



Division of Consumer Advocacy

CONSUMER SPOTLIGHT

Issue #13

Public Utility News You Can Use

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Federal Communications Commission (FCC)

445 12th St., SW
Washington, DC 20554
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www.fcc.gov/cgb/consumers.html

Federal Energy Regulatory Commission (FERC)

888 First St., NE
Washington, DC 20426
Toll-Free: 1-866-208-3372
E-mail: customer@ferc.gov
Web Address: www.ferc.gov

JEFFREY ONO APPOINTED EXECUTIVE DIRECTOR FOR DIVISION OF CONSUMER ADVOCACY

Jeffrey Ono joined the Division of Consumer Advocacy (DCA) on January 3, 2011. Governor Neil Abercrombie appointed him as executive director for the division, succeeding Dean Nishina, who led DCA in the interim and remains on staff. Ono immediately took on the challenge as consumer advocate, quickly familiarizing himself with issues surrounding Hawaii's clean energy initiative, other public utilities, inter-island shipping, and testifying on behalf of consumers during the current 2011 legislative session. He previously practiced law for 30 years, most recently as partner at the law firm of Galihier DeRobertis Ono. Ono is a graduate of Kalani High School, University of Hawaii at Manoa, and University of Wisconsin Law School.



REP. HERMINA MORITA TAPPED AS PUC CHAIR

About a block away from DCA, the Public Utilities Commission (PUC) is also expecting a change in leadership as Governor Abercrombie appointed Representative Hermina Morita (D, Hanalei-Kapaa) as PUC Chair. Rep. Morita's appointment is still subject to confirmation by the State Senate. Proponents of the appointment say Morita's familiarity with energy policy from serving as Chair of the House Committee on Energy and Environmental Protection and her neighbor island roots make her a fitting selection. The addition of Morita would fill the third commissioner spot vacated by Leslie Kondo, who left to head the Hawaii State Ethics Commission. She joins current PUC Chair Carlito Caliboso and Commissioner John Cole.



END OF FURLOUGH FRIDAYS

The State of Hawaii and the Hawaii Government Employees Association reached a settlement that will discontinue the observance of furlough days for certain employees, whose positions are fully federal or special funded. As a result, beginning April 1, 2011, all Department of Commerce and Consumer Affairs (DCCA) offices, including DCA, will be open on Fridays previously marked as closed on the DCCA furlough calendar. Those dates include April 1 and 29, May 6 and 20, and June 17 and 24.

HECO DENIED

Consumers saved a little off their bill after Hawaiian Electric Co. (HECO) failed in its attempt to recover \$1.4 million from rate payers for extra costs incurred under an energy-efficiency program. In April 2009 HECO transitioned control of the program to Science Applications International Corp. (Energy Hawaii). HECO admitted to a misunderstanding over the responsibility of rebate payments for solar-powered water heaters. In its Decision and Order denying the request, the Public Utilities Commission (PUC) blamed the utility for mismanaging the costs associated with the program and not notifying the PUC of the problem sooner. Rebates during the transition were delayed, but have since been paid out. Docket No. 2007-0341

Electric Companies:

Hawaiian Electric Co. (HECO)

Phone: (808) 548-7311

www.heco.com

Hawaii Electric Light Co. (HELCO)

Hilo: (808) 969-6999

Kona: (808) 329-3584

Waimea: (808) 885-4605

www.heco.com/portal/site/helco/

Maui Electric Co. (MECO)

Phone: (808) 871-9777

Molokai & Lanai: 1-877-871-8461

www.mauielectric.com

Kauai Island Utility Cooperative (KIUC)

Phone: (808) 246-4300

www.kiuc.coop

TIERED RATES

Beginning March, all Hawaiian Electric utilities will be implementing a new rate structure. Hawaiian Electric Company, Inc. (HECO) customers on Oahu will join Maui Electric Company, Ltd. and Hawaii Electric Light Company customers that have followed the new tiered rate structure since the beginning of the year. The tiered rates are designed to encourage energy conservation, as customers who use more energy will pay higher rates for the higher increments of energy used. Consumers with lower monthly electricity usage will pay lower rates per kilowatt-hour than those who use more electricity.

The structure consists of three tiers for electric rates:

- Up to 350 kWh per month
- 351-1200 kWh per month
- More than 1200 kWh per month

HECO says most customers fall into the first and second tiers, with about 60 percent of them falling in the middle tier.

