



NEWS RELEASE

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Hawaiian Electric proposes increase in O‘ahu rates

HONOLULU, Aug. 21, 2019 – Hawaiian Electric today proposed an increase in its rates on O‘ahu to help pay for operating and capital costs, including upgrades to strengthen the grid and integrate more renewable energy.

The request is for a 4.1 percent increase in revenues, or \$77.5 million.

If approved, a typical residential customer on O‘ahu using 500 kilowatt-hours a month would see an increase of \$8.67 a month. The percentage increase varies by customer category.

After review by the Public Utilities Commission, any change would likely not take effect until mid-2020 at the earliest. The rate filing is part of a required periodic regulatory review. The last rate review application was filed in 2016 and resulted in a decrease to customer rates overall, largely due to the pass-through of savings from federal tax law changes.

Since 2013, Hawaiian Electric has spent more than \$1 billion replacing and upgrading equipment to improve the efficiency and resilience of the O‘ahu power grid. That work includes the replacement of 7,100 poles and 5,800 transformers, upgrading of steel transmission towers across Central O‘ahu, implementation of advanced cybersecurity measures, and a proactive program to clear trees and other vegetation from around poles and power lines, resulting in fewer and briefer outages during storms.

Customer service improvements have increased the percentage of calls answered within 30 seconds from 78 percent in 2017 to 87 percent in 2019. In surveys of customers who called to stop, start or change electric service in 2018, 93 percent said they were satisfied with the experience.

Many grid improvements are aimed at accelerating Hawaiian Electric’s switch from fossil fuel generation to a portfolio of renewable energy resources, with the goal of reaching 100 percent renewable electricity by 2045.

Hawaiian Electric rates are “decoupled” – a regulatory model that periodically adjusts rates to remove the company’s need to increase sales to recover a level of PUC-approved costs for providing service to all customers. The company is required to submit full rate cases every three years for an updated review by the PUC of the current costs of service.

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