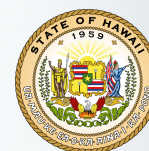


# CONSUMER SPOTLIGHT

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



## Executive Director's Message

By: Dean Nishina



There is no doubt that the telecommunications, gas, water/wastewater, transportation, and electric industries have a profound impact on consumers. The Consumer Advocate (CA) will again participate in this year's legislative session by tracking various legislative proposals and filing testimonies

The CA does its best to represent all consumers' interests (and not just a few select groups) in utility and transportation bills moving through the legislature.

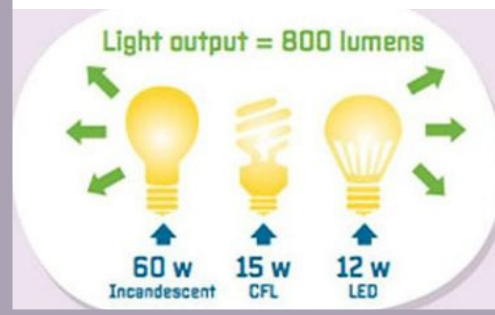
Highlighted in this issue are phone and internet discounts for eligible customers, PUC approval of a new performance-based regulatory framework, the proposal of a Charge Ready Hawaii Pilot project, PUC approval of Hawaii-American Water Companies request to defer study costs, and utility updates related to COVID-19.

## Shopping for Light Bulbs?

Newer bulbs, like CFLs and LEDs last longer and use less energy than traditional incandescent bulbs, saving you money on your energy bills.

lumens = brightness  
 watts = energy

**Tip:** By comparing the wattage and life of different bulbs of the same luminance, you can select the light bulb that provides the best combination of light output, length of life and energy use.



## In this issue:

- Phone and Internet Discounts
- New Performance-Based Regulatory Framework
- Charge Ready Hawaii Pilot Project
- PUC approves HWAC's Request to Defer Study Costs
- COVID-19 Utility Update



[www.facebook.com/DCCA Hawaii](https://www.facebook.com/DCCA Hawaii)



## New Performance-Based Regulatory (PBR) Framework

### Phone and internet discounts for qualifying senior citizens and low-income residents of Hawaii.

Lifeline is a program that provides discounts on your local home phone or internet service if you meet certain federal and/or state qualifications.

To qualify for the Hawaii **state** Lifeline discount you must be:

- 60 years of age or older, with an annual household income that does not exceed \$10,000.

and/or

- Handicapped with an annual household income that does not exceed \$10,000.

You may qualify for the **federal** Lifeline discount if:

- Your income is 135% or less than the federal poverty guidelines.

Visit

<https://www.lifelinesupport.org>

for more information on qualifying and how to apply.

On December 23, 2020, the Hawaii Public Utilities Commission (PUC) issued a decision and order (D&O) approving a new performance-based regulatory framework (PBR Framework) for the Hawaiian Electric Companies.

The concept is easy to understand. The actual implementation mechanisms are extremely complex. The essence of PBR is to incentivize the utility with a system that rewards the utility for exemplary performance. Under the PBR Framework, the electric companies will be challenged to immediately control costs, improve efficiency, and reduce customer rates. At the same time, financial rewards for exemplary performance in key areas will drive improvements in the integration of renewable energy into the utility's system, increase customer choice, and accelerate the achievement of the State's clean energy goals.

In this D&O, the PUC describes the specific regulatory mechanisms that will comprise the PBR Framework, sets forth a schedule for finalizing tariffs to implement the PBR Framework, and discusses the post-D&O working group process that will provide for the on-going examination and development of various PBR initiatives.

Safeguards, including regular reviews by the PUC and an Earnings Sharing Mechanism, will help to both protect the utility's financial condition and the customers' interests during this transition and ensure that unintended consequences are timely addressed.

The PBR Framework adopted by this decision and order has been meticulously developed over the past two and a half years, and has involved: many long hours of meetings, workshops, and conferences; preparation and review of thousands of pages of analysis, briefing, and discovery requests; and several days of panel hearings.

A broad spectrum of stakeholders, including the Consumer Advocate, county governments, clean energy companies, environmental groups, and Hawaiian Electric, worked diligently to further evolve the regulation of the industry just as the industry itself is evolving.

(Docket No. 2018-0088)

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>

# Charge Ready Hawaii Pilot Project



On December 4, 2020, an application was filed by Hawaiian Electric requesting that the Public Utilities Commission (PUC) approve a Charge Ready Hawaii Pilot Project and to recover costs through the Renewable Energy Infrastructure Program (REIP) surcharge.

The purpose of the proposed Pilot is three-fold: develop ways for Hawaiian Electric to support make-ready infrastructure; enable and accelerate the electrification of transportation in Hawaiian Electric service territories; and support, encourage and improve renewable energy integration.

The Pilot will extend over a three-year period and examine the real costs and timeframe for make-ready infrastructure deployment, and customer needs and behaviors. Consistent with the Consumer Advocate's recommendations, Hawaiian Electric will track several metrics to evaluate the program and use the Pilot results to inform the design of a full-scale program.

The proposed Pilot is estimated to enable 180 charging ports in the Company's service territories by providing make ready infrastructure to support customer installation of EV charging infrastructure at commercial sites, multi-user dwellings, and fleet parking locations at Hawaiian Electric's expense. "Make-ready" includes all infrastructure that the customer would otherwise be responsible for under Rule 14 Service Connections and is necessary to provide electrical service to the charging stations (including facilities on the customer side of the meter), but excludes the charging stations, which are provided by the customer. In other words, it is the infrastructure required to "make ready" a location to support a charging station but does not include the charger itself.

(Docket No. 2020-0202)

## **Update: PUC Approves Hawaii-American Water Company (HAWC) requests to defer the costs incurred by performing the Zone of Mixing Dilution Analysis Study**

On December 31, 2020, the Public Utilities Commission (PUC) approved HAWC's request to account for the costs incurred to perform the Zone of Mixing ("ZOM") Dilution Analysis Study. The State of Hawaii Department of Health required the study as a condition to renew HAWC's National Pollutant Discharge Elimination System permit.

HAWC requests to account the costs as a deferred debit/ regulatory asset and to amortize the ZOM Dilution Analysis Study costs. The total study costs amounted to \$290,297.96.

The PUC found that HAWC has sufficiently demonstrated that the impact of the ZOM Dilution Analysis Study on HAWC's revenue was a result of events beyond HAWC's control and would have a material and significant impact on HAWC's net earnings.

Therefore, the PUC concludes that it is reasonable for HAWC to record the costs of the ZOM Dilution Analysis as a deferred debit/regulatory asset and to amortize the costs of the study over the five-year effective period of the current NPDES Permit.

(Docket No. 2020-0188)



## COVID-19 Utility Update

The Consumer Advocate wants to remind customers that the PUC extended the suspension of termination or disconnection of regulated utility services due to non-payment and/or assessment of other charges through March 31, 2021.

Utilities shut-off protection however, does not mean free utility service. You are still responsible for paying for the utility services that you use, even during a moratorium on shut-offs. We encourage customers to contact their utility to work out payment arrangements and continue paying their bills to the extent possible during this time.

On that note, we want to point out that recent federal aid has some monies being made available for rental and utility bill payment assistance for vulnerable customers. The Consumer Advocate is working with others to set processes to distribute the funds as quickly and efficiently as possible.

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## Upcoming Dates of Interest

- **Feb 14, 2021: Valentines Day**
- **Feb 15, 2021: Presidents' Day** (State holiday, our office will be closed).

## Contact Us

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