The utility understood that some households may surpass the 1200 kWh mark because of the amount of family members living there, and result in a financial burden especially for those on a limited income. So HECO requested the Public Utilities Commission allow qualified low-income customers to be charged at the lowest tier rate, regardless of the amount of electricity used. Those customers would need to provide a copy of their qualification letter for the Low Income Home Energy Assistance Program (LIHEAP). Docket No. 2008-0083



PUC Docket Numbers corresponding to topics discussed are included for your convenience so that you can read deeper into the subjects. PUC public filings are accessible online via the PUC's Document Management System (DMS).

Visit: <http://dms.puc.hawaii.gov/dms>

RATE INCREASE AND REFUNDS

Most Hawaiian Electric Company, Inc. (HECO) customers likely already received a credit on their monthly electric bill, according to the utility. The company began issuing refunds related to the 2009 rate case in February bills. The PUC's final decision and order on the rate case lowered the total increase a little from its interim decisions. Those interim increases took effect in August 2009 and again in February 2010. A total of about \$2.1 million will be returned to customers, which includes interest accrued from August 2009. Although the actual amount to be refunded varies on each household's usage, HECO estimates a typical residential customer using 600 kilowatt-hours a month should receive a refund of about \$2.97.



Consumers that were HECO customers between August 3, 2009 and January 31, 2011, and have since terminated their account with the utility should contact the company directly for a potential refund. The customer service number is printed in the column to the left of this article. Docket No. 2008-0083

NEW LIGHTING STANDARDS

Traditional incandescent bulbs could soon be a thing of the past because of lighting standards by the federal government. California already began observing changes in 2011, while the rest of the country will begin next year. The Energy Independence and Security Act of 2007 (EISA) requires bulbs to be about 25 percent more energy efficient, which would reduce energy consumption and your overall electric bill. Under EISA, starting January 1, 2012, traditional 100 watt incandescent bulbs will no longer be manufactured and will eventually disappear from store shelves. The same will occur to other traditional incandescent bulbs in other wattages through a phase-in plan. In 2013, production of traditional 75 watt incandescent bulbs will come to a halt, and in 2014, the same fate is set for traditional 40 and 60 watt incandescent bulbs. Officials estimate that lighting accounts for about 10% of the overall electricity use in U.S. households, and by 2015 the new lighting standards could account for \$6 billion in savings. Specialty bulbs, including 3-way bulbs, black lights and bug lamps, however, are exempt from the new standards. Although the new standards are several months away, many people already use compact fluorescent lamps (CFLs) or light emitting diode (LED) bulbs around the house. Manufacturers of these bulbs try to place wattage equivalents compared to traditional incandescent bulbs on their packaging to sway a consumer to purchase it to meet their needs. As wattages decrease to meet the lighting standards, some may be confused over what to buy. In fact, consumers should be focused on the light output (lumens) instead of wattage. Officials realize this and hope to educate consumers about lumens when purchasing lighting moving forward. For more on lumens read the section below courtesy of the U.S. Department of Energy.

Shopping for Lights: Look for Lumens, Not Watts

When you're shopping for light bulbs, compare lumens to be sure you're getting the amount of light, or level of brightness, you want. The Lighting Facts Label will help. This new label will make it easy to compare bulb brightness, color, life, and estimated operating cost for the year.

Buy Lumens, Not Watts

We typically buy things based on how much of it we get, right? When buying milk, we buy it by volume (gallons). So, why should light be any different? For decades, we have been buying light bulbs based on how much energy they consume (Watts) — no matter how much light they give us (Lumens).

What's a Lumen?

Lumens measure how much light you are getting from a bulb. More lumens means it's a brighter light; fewer lumens means it's a dimmer light. Lumens are to light what pounds are to bananas, gallons are to milk.

Lumens let you buy the amount of light you want. So when buying your new bulbs, think lumens, not watts.

The brightness, or lumen levels, of the lights in your home may vary widely, so here's a rule of thumb:

To replace a 100-watt incandescent bulb, look for a bulb that gives you about 1600 lumens. If you want something dimmer, go for less lumens; if you prefer brighter light, look for more lumens.

Replace a 75W bulb with an energy-saving bulb that gives you about 1100 lumens.

