



CONSUMER SPOTLIGHT

Public Utility News You Can Use Issue 27 | October 2017



Executive Director's Message

By Dean Nishina

October celebrates Energy Action Month—a time to increase energy awareness and the impact of energy consumption on Earth. You can do your part to save energy with a few simple tips you can do at home. Read more about it on page 2.

Hawaii Gas has recently filed an application for a rate increase. Read about the filing on page 3 and how it can affect you. The Consumer Advocate's (CA) office will be sure to represent consumers' best interest when participating in the proceeding. Feel free to submit public comments to the Public Utilities Commission for the CA to consider on this matter.

Lastly, there are a few articles in this newsletter on various topics related to the Hawaiian Electric Companies. That includes HELCO's interim rate increase and HECO's final grid modernization strategy (both on page 2) as well as a highlight of HECO's new mobile app they've just recently launched (page 3).

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Clean Transportation examples:

Bicycling Walking



A panel at the 9th Annual Hawaii Clean Energy Day, held on August 28, answers questions from the audience about clean transportation.

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PUC Approves Interim Rate Increase for Hawaii Electric Light

The Public Utilities Commission (PUC) approved an interim increase in revenues for Hawaii Electric Light, Inc. (HELCO) of approximately \$9,940,000, or 3.42% over revenues at current effective rates based on a total revenue requirement of approximately \$300,658,000 for the 2016 Test Year.



Public hearings for the rate case were held in December 2016.

The PUC found that the interim rate increase addresses HELCO's need for rate relief and adequately protects the interest of ratepayers. The PUC accepted the Consumer Advocate's recommended rate of return on common equity of 9.5%, and rate of return on average rate base of 7.8%.

HELCO is required to refund its customers any excess collected under the Interim Decision and Order, with interest, if the final increase approved by the commission is less than the total interim increase.

In general, the public testimony on HELCO's application was opposed to HELCO's proposed rate increase.

Docket No. 2015-0170

HECO Reveals Final Draft of Its Grid Modernization Strategy

Hawaiian Electric Companies (HECO) has released the final draft of its Grid Modernization Strategy (GMS). The document describes the scope, purpose, and estimated cost of the work required to update HECO's energy network and how a modern grid will help achieve a renewable portfolio standard of 100 percent by 2045. HECO held four public meetings in late July and early August and received feedback from the public before its final draft of the GMS.

Highlights of the GMS include strategic distribution of smart meters, reliance on advanced inverter technology, expanded use of voltage management tools, and enhanced outage management and notification technology.

The Public Utilities Commission opened a new docket to serve as a repository for the GMS and any related filings and public comment. The Consumer Advocate will file its comments after reviewing the GMS and any public comments that were filed in the docket.

Docket No. 2017-0226

October Marks Energy Action Month

Energy Action Month brings attention to the sustainability of our world and addresses shared energy challenges as well as encourages diverse, clean and efficient energy production.

There are many ways you can reduce your energy consumption and thus, your carbon footprint, helping to reduce carbon emissions, protect the environment, and leave behind a cleaner world for the next generation.

Here's a very short list of what you can do to conserve energy. A comprehensive list can be found on energy.gov.

- Use ENERGY STAR products.
- Turn off electronics (lights, fan, TV) when you leave a room.
- Use natural lighting when feasible.
- Unplug equipment that drains energy when not in use (i.e., cell phone chargers, coffeemakers, printers, etc.)



