



Consumer Spotlight

Giving You Public Utility News You Can Use

Brought to you by the Division of Consumer Advocacy

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Special Inaugural Issue

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Honolulu, HI 96813

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Fax: 586-2066

E-mail: puc@hawaii.gov
www.hawaii.gov/budget/puc/

Internet Resources:

Federal Communications Commission
www.fcc.gov

U.S. Department of Energy
www.doe.gov

Renewable Resources:

www.homepower.com
www.re-energy.ca

Executive Director's Message

By John E. Cole

Aloha & Welcome to *Consumer Spotlight*, bringing Hawaii's public utility consumers news that they can use.

This is the first issue of what will be a series of quarterly newsletters providing utility oriented news and information, brought to you by the Division of Consumer Advocacy (DCA). Each issue will highlight one or more aspect of telecommunications, water & wastewater services, gas energy services and much more. Each issue will offer money saving tips and resources, ideas on how to become a wiser utility consumer, a brief summary of government actions, and highlights of new innovations. There will even be suggested activities the whole family can enjoy.

In this issue we'll introduce you to our office, the Division of Consumer Advocacy, and tell you more about what we do. We'll also highlight how we are hard at work representing and protecting your interests when it comes to utility matters.

This inaugural issue will focus on electric energy services and how a little bit of effort on your part can add up to big benefits for you and all utility customers.

On behalf of myself and all of us at DCA, we hope you find this information helpful and thank you for your interest.

Public Utilities Q & A

Q: What are public utilities?

A: Public utilities include providers of telecommunications, electricity, gas energy services, private water and wastewater, and transportation services. In most instances local city & county governments provide water and wastewater services, which takes the place of a private utility company.

Q: Are public utility services regulated?

A: Yes, because there is a need to protect the public interest. Public utilities generally require large investments in facilities and infrastructure, such as power and phone lines, in order to deliver their services. Because it is costly and usually not practical to build redundant infrastructure, it is difficult for other utility companies to compete. Local and federal governments regulate utility companies to ensure reliable service, fair prices, and, in some respects, to encourage competition.

Energy Efficiency Resources:

www.earth911.org

www.solareco.com

Utility Company Contact Info.

Hawaiian Electric Company 548-7311
www.heco.com

Kaua`i Island Utility Cooperative
808-246-4300
www.kiuc.coop/index.html

The Gas Company 535-5933 or 526-0066 (24 Hour Emergency Operator)
www.hawaiigas.com

Hawaiian Telcom 643-3456
www.hawaiiantel.com

Get the Right Answers

- Got a complaint about a business product or service unrelated to utilities? Then call the **Office of Consumer Protection** at **586-2636**
- Hawaii's 24-hour automated information and fax on demand service. Your source of information on commonly asked consumer and business questions. **Consumer Dial 587-1234**
- Would you like to know if your contractor is licensed? Want to know the complaint history of a business, or think the car you just bought is a lemon? Then call the **Consumer Resource Center** at **587-3222** or **587-3295** on Oahu. Neighbor Island residents should check their local listings.

Q: Who regulates these services?

A: The Public Utilities Commission (PUC) is the State agency that regulates these services in Hawaii. When a utility company wants to begin service, increase rates or begin certain construction projects, it must first get approval from the PUC.

Q: Who represents the consumers' interest in all of this?

A: The Division of Consumer Advocacy is charged with representing all consumers of utility services. Learn more about the Division and what it does by reading the article below.

About The Division of Consumer Advocacy

The Division of Consumer Advocacy (DCA), part of the state Department of Commerce & Consumer Affairs, was established to protect and represent consumer interests before the Hawaii Public Utilities Commission, and other local and federal government agencies that are involved in utility regulation.

When a utility company wants to raise the rates it charges its customers, make certain large capital improvements, or buy another utility company, it must seek PUC approval. The DCA carefully reviews different aspects of the utility company's business to determine whether or not the request is reasonable or necessary and in the best interest of consumers. The Division then makes recommendations to the PUC on behalf of the utility's ratepayers. Then it's up to the PUC to decide whether or not it will approve the utility company's request.

The DCA's staff is comprised of attorneys, engineers, statisticians, accountants, support staff, and other analysts who work as a team to make recommendations to the PUC on your behalf.

Executive Director John Cole leads the Division and plays an active role in its work. One of Mr. Cole's main goals is to get average citizens more involved. "I intend to actively engage communities throughout the state to help inform people about utility matters that affect them, how they can be wiser consumers, and how they can more fully participate in the regulatory process. I firmly believe that the people of Hawaii can and should play an active role in moving our state's energy and other utility policies forward."

The DCA urges people to express their opinions on the issues that will affect them. While both the PUC and DCA encourage public comment at any time, public hearings are a chance to let the PUC know how you feel on a specific issue or application and to present ideas for the DCA to consider in its analysis and recommendations. Notice of these hearings can be found in your local newspaper or at our web site, www.hawaii.gov/dcca/dca.

got energy star?



The next time you decide to upgrade your home or business appliances look for this label. Energy Star is a U.S. government-backed program designed to help businesses and individuals protect the environment through superior energy efficiency. To earn this label, home appliances, and office equipment, must meet strict energy efficiency criteria set by the US Environmental Protection Agency or the US Department of Energy. This means these products are the same or better than standard products, only they use less energy.

