Electric later revised its proposed final Lanai CBRE RFP on October 9, 2020. 20

On October 26, 2020, the Consumer Advocate filed its comments on Hawaiian Electric's Proposed Final Lanai CBRE RFP.<sup>21</sup>

On January 29, 2021, the Commission issued Order No. 37592, identifying areas that require further consideration and improvement before Phase 2 can launch.<sup>22</sup>

On February 10, 2021, Pulama Lanai filed a letter requesting that the Commission move forward with issuing the

Model Contracts for LMI Customers, Molokai and Lanai; Book 1 - 3," filed on July 9, 2020.

<sup>19&</sup>quot;The Hawaiian Electric Companies' Community Based Renewable Energy (CBRE) - Phase 2 Tariff and Appendices, and RFPs and Model Contracts for LMI Customers, Molokai and Lanai; Book 1 - 14," filed on September 8, 2020.

<sup>20&</sup>quot;The Hawaiian Electric Companies' Community Based Renewable Energy Phase 2 Tranche 1 RFPs and Model Contracts; Book 1 - 7," filed on October 9, 2020 ("Proposed Final Lanai CBRE RFP").

<sup>&</sup>lt;sup>21</sup> Division of Consumer Advocacy's Supplemental Comments on Hawaiian Electric Companies' Phase 2 Community-Based Renewable Energy Program September 8, 2020 and October 6, 2020 Filings," filed on October 26, 2020 ("Consumer Advocate Comments").

<sup>&</sup>lt;sup>22</sup>See Order No. 37592 "(1) Developing Recommendations; (2) Addressing Phase 1 Contracts; and (3) Granting the Motion to Withdraw of Renewable Energy Action Coalition of Hawaii, Inc.," filed on January 29, 2021, ("Order No. 37592"), at 3-13.

Final RFP for Variable RDG Paired with Energy Storage and Community Based Renewable Energy for Lanai.<sup>23</sup>

On February 17, 2021, Hawaiian Electric responded to Pulama Lanai's letter, requesting that the Commission support its plan to conduct a combined RFP on the island of Lanai.<sup>24</sup>

On March 30, 2021, Hawaiian Electric revised its CBRE filings.  $^{25}$ 

On April 14, 2021, the Consumer Advocate filed comments on the March 30 CBRE Filings.  $^{26}$ 

<sup>&</sup>lt;sup>23</sup> Docket No. 2015-0389 - Application for Approval to Establish a Rule to Implement a Community-Based Renewable Energy Program, and Other Related Matters; Consideration to Issue the Final Request for Proposals for Variable Renewable Dispatchable Generation Paired with Energy Storage and Community-Based Renewable Energy - Island of Lanai," filed on February 10, 2021 ("Pulama Lanai Letter").

 $<sup>^{24}\</sup>underline{\text{See}}$  Hawaiian Electric Response to Pulama Lanai at 3.

<sup>&</sup>lt;sup>25</sup> The Hawaiian Electric Companies' Community Based Renewable Energy Phase 2 Tariff and Appendices, and RFPs and Model Contracts for LMI Subscribers, Tranche 1, Molokai and Lanai; Book 1 - 6," filed on March 30, 2021 ("March 30 CBRE Filings").

<sup>&</sup>lt;sup>26</sup>"Division of Consumer Advocacy's Comments Regarding the Hawaiian Electric Companies' March 30, 2021 Recommendations and Updated CBRE Phase 2 Filings," filed on April 14, 2021 ("Consumer Advocate April 14 Comments"), at 14.

II.

#### COMMENTS ON THE LANAI RFP

Α.

#### Pulama Lanai

Pulama Lanai urges the Commission to move forward with issuing the Final RFP for Variable RDG Paired with Energy Storage and CBRE for Lanai because the concerns the Commission identified in Order No. 37592 are not necessarily relevant to Lanai.<sup>27</sup> Pulama Lanai explains that because there is only one site for the Lanai project, that site is located adjacent to Hawaiian Electric's existing power plant, and should therefore eliminate costly interconnection studies, provide certainty for developers to incorporate into their bid pricing, and help timely bring the project online.28 Pulama Lanai believes that Lanai's small population, and its significant insight into the residential and commercial market, will make identifying LMI customers easier, and any Commission verification requirements could be incorporated at a later date. 29 Pulama Lanai also believes that the known site location will make grid service evaluations less complicated than

<sup>&</sup>lt;sup>27</sup>See Pulama Lanai Letter at 1.