HECO Launches New Mobile App

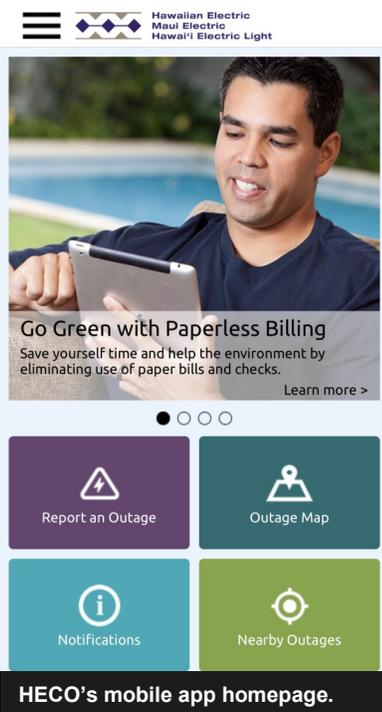
Hawaiian Electric Company (HECO) has made available a free mobile app to download in the Apple iTunes and Google Play stores.

The app allows customers to sign up for services such as paperless billing and provide instant alerts on utility work or weather-related events.

A key feature of the app is the mobile outage map, which offers enhanced features from the HECO online outage map introduced last year.

Customers can view the map and zoom in for more detail on reported outages. The app also features geolocation which can view existing outages near users' location.

It also provides an option to report an outage via phone or through the app itself.



Hawaii Gas' synthetic natural gas (SNG) plant at Campbell Industrial Park.

Hawaii Gas Files Application for Rate Increase

The Gas Company, LLC dba Hawaii Gas submitted its application on August 1 for approval to increase its existing gas utility rates and to revise certain rate schedules and rules.

Hawaii Gas is seeking an approval of a revenue increase of \$14,962,297 or 14.58% over revenues at current effective rates for the normalized 2018 test year that is based upon a requested rate of return of 7.51% on Hawaii Gas' rate case.

Hawaii Gas is also seeking approval of an interim increase to be effective as soon as practicable. In addition, Hawaii Gas is seeking a final increase based upon a revenue requirement of \$14,962,297 (which would incorporate the interim increase), for the normalized 2018 test year.

Other noteworthy points in the application include Hawaii Gas seeking approval to include four projects in its rate base.

The Consumer Advocate (CA) intends to participate in the instant proceeding and will provide its position on Hawaii Gas' requested relief upon the completion of the CA's investigation.

Hawaii Gas has been providing gas service throughout the major islands of Hawaii since 1904. It engages in both regulated and non-regulated gas operations, serving approximately 35,000 utility customers. The company employs approximately 321 employees.

Docket No. 2017-0105

PUC Docket Numbers are included in these articles for further, in depth reading. PUC public filings are accessible online via the PUC's Document Management System (DMS). Visit: <http://dms.puc.hawaii.gov/dms>

Consumer Advocate and Other Parties File GEMS Stipulation

At the end of August, the Consumer Advocate (CA), Hawaii Green Infrastructure Authority, Hawaiian Electric Companies, Hawaii Solar Energy Association and Blue Planet Foundation submitted a stipulation to the Public Utilities Commission (PUC) proposing revisions to the process for new and/or enhanced product approval for the Green Energy Market Securitization (GEMS) Program.

The parties propose the revisions be put in place for a 12-month Initial Pilot period with possible subsequent extensions or to be made permanent pending future PUC review.

Additionally, while not part of the agreement with the filing parties, the CA recommends that the PUC engage an independent certified public accounting firm to conduct an audit of the GEMS Annual Plan. The CA believes that this type of objective assessment would be appropriate to provide greater transparency and to help the PUC's review of the proposed pilot.

Docket No. 2014-0135

Upcoming Dates of Interest

- **October: National Energy Action Month** Take steps to reduce your carbon footprint and minimize energy consumption.
- **Oct 7: HECO Clean Energy Fair** held at Kahala Mall from 10 a.m. to 3 p.m. DCA will be an exhibitor.



- **Oct 31: Halloween** Consider being a CFL bulb as a costume!
- **Nov 10: Veteran's Day (observed)** (State holiday, our office will be closed).
- **Nov 23: Thanksgiving** (State holiday, our office will be closed).

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We also welcome feedback and story ideas. Email us at dca@dcca.hawaii.gov.

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