



CONSUMER SPOTLIGHT

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Executive Director's Message

By Dean Nishina

Rate cases continue to be filed with the Public Utilities Commission (PUC) with a handful more filing a Notice of Intent to apply for a rate increase. Tune in to future newsletters to stay up-to-date on those applications. In this issue, we cover the Maui Electric Company rate increase that was approved by the PUC as well as the Kona Water Service rate case that is currently underway.

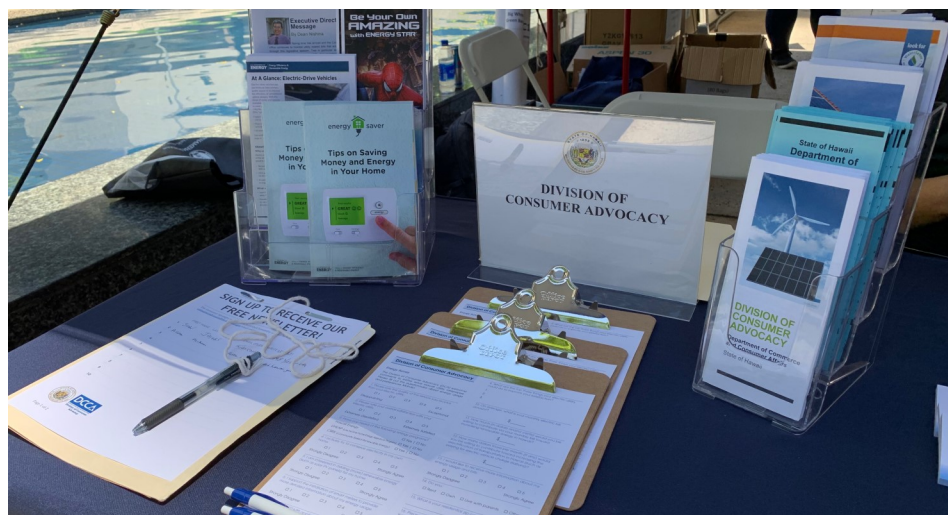
Lifeline is a federal program that allows low-income customers to have telecommunication services at a discounted rate. Each year, the Lifeline income guidelines are updated. Read more about the guidelines and eligibility on page 3.

Lastly, the Consumer Advocate's office recently filed its Reply Brief regarding microgrids. Microgrids could potentially aid in keeping electricity running or bring it back up shortly after natural disasters strike, for example. See the comments we offer on page 4.



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Catastrophe Guide
Check out a new catastrophe guide by the National Association of Regulatory Utility Commissioners: <https://www.naruc.org/consumers-catastrophes-understanding-the-impact-to-you-your-family-and-your-utilities/>



The Division of Consumer Advocacy participated in the Financial Literacy Fair on April 5, hosted by the DCCA—Office of the Securities Commissioner.

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Energy-Saving Kitchen Tips

There are many appliances in your kitchen that you use on a frequent basis. Using them efficiently can help save energy and keep electricity costs lower.

Here are some helpful tips for your kitchen that can save you energy.

- Move the faucet lever to the cold position when using small amounts of water. The hot position draws hot water even if it never reaches the faucet.
- Keep range-top burners and reflectors clean; they will reflect the heat better and save energy.
- Match the size of the pan to the heating element.
- Use small appliances such as toaster ovens, electric pressure cookers, or convection ovens for small meals rather than your large stove or oven.



Source: U.S. Department of Energy, Energy.gov/energysaver



KWSC is a public utility that provides services in the Kona area.

Kona Water Service Company, Inc. Files for Rate Increase

Kona Water Service Company, Inc. (KWSC) seeks the Public Utilities Commission's (PUC) approval for a net increase in revenue of \$660,216 for its water and sewer operations.

The proposed increase is comprised of proposed increases of: (1) \$452,560, or approximately 12.8%, for water service; and (2) \$207,656, or approximately 11.4%, for sewer price. If approved, the requested increase would provide KWSC the opportunity to earn a 7.8% rate of return.

The Consumer Advocate is participating in this proceeding and will file its statement of position once it complete its research and analysis of KWSC's application.

The PUC scheduled a public hearing for KWSC's rate case on May 30 at the West Hawaii Civic Center. Written public comments are also accepted by the PUC by mail or email. View instructions on how to submit written comments on their website: <http://puc.hawaii.gov/contact/public-comments/>.

