



January 26, 2024

The Honorable Chair and Members
of the Hawai'i Public Utilities Commission
Kekuanao'a Building, First Floor
465 South King Street
Honolulu, Hawai'i 96813

Dear Commissioners:

Subject: Hawaiian Electric Company, Inc., Hawai'i Electric Light Company, Inc.,
and Maui Electric Company, Limited
Notification of Modification to Bill Due Date on Customers' Bills

The purpose of this letter is to inform the Commission that effective March 1, 2024, the Hawaiian Electric Companies¹ will be modifying the bill due date on customers' bills such that payment will be due 15 days from the date of presentation, instead of 19 days as currently reflected on customer bills. This is a notification letter because the Companies' tariffs and the Commission's rules already allow for a 15-day bill due date period, and thus no Commission approval is requested.²

Historically, the Companies utilized a process for Automatic Bill Pay (ABP) that resulted in a 15-day payment date for customers enrolled in that program. In 2012, the Companies implemented a new SAP Customer Information (CIS) System. That system could not accommodate the 15 day payment date for ABP because ABP had to be triggered on the bill due date, which was 20 days. Subsequently, in December 2014, the Companies reduced the due date to 19 days to address US postal delivery times and manage cash flow. The change to a 15-day bill due date will result in an ABP payment date of approximately 17 days.

Because of the downgrade of the Companies' credit ratings and the resulting difficulty of obtaining short-term financing,³ maintaining and improving liquidity is a key focus for the Companies. Liquidity needs are better served by a shorter bill due date. Thus, the Companies will be shortening due dates from 19 to 15 days, as allowed by applicable tariff and rules.

¹ The "Hawaiian Electric Companies" or "Companies" refer to Hawaiian Electric Company, Inc., Hawai'i Electric Light Company, Inc., and Maui Electric Company, Limited.

² Rule 1 of the Companies tariffs define "date of presentation" as "the date on which a bill or notice is mailed or delivered to the customer" and "past due bill" as "Bills are past due if not paid within 15 days after presentation." Section 6-60-8(a)(1) of the Hawaii Administrative Rules specifies that "a customer shall be given reasonable written notice prior to termination of service and shall also be given an opportunity to dispute the charges in his bill in accordance with the following: (1) The customer shall be given at least fifteen days to pay the bill for electric or gas service after the bill is issued..."

³ See Supplemental Exhibit D in Docket No. 2023-0349, filed on August 28, 2023.

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Shortening customer bill due dates from 19 to 15 days would also reduce the revenue collection lag days, which in turn, would reduce the amount of working cash required by the Companies.

The change in the bill due date period will not affect the timing of late payment charges, which is not based on the bill due date. In accordance with Rule No. 8 of the Companies tariffs, the Companies apply late payment charges no earlier than on the 31st day after the generation of the last bill and no earlier than on every 31st day thereafter until the customer pays off the unpaid balance. Reducing the bill due date also will not change terms for disconnection, which are governed by Tariff Rule 7, although it will move up the start of the collection process for unpaid bills by four days.⁴

The Companies will notify their customers of the change in the bill due date through the following means:

- Bill message on all residential and customer bills
- Bill message to paperless billing customers
- Short article in February edition of Ho‘oku‘i
- Post notice on our website

Please contact me at dean.matsuura@hawaiianelectric.com for any questions.

Very truly yours,

/s/

Dean K. Matsuura
Director, Regulatory Rate Proceedings

c: Consumer Advocate

⁴ In order to discontinue service for nonpayment of bills, Rule No. 7 of the Companies’ tariffs require the Companies to make “a reasonable attempt to effect collection and has given the customer written notice that he has at least five days, excluding Sundays and holidays, in which to make settlement on his account or have his service denied.”

Villafuerte, Vicky

From: noreply@salesforce.com on behalf of PUC CDMS <hpuc@notify.hawaii.gov>
Sent: Friday, January 26, 2024 3:07 PM
To: Villafuerte, Vicky
Subject: Hawaii PUC CDMS eSERVICES - E-Filing F-300262 FILED Confirmation

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E-Filing Filed Confirmation

Aloha Vicky Villafuerte,

Your electronic filing to the Hawaii Public Utilities Commission has been **FILED**. You will receive an email when the filing is public.

Please note that filings submitted after 4:30 p.m. Hawaii Standard Time will be deemed "FILED" the next business day. The mere fact of filing shall not waive any failure to comply with Hawaii Administrative Rules Chapter 6-61, Rules of Practice and Procedure Before the Public Utilities Commission, or any other application requirements.

E-Filing Confirmation Number: F-300262

Account: Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., and Maui Electric Company, Limited

Date and Time Submitted: 1/26/2024, 3:07 PM

Case or Docket Reference Number: PC-189215

Case or Docket Number (if applicable): Pending

Filing Category/Type: Consumers / Correspondence

To view and manage your account, log in to the Hawaii Public Utilities Commission's eServices portal.

This email address is not monitored. Should you have any questions, you may visit our website at <https://puc.hawaii.gov>, email us at puc@hawaii.gov, or call us at 808-586-2020, Monday-Friday 7:45 a.m. - 4:30 p.m.