<sup>&</sup>lt;sup>28</sup><u>See</u> Pulama Lanai Letter at 1.

<sup>&</sup>lt;sup>29</sup>See Pulama Lanai Letter at 2.

on other islands. For these reasons, Pulama Lanai asks the Commission to approve the final RFP for Lanai.

В.

### Hawaiian Electric

Hawaiian Electric requests that the Commission support its plan to conduct a combined RFP on the island of Lanai.<sup>31</sup> Hawaiian Electric states that, based on the lack of any CBRE Phase 1 proposals on Lanai, and the lack of a beneficial proposal in response to the recent Molokai Variable RDG RFP, a coordinated procurement on Lanai that includes both RDG and CBRE is in customers' best interest.<sup>32</sup> Therefore, Hawaiian Electric requests that the Commission support its plan to conduct a combined RFP on Lanai.<sup>33</sup>

As part of the March 30 CBRE Filings, Hawaiian Electric proposed to assume costs for certain interconnection work including "remote substation work, reconductoring or recircuiting existing transmission and distribution lines, and re-fusing or re-programming of protective devices upstream of the

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<sup>30</sup> See Pulama Lanai Letter at 2.

<sup>31&</sup>lt;u>See</u> Hawaiian Electric Response to Pulama Lanai at 1.

<sup>32&</sup>lt;u>See</u> Hawaiian Electric Response to Pulama Lanai at 1.

<sup>&</sup>lt;sup>33</sup>See Hawaiian Electric Response to Pulama Lanai at 1.

Grid Connection Point ('GCP')."34 Hawaiian Electric states that CBRE developers:

would no longer be responsible to account for these because they will be included in the Companies' scope as system upgrades, predicated on Commission approval to recover such costs in EPRM or REIP, a change that would not affect customers cost because recovery today is passed through. By assuming this additional interconnection scope, the Companies will lower costs for developers, and potentially subscribers, as well as reduce negotiation time and provide certainty further cost in bid proposals. The developer would still be responsible for the cost of interconnection facilities from the point of interconnection ('POI') to the GCP.35

Hawaiian Electric also clarified the CBRE developers' responsibilities for costs related to interconnection requirements studies, and Company owned interconnection facilities.<sup>36</sup>

C.

#### Consumer Advocate

The Consumer Advocate mentions it sought additional support regarding the basis for revising the minimum CBRE Capacity for the purposes of measuring and assessing liquidated damages from 3 MW to 1 MW and "recognizes, however, that no applications

<sup>&</sup>lt;sup>34</sup>March 30 CBRE Filings, Exhibit 1, at 2.

<sup>35</sup>March 30 CBRE Filings, Exhibit 1, at 2-3.

 $<sup>^{36}</sup>$ March 30 CBRE Filings, Exhibit 1, at 6; Exhibit 4 at 69, 103; and Exhibit 5 at 46.

were received for Lanai in Phase 1 of the CBRE Program."37 With respect to interconnection costs, the Consumer Advocate "recognizes that shifting the cost responsibility for a greater proportion of interconnection work from developers to Companies should simplify the interconnection process and reduce both costs and risks for the developer."38 The Consumer Advocate that "[t]his should, in theory, result notes in lower bid prices and reduced interconnection times."39 Nevertheless, the Consumer Advocate is concerned that this also could result in a stranded investment if the CBRE developer does not move forward with a project, and recommends that, in this event, or if the project is indefinitely delayed, site control be transferred to the Hawaiian Electric so that it can either retain another developer or move forward with the project itself, "to mitigate the risk associated with the interconnection facilities not being used and useful."40

<sup>&</sup>lt;sup>37</sup>Consumer Advocate Comments at 17.

<sup>38</sup>Consumer Advocate April 14 Comments at 14.

<sup>39</sup>Consumer Advocate April 14 Comments at 14.

<sup>40</sup>Consumer Advocate April 14 Comments at 14.

III.

#### DISCUSSION

Α.

## The Lanai RFP

The Commission believes it is important to advance renewable energy and storage procurements on Lanai, so that Lanai residents may enjoy the attendant economic, social, and environmental benefits. Therefore, the Commission approves Hawaiian Electric's request to proceed with the Lanai RFP. This should significantly increase renewable generation in Lanai's resource portfolio, and allow Lanai residents the opportunity to reduce their electric bills by participating in CBRE.

