



**Hawaiian  
Electric**

## NEWS RELEASE

FOR IMMEDIATE RELEASE

### **Final decision holds Hawai'i Island electric rates steady** *Regulators decline to approve increase sought in 2018 application*

**HILO, July 29, 2020** – The Public Utilities Commission (PUC) has issued a final decision that results in no increase in electric rates for Hawaiian Electric customers on Hawai'i Island.

The final determination follows an interim decision issued by regulators in November 2019. In that interim decision, regulators declined to approve the increase in revenues sought by the company and rates were held at their existing levels.

A new element is the creation of a risk-sharing approach to the cost of fossil fuels. Consistent with a similar requirement set for O'ahu and Maui County utilities, Hawaiian Electric will no longer pass through to customers 100 percent of the costs of fossil fuels used for generation.

Instead, 2 percent of the fossil fuel cost difference relative to a baseline price will be at the company's risk, up to a cap of approximately \$600,000.

The company filed its request for a 3.4 percent or \$13.4 million increase in revenue in December 2018.

In requesting the rate increase, the company cited continued improvements to the power grid to help integrate even more renewable resources while improving reliability. It also described extensive vegetation management work that is credited with reducing outages and their duration during storms.

The decision and order is available on the PUC's website, <https://dms.puc.hawaii.gov/dms/>. The docket is 2018-0368

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