

# CONSUMER SPOTLIGHT

Public Utility News You Can Use

Issue 35 | February 2019



## Executive Director's Message

By Dean Nishina

Happy new year! The Consumer Advocate's (CA) office continues to forge ahead with our diligent work as we enter 2019. We'd like to bid farewell and aloha to Public Utilities Commission (PUC) Chair Randall Iwase, who retired on Dec. 28. While we're sad to see Randy leave, we look forward to working with the next commissioner.

Rate cases remain active before the PUC. Read about the Hawaii Gas approval and Hawaii Electric Light's proposed rate increase in this edition. The CA will be involved in this rate case application. As always, the public is welcome to submit public comments on docket proceedings in writing to the PUC. Keep an eye out for public hearing notices in future newsletters.

The CA will again participate in this year's legislative session by filing testimonies before Senate and House committees. The CA does its best to have consumers' interest represented in energy, utility, and transportation related bills moving through the legislature.



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With a full twelve months of productivity from the Tesla solar-plus-storage facility, nearly 45 percent of Kauai Island Utility Cooperative's fuel needs can be met from renewable sources. *Photo Credit: Tesla.*

## In This Issue

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- Saving Money on Fuel
- 'No Charge' Charging Stations
- HELCO Rate Case
- Hono Heke Tariff Change



Hawaii Gas received an approval for a 8.39 percent increase in revenue.

## PUC Approves Rate Increase for Hawaii Gas

The Public Utilities Commission (PUC) approved an increase of \$8,896,152 or approximately 8.39 percent over revenues at present rates for The Gas Company (dba Hawaii Gas) based on a total revenue requirement of \$114,926,065 for the 2018 calendar test year.

The PUC noted that the increase in revenues at present rates provides Hawaii Gas with the opportunity to recover its normalized, reasonable utility expenses and to earn a fair return on its average depreciated rate base balance. The PUC also stated that it would also be consistent with the ratepayers' attendant benefits of continuing to receive gas utility service at just and reasonable rates.

Hawaii Gas originally sought a revenue increase of \$14,962,297 or 14.58 percent for the normalized 2018 test year. After direct testimonies, exhibits and subsequent settlement discussions with the utility, the parties to this docket, which included the Consumer Advocate (CA), reached an agreement for the PUC-approved rate increase of \$8,896,152.

The PUC held statewide public hearings between November 2017 and January 2018. A representative from the CA attended each of the public hearings. In general, public comments expressed concerns with or objected to Hawaii Gas' proposal to increase its rates.

*Docket No. 2017-0105*

## Saving Money on Fuel

The following tips can help you improve gas mileage or avoid using gas altogether.

- Minimize idling your car by turning off your engine when your vehicle is parked.
- In hot weather, roll down the windows at lower speeds and use the air conditioner (AC) at highway speeds.
- Before turning on the AC, roll down the windows briefly to let hot air out of the cabin. Turn on the AC with the windows closed after you begin driving; it will cool the vehicle faster.
- Avoid aggressive driving; it can lower your highway gas mileage by up to 30 percent and your city mileage by 40 percent.
- Avoid high speeds. Driving above 50 mph, gas mileage drops rapidly.



Source: U.S. Department of Energy, Energy Efficiency & Renewable Energy, [Energysaver.gov](http://energysaver.gov)

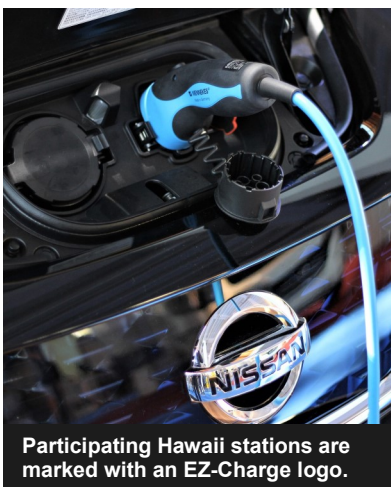


## Nissan 'No Charge to Charge' Expands to Hawaii

Nissan North America, Greenlots, Inc., and EVgo are bringing the popular "No Charge to Charge" (NCTC) promotion to the Hawaiian Electric Companies' service territory. It provides up to two years of free fast-charging for those who purchase or lease a new Nissan LEAF from certified dealers in Hawai'i after Nov. 1, 2018. A fast charger can fill a LEAF battery pack from empty to 80 percent in 30 to 45 minutes.

Anyone who purchased or leased a Nissan LEAF after Nov. 1, 2018, at a participating dealership can receive one complimentary 30-minute DC fast charging session per day for two years.

Free charging is accessed through an EZ Charge Card, available from participating dealers. For information, visit [www.ez-charge.com](http://www.ez-charge.com) or call (844) 392-4274. The customer is responsible for charging fees after 30 minutes.



Participating Hawaii stations are marked with an EZ-Charge logo.



Hawaii Electric Light Company seeks a 3.8 percent rate increase.

## HELCO Files Application for Rate Increase

The Hawaii Electric Light Company (HELCO) has requested Public Utilities Commission (PUC) approval of a general rate increase and revised rate schedules and rules. HELCO is seeking an increase of \$13,350,000 (or 3.8 percent) over revenues at current effective rates to achieve a revenue requirement of \$407,857,000.

This request is based on a revenue requirement of \$407,857,000 for a normalized 2019 test year (which includes Hu Honua as an independent power producer in the 2019 test year). It is also based on an 8.30 percent rate of return (which incorporates an ROE of 10.50 percent) on an average rate base of \$536,931,000 for the 2019 test year. HELCO last filed an application for approval of a general rate increase and revised rate schedules and rules in September 2016.

The Consumer Advocate (CA) will review the application and participate in the docket proceedings. In its review, the CA will analyze whether the requested increase is too high and other related matters. The CA will provide its position on HELCO's requested rate increase upon completion of the CA's analysis and investigation.

Docket No. 2018-0368

**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>**

# Hono Heke Corporation Allowed to Charge Convenience Fee

The Public Utilities Commission (PUC) approved Hono Heke Corporation's proposed tariff revisions to establish a six percent convenience fee for fares booked online through the FareHarbor Holdings, Inc. web portal. The convenience fee will only be assessed for fares booked on-line through the FareHarbor Holdings, Inc., web portal, and not to fares booked via telephone reservation or in-person.

The Consumer Advocate did not object to Hono Heke's proposed tariff revisions, subject to certain conditions such as verifying and documenting any cost savings and ensuring that these cost savings are passed on to customers.

Hono Heke is a water carrier authorized to transport passengers and property between the islands of Lanai and Maui.

*Transmittal No. 18-02 (Non-Docketed)*

## Upcoming Dates of Interest



- **Jan. 25-27: BIA Hawaii Home Building & Remodeling Show**  
The department will have a booth all weekend long.
- **Feb. 18: President's Day** (State holiday, our office will be closed).
- **March 6: National Consumer Protection Week Fair**, DCA will have a table at this fair held at the King Kalakaua Courtyard (downtown Post Office) from 10 a.m. to 1 p.m.
- **March 26: Prince Kuhio Day** (State holiday, our office will be closed).
- **March 27-28: Maui Energy Conference** at the Maui Arts & Cultural Center. See [mauienergyconference.com](http://mauienergyconference.com) for details.
- **April 19: Good Friday** (State holiday, our office will be closed).



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