In Order No. 37592, the Commission identified five areas that require further consideration and improvement before Phase 2 can launch, specifically: (1) interconnection; (2) LMI Customer enrollment and verification; (3) general participation requirements; (4) grid services; and (5) the bid evaluation process.<sup>41</sup> Although the Commission will further address these issues in the broader CBRE context, the Commission will move forward with the Lanai RFP now, for the following reasons.

<u>Interconnection</u>. Pulama Lanai maintains that the fact that there is only one site for the project substantially mitigates

<sup>41&</sup>lt;u>See</u> Order No. 37592 at 3-13.

the interconnection-related concerns the Commission identified in Order No. 37592. Specifically, Pulama Lanai owns the only site site is for the project, and that located adjacent to Hawaiian Electric's existing power plant, and associated interconnection facilities. 42 Like Pulama Lanai, the Commission believes that having the project site located next to an existing power plant and associated interconnection facilities could provide certainty and materially reduce requisite interconnection costs for a successful developer. Nevertheless, Hawaiian Electric could determine that an interconnection study is necessary and unexpected interconnection costs may be Although proposers are required to include in their pricing proposal all costs for interconnection and distribution equipment, Hawaiian Electric may be better suited to accurately estimate any interconnection cost upgrades. Because these costs are included in bid pricing, and pricing cannot be adjusted once the true cost is known. the estimated interconnection costs impact the competitiveness of the bid. But since there is only one site, the overall approach is reasonable because there should be little variability between interconnection cost estimates, and because the total resource cost will be used to determine a bid's cost-effectiveness.

<sup>42&</sup>lt;u>See</u> Pulama Lanai Letter at 1.

purposes of the Lanai CBRE the the Commission is persuaded that allowing Hawaiian Electric to assume certain interconnection costs, and recover those costs from all customers is reasonable, because, based on Pulama Lanai's and Hawaiian Electric's representations, the sole site for the Lanai project is located adjacent to Hawaiian Electric's existing power plant, and should therefore reduce the likelihood of costly interconnection studies, provide some initial clarity interconnection costs, and minimize expensive transmission and distribution upgrades. The Commission also expects that allowing Hawaiian Electric certain interconnection costs to assume may place third-party bidders on a more equal footing with a potential self-build bid. Therefore, the Commission approves Hawaiian Electric's plan to absorb certain interconnection costs for the Lanai CBRE project. The Commission will consider and determine whether to implement this approach more broadly, and the Consumer Advocate's proposed condition regarding transfer of site control, in a subsequent CBRE Phase 2 Order. the Commission expects Hawaiian Electric to expeditiously interconnect all CBRE projects, and take all appropriate measures to do so.

<u>EMI Customer Enrollment, and General Participation</u>

Requirements. Pulama Lanai suggests that Lanai's low population coupled with the role Pulama Lanai has on the island allow it to

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help identify prospective LMI CBRE Subscribers - making it easier than on Maui, Oahu, and Hawaii Island. Pulama Lanai further suggests that it could integrate future changes to verification and LMI enrollment requirements after the RFP issues, if the Commission requires. 44

The Commission agrees that Lanai's smaller population and unique circumstances should reduce the challenges of identifying and enrolling LMI customers compared to the other islands. More importantly, program design decisions related to LMI customer enrollment and verification can be incorporated at a later date, even if the combined Lanai RFP issues before other elements in the CBRE docket. Therefore, the Commission will allow the Lanai RFP to proceed before finalizing LMI enrollment, verification, and general participation requirements for the remaining CBRE proposals.

Grid Services and Bid Evaluation. Pulama Lanai states that "identifying grid services and bid evaluations for Lanai should be less complicated" than for other islands, due to the known site location. Although the single site does eliminate one variable from the bid evaluation, thereby decreasing the

<sup>&</sup>lt;sup>43</sup>See Pulama Lanai Letter at 2.

<sup>&</sup>lt;sup>44</sup><u>See</u> Pulama Lanai Letter at 2.

