STATE OF HAWAII DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY





CONSUMER SPOTLIGHT

Public Utility News You Can Use

Issue 33 | October 2018

Executive Director's Message

By Dean Nishina

The recent approach of Hurricane Lane has tested our state's ability to prepare for disaster situations. The Consumer Advocate's office has created a webpage with resource links specific to utility emergency preparedness and other useful general links (see right-hand side for website link). There is also an informative column on what to do when you are in an area of downed power lines. Bottom line—don't go near them! See page 3 for more details.

October celebrates Energy Action Month. This is the perfect time to do a wellness check of your utilities at home and see if you'll need to replace bulbs or pipes that could save you time, money, and repairs in the future. Page 2 has a quick checklist to help.

Finally, the Public Utilities Commission has approved a community-based renewable energy program. Read more about it on page 3. It may be a program that you might consider applying for, if you can't have solar PV.







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Stay Informed

In the wake of Hurricane Lane, DCA created a resource webpage on utility emergency preparedness. Visit http://cca.hawaii.gov/dca/utility-emergency-preparedness/ for more information.



The Public Utilities Commission held a public hearing for HECO's 46kV transmission line in Kahuku on August 20 at Kahuku Elementary School.

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October Brings Energy Action Month

October is Energy Action Month, aimed at bringing awareness to and promotion of the importance of energy in our everyday lives. There are a number of ways that you can help make energy sustainable and environmentally friendly.

Home Energy Checklist

- Clean or replace filters in your air conditioner.
- Find strategies to reduce your water heating bills.
 Water heating can account for 14%-25% of the energy consumed in your home.
- Install a programmable thermostat to adjust temperatures according to your schedule.
- Use ENERGY STAR labeled products. They can cut your energy bills by 30%.

Source: U.S. Department of Energy, <u>Energy.gov</u>





MECO's interim rate increase began on August 23, 2018.

MECO Receives Interim Rate Increase from Commission

In an interim decision and order, the Public Utilities Commission (PUC) approved a stipulated rate increase for Maui Electric Company, Limited (MECO) on an interim basis. The PUC approved an interim revenue increase of \$12,481,000 or approximately 3.82% over revenues at current effective rates, based on a total revenue requirement of \$338,897,000. The interim rate increase went into effect on August 23, 2018.

MECO's application requested an increase of \$46,558,000 (approximately 14.3%) over revenues at current effective rates asserting that rate relief is required in order to provide a reasonable opportunity to recover its prudently incurred costs of providing electric services to its customers.

The Consumer Advocate (CA), in a settlement agreement with MECO, requested that the commission approve the interim rate increase and rate design in a Joint Statement of Probable Entitlement. MECO will be required to refund its customers, together with interest, any excess collected under the interim decision and order if the final rate relief ordered in the PUC's final decision is less than the total interim increase that has been recently approved.

The PUC held public hearings on Maui, Lanai, and Molokai in late January and early February. The CA testified at each public hearing. In general, testimonies expressed concerns with, or opposition to, the increases in rate proposed by MECO.

Docket No. 2017-0150

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PUC Approves Community-Based Renewable Energy Program

The Public Utilities Commission approved and directed the Hawaiian Electric Companies (HECO Companies) to implement their Community-Based Renewable Energy (CBRE) Program. Phase 1 of the CBRE program will be limited to only solar PV systems and is available to eligible residential and commercial customers of HECO Companies.

The CBRE Program was created to provide an opportunity to residential and business renters, occupants of residential and commercial buildings with shaded or improperly oriented roofs, other groups who are currently unable to access the benefits of onsite renewable energy generation, and anyone who does not already receive the direct benefits of renewable energy resources.

CBRE allows participants of the program to receive direct benefits of renewable energy resources (from a CBRE Program Facility) to offset their monthly energy costs through a bill credit on their utility bills.

Sine the program will result in consumers dealing with unregulated vendors, the Consumer Advocate has continually raised concerns regarding the protections offered to consumers under the CBRE program throughout the docket proceedings and made numerous recommendations designed to improve consumer protections.

Docket No. 2015-0389

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

Tips for Downed Power Lines

If you ever encounter downed power lines, here are few tips to insure your safety.

- Always assume that the lines are energized and dangerous.
- Do NOT touch the lines!
- Stay a safe distance away (about 35 feet or more) and notify local authorities.
- Never drive over downed power lines or through water that's been in contact with them.
- The safe way to move away from a downed power line is by keeping your feet together, shuffling away in small steps with both feet on the ground.
- If someone comes in contact with a downed power line, do NOT touch the person but DO contact 911.



Consumer Advocate Files Goals-Outcomes Brief in Performance-Based Regulation Proceeding

Early this year, the Public Utilities Commission (PUC) opened a proceeding to investigate the economic and policy issues associated with performance-based ratemaking for the Hawaiian Electric Companies. The Consumer Advocate (CA), in its filing, offered additional comments for the PUC's consideration.

The CA suggests the PUC consider identifying the highest "priority" goals/ outcomes and begin to establish priority levels or ordinal tiers for adopted outcomes. The CA notes prioritization is important for scheduling and to communicate the main focus of future efforts.

The CA recommends the PUC consider the following priorities: 1) affordability for all customers; 2) core customer needs; 3) equitable customer empowerment; and 4) resource planning and procurement. The CA cites that identifying priorities should help to guide the discussion and evaluation of which trade-offs might be reasonable.

Docket No. 2018-0088

Upcoming Dates of Interest

- October: National Energy Action Month Take steps to reduce your carbon footprint and minimize energy consumption.
- Oct 6: Hawaiian Electric Company's Clean Energy Fair held at Kahala Mall from 10 a.m. to 3 p.m. DCA will have a booth.
- Oct 31: Halloween Consider being a solar panel as a costume!
- Nov 6: Election Day (State holiday, our office will be closed).
- Nov 12: Veteran's Day (observed) (State holiday, our office will be closed).
- Nov 22: Thanksgiving (State holiday, our office will be closed).



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