Energy Fast Facts

- ◆ Americans consume 26 percent of the world's energy.
- ◆ Worldwide, some 2 billion people are currently without electricity.
- ◆ Residential appliances, including heating and cooling equipment and water heaters, consume 90% of all electric energy used in the U.S. residential sector.
- ◆ Replacing one incandescent lightbulb with an energy-saving compact fluorescent bulb means 1,000 pounds less carbon dioxide is emitted to the atmosphere and \$67 dollars is saved on energy costs over the bulb's lifetime. (U.S. Environmental Protection Agency and Alliance to Save Energy)

Competitive Bidding

May Expand Resource Options Used by a Utility

The Public Utilities Commission is currently considering whether to implement a competitive bidding process for the acquisition of new energy generation resources.



If implemented, competitive bidding would expand resource options considered and used by these companies.

Prior to 1978 the development, delivery, and generation of electrical power was left entirely to utility companies. As the electric industry grew so did the utility companies' decision-making authority, which was often in favor of large scale and central generation methods. These actions caused concerns for many because of the way that they prevented smaller scale and renewable power production alternatives from being considered. In response to these concerns Congress enacted the Public Utilities Regulatory Policies Act (PURPA) of 1978. Some of the main goals of PURPA included a reduction in oil dependency and an increase in the use of renewable resources. It also required electric companies, for the first time, to purchase power from smaller qualified independent producers.

DCA believes Hawaii has reached a point where competitive bidding can play a more meaningful role in producing cost-effective power for the state. By requiring competition for new generating resources between independent power producers and utility companies, non-utility providers will have an opportunity to develop solutions to our additional resource needs. This will benefit all consumers in the form of overall savings. DCA believes that competitive bidding is a step in the right direction toward providing more cost-effective power generation.

Dollars & Sense

A Little Effort Can Create Big Savings



The gas pump is not the only place Hawaii residents are feeling the pinch of rising fuel costs; they're also feeling it each month when they pay their electric bill. Hawaii still depends largely upon fossil fuels to produce its electricity and as the cost of these fuels rise so does the cost of electricity. But just as keeping your car's tires properly inflated, getting a regular oil change, and driving less can help you save money at the pump there are also a few small and simple ways to save on your electric bill. Consider these ideas:

- Install water flow restrictors and aerators to reduce hot water use.
- Install compact fluorescent lighting, which uses 70% less electricity and lasts up to 10 times longer.
- Turn off lights and appliances when not in use and try using smaller table lamps to light a room instead of overhead lights.
- Perform regular maintenance on air-conditioning equipment and replace filters often to increase airflow, so that the fan or blower does not have to work as hard.

A New Service for Utility Consumers

The Division of Consumer Advocacy is available to speak to your group or organization on a variety of utility topics. Contact us and we will be happy to have a member of our speakers bureau speak to you and your group. With enough notice we can even tailor topics to fit your needs or present other information at your request.



Name

Organization

Topic of Interest

Address

City

State

Zip

Day Time Phone

Please fill out this form and mail or fax it to:

**The Division of Consumer Advocacy,
Speakers Bureau**
P.O. Box 541
Honolulu, HI 96809 or (808) 586-2780

You can also e-mail your request to:
consumeradvocate@dcca.hawaii.gov

- Use a timer to set thermostats and monitors on air-conditioners so that they operate only when occupants are in the house and are off the rest of the time. If you don't want to come home to a hot house set the a/c timer to go on one half hour before you arrive.
- Don't run air-conditioning during cooler periods, such as early morning, late evening and overnight. Open windows and use fans during these time periods.
- Consider installing a solar water heater. Tax credits and rebates currently being offered can significantly reduce the cost of installation and drastically reduce the cost of heating water.

Making these kinds of adjustments in home energy use can add up over time giving you big savings. So experiment and see which ones will work best for you.

Consumer's Challenge

Beat the Peak for a Week



Hawaii consumers use more electric power on Weekdays between the hours of 5:00 & 9:00 p.m. than any other time of day, which is why this time period is called the demand peak. We choose to use a lot of power at this time because it's when we finish work and want to rev up the A/C, cook dinner, do a load of laundry, and maybe watch some TV. We don't think much about it but as power use increases, especially during peak periods, the ability to meet that increasing demand may result in higher energy costs for consumers and greater dependence on fossil fuels. To avoid this, the DCA is challenging Hawaii's power consumers to beat the peak for a week.

To successfully complete this challenge you must significantly reduce your electric power use between the hours of 5:00 & 9:00 p.m. Now, we're not asking you to revert back to the dark ages here, but we are asking you to do a little planning. For example, use a microwave rather than a conventional oven to prepare your meals. Wash and dry clothes earlier in the day to avoid the peak. Focus a little more time on family activities or that novel you've been putting off instead of watching a lot of TV for the week. You could also go for a walk or sit in the cool breezes of the evening rather than running your A/C.

So, give it a try and see if you can beat the peak for a week! Then e-mail us and tell us how it went. Who knows, we may contact you to see if we can post your comments in the next newsletter or on our web site. E-mail consumeradvocate@dcca.hawaii.gov and put **Consumer Challenge** in the *subject heading*.