<sup>45</sup>Pulama Lanai Letter at 2.

complexity of comparing locationally dependent grid services, differences in technology and configuration could cause meaningful differentiation among bids. During the Stage 2 Variable RDG RFPs, Hawaiian Electric evaluated eligible proposals, weighting non-price factors at forty percent (40%) of the overall scoring rubric, with the price factors accounting for the remaining sixty percent (60%). Hawaiian Electric is proposing that price-related criteria will account for fifty-one percent (51%) and that non-price criteria will account for forty-nine (49%) of the total bid evaluation score.

The Commission is not convinced that the non-price evaluation criteria is sufficiently transparent to weight it so heavily, even with the reduced variable of having a single site. Therefore, the Commission directs Hawaiian Electric to use the same scoring criteria for the Lanai RFP, as it did for the Stage 2 RFPs, i.e., weighting non-price factors at forty percent (40%) and price factors at the remaining sixty percent (60%). The Commission may adjust percentages for other CBRE RFPs.

Guaranteed Commercial Operations Date ("GCOD").

The Commission notes that Hawaiian Electric proposed to extend the GCOD for the Lanai CBRE project from December 31, 2024, to August 31, 2025.46 The Commission approves this change,

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<sup>46</sup>See March 30 CBRE Filings, Exhibit 1, Attachment 3, at 1.

but will not entertain any further GCOD extensions. The Commission also directs Hawaiian Electric to modify its evaluation criteria to reward projects that have earlier GCODs. The Commission expects Hawaiian Electric to promote the earliest feasible GCOD for Lanai, ideally in 2024.

Benefits of an RDG Plus Storage Facility on Lanai. The Commission is acutely aware that the residential electricity rate for Lanai is the highest in the State, at over 36 cents/kWh. The Commission believes that renewable energy paired with energy storage is critical to lowering electricity bills for Lanai customers in the near-term. Moreover, the Commission anticipates that the size of those procurements will take Lanai from two percent (2%) RPS to almost ninety percent (90%) RPS, substantially advancing the State's RPS goal and materially lowering the electricity bills for Lanai residents. This should also help Lanai residents who cannot install rooftop solar.<sup>47</sup> Given Lanai's unique situation, and the ability of the proposed 17.5 MW PV generator paired with 17.5 MW/70 MWh of energy storage to improve this situation, the Commission agrees with Pulama Lanai

<sup>&</sup>lt;sup>47</sup>As of May 11, 2021, the interconnection queue for Lanai shows the smallest amount of DER online and in development within Hawaiian Electric's service territories. Lanai has only seen 129 applications executed for a total of 1.65 MW. See "Hawaiian Electric DER Weekly Report," dated May 11, 2021, filed pursuant to Docket No. 2014-0192, Order No. 32737, distributed to stakeholders via email.

that approval of the RFP should be advanced ahead of the other CBRE proposals.

В.

### Required Modifications

As discussed above, for its Lanai RFP bid evaluation score, Hawaiian Electric shall weight non-price factors at forty percent (40%) and the price factors at the remaining sixty percent (60%). Hawaiian Electric shall also add non-price evaluation criteria to reward GCODs that are earlier than the August 31, 2025 deadline. Finally, the Commission directs Hawaiian Electric to make it clear that the CBRE program administrative fee applies only to the allocated/awarded CBRE capacity for the facility.

С.

# Next Steps

The Commission directs Hawaiian Electric to file, in this docket, a finalized RFP and related documents for the combined Lanai RFP by June 21, 2021, that reflects the modifications required by this Order. This finalized RFP and related documents will be approved automatically 15 days after their filing, if the Commission does not take further action.

#### ORDERS

#### THE COMMISSION ORDERS:

- 1. Hawaiian Electric RFP for Lanai is approved, subject to the modifications set forth in this Order.
- 2. Hawaiian Electric shall file its final Lanai RFP by June 21, 2021.
- 3. Unless the Commission takes further action, Hawaiian Electric's final Lanai RFP shall be approved automatically 15 days after it is filed.

DONE at Honolulu, Hawaii May 21, 2021 .

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

APPROVED AS TO FORM:

Mike'S. Wallerstein Commission Counsel Bv

Leodoloff R. Asuncian,

Commissioner

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# CERTIFICATE OF SERVICE

Pursuant to Order No. 37043, the foregoing Order was served on the date it was uploaded to the Public Utilities Commission's Document Management System and served through the Document Management System's electronic Distribution List.

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