

NOTICE OF PUBLIC HEARING

APPLICATION OF HANA WATER SYSTEMS, LLC.
FOR A GENERAL RATE INCREASE FOR ITS
SOUTH SERVICE AREA AND
FOR APPROVAL OF REVISIONS TO ITS TARIFF

Docket No. 2017-0447

The STATE OF HAWAII PUBLIC UTILITIES COMMISSION ("Commission"), pursuant to Hawaii Revised Statutes §§ 269-12 and 269-16, HEREBY GIVES NOTICE that it will hold a public hearing relating to the Application of HANA WATER SYSTEMS, LLC. ("HWS"), filed on December 28, 2017, for Commission approval of a general rate increase for approval of revisions to its tariff. The public hearing will be held as follows:

Monday, May 21, 2018, at 6:00 p.m.

Hana Community Center
5091 Uakea Road
Hana, Maui, Hawaii 96713

***Note:** The public hearing will coincide with the public hearing for In re Hana Water Systems, LLC, Docket No. 2017-0446, involving Hana Water System's application, filed December 28, 2017, seeking the Commission's approval of a general rate increase for the HWS-North service area.

HWS, is a public utility that provides potable water services to residential, agricultural, and commercial customers in the HWS-South service area.

HWS seeks the Commission's approval for a January 1, 2018 through December 31, 2018 test year net revenue increase of \$261,760 for its operations, which amounts to an approximate increase of 503% over the pro forma revenue amount of \$52,010 at present rates for the 2018 test year, to be phased in over a period of six months. HWS alleges that the proposed revenue increase would provide HWS

the ability to recover its prudently incurred operating costs and an opportunity to earn a fair rate of return.

HWS-South's present and proposed charges are as follows:

<u>Monthly Standby Fee</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>\$ Increase</u>	<u>% Increase</u>
5/8 inch meter	\$7.50	\$35.00	\$27.50	366.67%
1 inch meter	\$7.50	\$52.50	\$45.00	600.00%
2 inch meter	\$22.50	\$175.00	\$152.50	677.78%
8 inch meter	\$22.50	\$1,750.00	\$1,727.50	7677.78%
<u>Volumetric Rate</u>				
Per 1,000 gallons up to 25,000 gallons	\$1.42	\$8.63	\$7.21	507.75%
Per 1,000 gallons up to 25,000 gallons	\$1.54	\$8.63	\$7.09	460.39%

HWS additionally requests that the Commission (1) approve amendments to additional Rules and Regulations in its existing tariff (i.e., HWS-South Tariff) including, without limitation, changes to its water rate schedule, establishing a new involuntary disconnect and reconnection charge (\$260.00 per request), establishing a new involuntary disconnect and reconnection charge (\$60.00 per instance), and establishing a new return check charge (\$30.00 per instance) and other clarifying changes and updates; and (2) grant such other and further relief as may be just and reasonable under the circumstances, including any interim rate increase.

The Commission will investigate whether the proposals in the Application, including revisions to HWS's rate schedules, are just and reasonable.

The foregoing is a brief summary of the requests included in HWS's Application. Copies of HWS's Application are available for public review through the Commission's electronic Document Management System, accessible at <http://dms.puc.hawaii.gov/dms/>, Docket Quick Link 2017-0447. In addition, copies of

HWS's Application are also available for review by contacting HWS [808-441-6777], the Commission's Maui Office [(808) 984-8182] or Honolulu Office [(808) 586-2020], or the Division of Consumer Advocacy [(808) 586-2800].

All interested persons are invited to attend the public hearing to state their views on HWS's Application. Statements may also be mailed to the Public Utilities Commission, 465 South King Street, Room No. 103, Honolulu, Hawaii 96813, or e-mailed to Hawaii.PUC@hawaii.gov. All written statements should reference Docket No. 2017-0446. Special accommodations for persons with disabilities can be made if requested reasonably in advance by contacting the Commission's Honolulu Office.



Randall Y. Iwase
Chair

Maui News
April 29, 2018; and May 6, 13, and 20, 2018