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Refer to: JEM

March 21, 2001

Mr. Paul Henson  
United States Department of the Interior  
Fish and Wildlife Service  
Pacific Island Ecoregion  
300 Ala Moana Boulevard, Room 3-122  
Box 50088  
Honolulu, HI 96850

RE: Kauai Electric Lihue Energy Service Center – Transmission Line

Dear Mr. Henson:

Your letter addressed to Mr. Dennis Yamada, Chairman of the Hawaii Public Utilities Commission, regarding Kauai Electric's application for a new transmission line in conjunction with our Lihue Energy Service Center was recently forwarded to Kauai Electric.

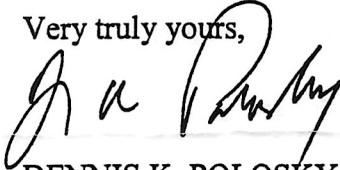
Although we respectfully disagree with some portions of the characterization of the background, we appreciate your comments and your offer of technical assistance.

From the very onset, our application to the PUC considered potential bird impacts including mitigation measures referred to in your letter to the PUC. Since the public hearing date, we have also been re-examining our project and taking steps to implement more of the mitigation measures mentioned in your letter. I will be more than happy to meet with you and discuss our plans and activities as regards this matter. Please feel free to call me at any time if you would like to set up a meeting, or if you have any questions or further comments.

Mr. Paul Hensen  
March 21, 2001  
Page 2

In developing projects, we continue to be vigilant of Newell's Shearwater and Dark-Rumped Petrel bird populations and balancing the electrical needs of our community.

Very truly yours,



DENNIS K. POLOSKY

cc: Public Utilities Commission  
Consumer Advocate  
Alan Oshima, Esq.  
Tom Telfer  
Alton Miyamoto  
Jack Leavitt  
Dave Morgan