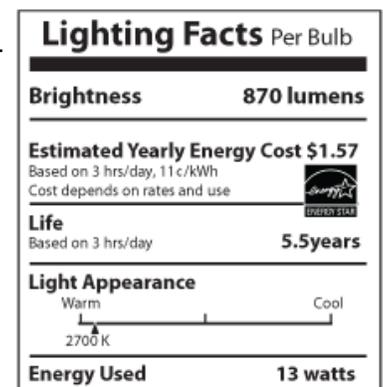
Replace a 60W bulb with an energy-saving bulb that gives you about 800 lumens.

Replace a 40W bulb with an energy-saving bulb that gives you about 450 lumens.

What Should I Look For On The Package? The Lighting Facts Label

To help consumers better understand the switch from watts to lumens, the Federal Trade Commission will require a new product label for light bulbs in the coming months. It will help people buy the light bulbs that are right for them.

Like the helpful nutrition label on food products, the Lighting Facts label will help consumers understand what they are really purchasing. The label clearly provides the lumens—or brightness—of the bulb, the estimated operating cost for the year, and the color of the light (from warm/yellowish, to white to cool/blue).



HT EMERGENCE

Hawaiian Telcom (HT) is sporting a slightly new look and motto after emerging from Chapter 11 bankruptcy last fall. You may have seen or heard the “Always on” messages from the company. HT previously announced that they would launch television service, but those plans derailed after running into financial troubles. Now that the company is getting back on track, the project is likely to move forward again. In order to replace decreasing revenues from customers ditching landlines for cellular phones and voice over internet protocol, HT has expressed that it will be looking to offer new services to customers as it moves forward. Stay tuned.

Docket No. 2010-0001

Telecommunication Companies:

Hawaiian Telcom

Phone: (808) 643-3456

www.hawaiiantel.com

Time Warner Telcom

Phone: (808) 441-8500

www.twtelecom.com

Pacific LightNet Communications

Phone: (808) 791-1000

Toll-Free: 1-888-478-1414

www.plni.net

LIFELINE ELIGIBILITY FOR 2011

Hawaii residents who previously did not qualify for lifeline telephone rates may now be eligible under new federal income limits for 2011. A sizeable change is in effect for 2011 compared to 2009. The new requirement for a single person, for instance, is \$16,929 compared the previous amount of \$12,460, a difference of nearly \$4,500. A complete chart is presented below. Aside from the income requirement, residents may also qualify for lifeline if they are enrolled in government benefit programs such as Medicaid, food stamps, Supplemental Security Income (SSI), federal public housing assistance, Low Income Home Energy Assistance Plan (LIHEAP), Temporary Assistance for Needy Families (TANF), and National School Lunch's free lunch program (NSL). Hawaii ranks among the lowest in the nation for participation in the federal program. Lifeline saves eligible customers a little over \$8 a month off their telephone bill. The Link-Up program also helps cover about half of the cost of activation or connection charges. For more information, contact a participating telecommunications carrier such as Hawaiian Telcom, Mobi PCS, Sandwich Isles Communications, or Sprint-Nextel.

Here are the 2011 Estimated Income Requirements for a Household at or below 135% of the Federal Poverty Guidelines:

Persons in	Income	Persons in	Income
1	\$16,929	5	\$40,635
2	\$22,856	6	\$46,562
3	\$28,782	7	\$52,488
4	\$34,709	8	\$58,415

For each additional person in the household, add \$5,927

PASHA STARTS SERVICE

Hawaii's second inter-island cargo water carrier set sail last month. Pasha Hawaii Transport Lines LLC launched the Jean Anne from Honolulu to Kahului and Hilo en route to San Diego. The vessel will also make stops at Nawiliwili depending on customers needs. The decision by the Public Utilities Commission (PUC) to allow Pasha to operate on a three year trial basis ended the monopoly long held by Young Brothers Ltd., and received both support and criticism. While many welcomed the addition for competition, others, including Young Bros., contend the move is detrimental because the companies are not on a level playing field. Unlike Young Bros., Pasha is not required to make stops at Molokai or Lanai because the harbors are too small to accommodate the Jean Anne. Young Bros. claims Pasha is “cherry-picking” the profitable ports and cargo. During this three year test period, the PUC may terminate Pasha's service if it results in harm to Hawaii's businesses and consumers. Pasha also announced plans to add at least one more vessel to increase frequency of its sailings, although the PUC would need to approve changes to its sailing schedule first. Docket No. 2009-0059

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