



# Role of the Independent Observer

Hawaiian Electric Company, Inc.  
Renewable Energy RFP

*Bidders Conference*

Honolulu, Hawaii

July 14, 2008

New Energy Opportunities, Inc.



# Overview



- ◆ Competitive Bidding Framework, HECO Renewable Energy RFP, and basis for Independent Observer (IO)
- ◆ Various roles of IO in RFP process
- ◆ IO for this RFP—who we are

# Renewable Energy RFP and Competitive Bidding in Hawaii

- ◆ Competitive Bidding Framework —adopted by Hawaii Public Utilities Commission in December 2006
  - Generally, competitive bidding required to acquire or build new generating resources
  - HECO's Renewable Energy RFP is first under Framework
- ◆ IO required:
  - When utility bid or utility ownership involved OR
  - When the Commission otherwise determines
- ◆ HECO's Renewable Energy RFP
  - Third party bids only
  - HECO proposed/Commission agreed to IO—advice helpful in first RFP

# IO Roles Under Framework

- ◆ RFP design
  - Advise utility
  - Comments to Commission
- ◆ Monitoring, reviewing and advising utility:
  - Communications, compliance with bidding rules
  - Bid evaluation methodology, models, criteria, assumptions
  - Bid evaluation and utility decision-making
  - Contract negotiations
- ◆ No decision-making authority
  - May offer to mediate disputes
  - Shall provide comments and recommendations to Commission, at request of Commission, to resolve disputes/make determinations
- ◆ At end of process, provide assessment of RFP to Commission

# IO for this RFP

- ◆ New Energy Opportunities, Inc. (NEO)
  - Barry Sheingold, President (lead)
  - Assisted by
    - Richard C. Gross, P.E., Inc. (interconnection, performance standards)
    - McCauley Lyman LLC (legal)
- ◆ NEO—similar roles or advising on renewables RFPs
  - Delaware
  - California
  - Oklahoma
  - Massachusetts
  - New York