

MORIHARA LAU & FONG LLP

A LIMITED LIABILITY LAW PARTNERSHIP

December 18, 2008

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PUBLIC UTILITIES
COMMISSION

The Honorable Chairman and Members of the
Hawaii Public Utilities Commission
465 South King Street
Kekuanaoa Building, Room 103
Honolulu, HI 96813
Attention: Ji Sook (Lisa) Kim, Esq.

Re: Docket No. 2006-0165 - In the Matter of Kauai Island Utility Cooperative ("KIUC")
Regarding Integrated Resource Planning: Submission of KIUC's 3rd Integrated
Resource Plan ("IRP")

Dear Commissioners and Commission Staff:

On June 20, 2006, the Hawaii Public Utilities Commission ("Commission") issued Order No. 22542, which (1) opened the above-referenced docket to examine KIUC's IRP efforts in its next IRP cycle (aka its 3rd IRP), pursuant to Section III.C.1 of the IRP Framework,¹ as modified,² and (2) required KIUC to prepare, in consultation with the Consumer Advocate, and file with the Commission its IRP Schedule for its 3rd IRP consistent with the IRP Framework, as modified.³ After consulting with the Consumer Advocate and pursuant to Order No. 22542, KIUC submitted its IRP Schedule for its 3rd IRP with the Commission on July 11, 2006 which, among other things, initially established June 20, 2007 as the filing date of KIUC's 3rd IRP with the Commission.

Subsequently, by letter dated July 9, 2007, the Commission approved KIUC's June 12, 2007 request for an extension of time (from June 20, 2007 to December 20, 2007) to file its 3rd IRP.⁴ By Order No. 23944, filed on December 28, 2007, the Commission approved KIUC's December 17, 2007 request for another extension of time to file its 3rd IRP (from December 20, 2007 to December 20, 2008) to complete other outstanding and additional IRP plan development activities, tasks and subtasks that were necessary in light of certain key and new developments as described in the December 17, 2007 request.⁵

¹ Section III.C.1 of the IRP Framework provides that "[e]ach planning cycle for a utility will commence with the issuance of an order by the [C]ommission opening a docket for [IRP]." IRP Framework, at 6.

² The IRP Framework was initially established in Decision and Order No. 11523, filed on March 12, 1992, as amended by Decision and Order No. 11630, filed on May 22, 1992, in Docket No. 6617. Said IRP Framework was further modified by Decision and Order No. 22490, filed on May 26, 2006, in Docket No. 05-0075.

³ Section III.C.3 of the IRP Framework states, in relevant part, that the IRP Schedule "may be amended upon the formation of an advisory group or groups and thereafter as appropriate." IRP Framework, at 7.

⁴ As part of its June 12, 2007 request, KIUC submitted an Amended and Updated 3rd IRP Schedule.

⁵ As part of its December 17, 2007 letter request, KIUC submitted a Second Amended and Updated 3rd IRP Schedule setting forth, among other things, the various activities, tasks and subtasks remaining to be completed prior to the completion and submittal of its 3rd IRP by December 20, 2008.

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KIUC is pleased to report that it has completed all of these development activities, tasks and subtasks including, without limitation, obtaining approval by KIUC's Board of Directors ("Board"), and has finalized its 3rd IRP. Accordingly and pursuant to Order No. 22542, as amended, KIUC hereby respectfully submits its 3rd IRP (together with a copy of the Board resolution approving the 3rd IRP) for the Commission's review and approval.

If you should have any questions, please do not hesitate to contact the undersigned.

Very truly yours,



Kent D. Morihara
Kris N. Nakagawa
Sandra L. Wilhide
Rhonda L. Ching

Attorneys for KIUC

Enclosure

c: Consumer Advocate
Mr. Randall Hee
Mr. Timothy Blume