KWSC is a public utility that provides water and sewer services to certain residential communities and commercial properties in Kona.

Docket No. 2018-0388

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>



PUC Approves Maui Electric Co. Rate Increase

The Public Utilities Commission (PUC) approved a change in rate for Maui Electric Company, Limited (MECO). The PUC determined that the appropriate return on common equity (“ROE”) for the 2018 calendar test year is 9.50%.

In August 2018, the PUC approved an interim rate increase of \$12,481,000 or approximately 3.82% for MECO.

Additionally, costs associated with certain MECO substation projects were included in the Settlement Agreement between the Consumer Advocate and MECO and was incorporated in MECO's interim rates. Those costs were excluded from final rates, but since the costs were collected from customers through interim rates, MECO must refund the money to ratepayers pursuant to HRS § 269-16(d).

Lifeline Program 2019 Income Guidelines for Hawaii

The Federal Communications Commission’s (FCC) Lifeline program offers affordable communications services for eligible low-income consumers.

To participate in the program, subscribers must either have an income that is at or below 135% of the federal poverty guidelines (see the chart to the right for this year’s income requirement specifically for Hawaii) or participate in certain assistance programs.

For more information, a list of eligibility options, and local eligible telecommunication carriers (ETC) that offer Lifeline services in the state, visit our website at: <http://cca.hawaii.gov/dca/telecommunications/lifeline/>

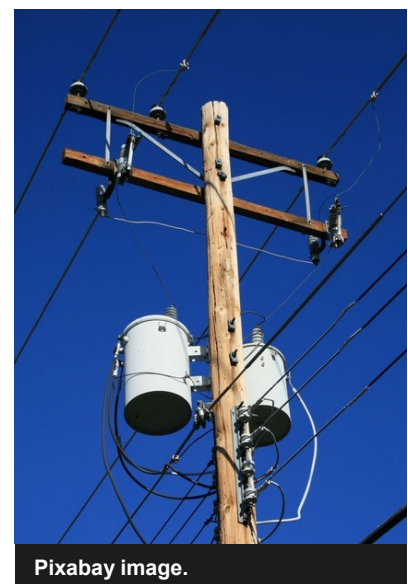
2019 Poverty Guidelines for Hawaii	
Household Size	Income Requirement
1	\$19,413
2	\$26,271
3	\$33,129
4	\$39,987
5	\$46,845
6	\$53,703
7	\$60,651
8	\$67,419
Each additional person add	\$6,858

Source: Universal Service Administration Co.

FCC Launches National Lifeline Eligibility Verifier in Hawaii

The FCC established the National Verifier in 2016 to make Lifeline eligibility determinations and perform a variety of other functions necessary to enroll subscribers into the Lifeline Program.

Hawaii soft launched with four other states and one territory back in October 2018 to join the National Verifier. The soft launch period will allow Eligible Telecommunications Carriers (ETCs) to become familiar with and adjust and test their systems and business processes with the National Verifier online portal before its use become mandatory. Consumers will be able to access the National Verifier at a later date once the full launch for these five states and one territory takes place.



Consumer Advocate Files Reply Brief Regarding Microgrids

Act 200, signed into law on July 10, 2018, establishes a Microgrid Services Tariff. A microgrid is a small energy system with local control capability that can disconnect from the larger electricity grid and operate autonomously.

The Consumer Advocate (CA) recently filed its Reply Brief on its position regarding the need for and application of a Microgrid Services Tariff. The CA urged that the focus should be on addressing the State resiliency objectives the Public Utilities Commission (PUC) should first seek to clearly establish the objectives of the proceeding to facilitate the deployment of microgrids that deliver resilient electric services to critical facilities, load, and areas.

An example would be the ability to provide service after a major weather event (hurricane, tsunami, etc.) that causes lengthy electric outages that could take days to restore service. The CA also offers that the PUC should prioritize and focus on addressing what resiliency needs should be met with urgency and the benefits of resiliency should ultimately serve all customers, not just individuals.

Docket No. 2018-0163

Upcoming Dates of Interest



- **May 27: Memorial Day** (State holiday, our office will be closed).
- **May 30: Public hearing for Kona Water Service Company, Inc. Rate Case** (visit our website for details).
- **June 11: King Kamehameha Day** (State holiday, our office will be closed).
- **July 4: Independence Day** (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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