

NEWS RELEASE

FOR IMMEDIATE RELEASE

Hawaiian Electric to auto-enroll past due accounts in 12-month payment plan to avoid disconnection

First installment appears in July bills

HONOLULU, **June 23, 2021** –Hawaiian Electric customer accounts that would normally face disconnection will instead be enrolled in a 12-month payment plan to keep the lights on. Affected customers will see higher "current charges" when the first of 12 installments appears in bills starting in July.

May 31 marked the end of the moratorium on disconnections set by the Public Utilities Commission. Collection activity resumes in July for past due Hawaiian Electric customers who are not already enrolled in a payment plan.

The automatic enrollment affects about 3% of Hawaiian Electric's residential and smaller commercial customers whose accounts meet the threshold for disconnection – and who either have not contacted the company about their past due balance or are not currently enrolled in a payment plan.

Payment reminder notices have been sent to past due customers throughout the COVID-19 pandemic. The notices have urged customers to set up payment arrangement and over the past two months informed customers that their accounts would be placed on a 12-month installment plan to avoid disconnection, averting a large one-time payment and allowing time to apply for assistance.

Customers will receive a notice with their bill when the payment plan starts that explains how the arrangement works, including instructions on how to opt out.

Bills for customers on payment plans – auto-enrolled or by customer request – will include the current charges, plus the installment amount. The installment amount will differ for each customer. If a customer's past due amount is small, the installment amount will also be a fraction of the bill. However, if a customer has not made any payment toward their account over this past year, the total current month's bill amount could more than double.

Here's an **EXAMPLE** of how a 12-month payment option works:

One-twelfth of the past due balance must be paid every month over 12 months – in addition to your current charges. On the first month of the installment plan, the **Amount Due** will include your current charges + 1/12 of your outstanding balance.

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- Let's say a customer has an outstanding balance of \$1,200.
 - Divide the balance by number of months in payment plan:
 \$1,200 divided by 12 = \$100
 - If the current charge is \$150, the customer owes \$150 +\$100. Total amount due will be \$250.
 - The customer must pay the additional 1/12 outstanding balance, plus current charge, for 12 consecutive months.

Customers with past due balances may still go to hawaiianelectric.com/paymentarrangement to see payment plan options, including an 18-month plan for residential customers, and submit a request. The payment arrangement request form and an informational flyer are available in eight languages on Hawaiian Electric's website.

Customers experiencing hardship related to the COVID-19 pandemic are encouraged to seek government and nonprofit agency assistance. Hawaiian Electric does not administer these programs, but it works with many of these agencies. See a listing of resources at https://hawaiianelectric.com/COVID19. Among them:

- Counties are disbursing millions of dollars in federal funds to renters who meet certain income qualifications. These funds can be used for rental and utility payments.
 - O'ahu renters are urged to frequently check <u>oneoahu.org/renthelp</u> for updates.
 - Maui County renters/landlords may go to https://mauicounty.gov/MauiRentHelp or call (808) 873-4673 to learn more.
 - On Hawai'i Island, six nonprofits are administering the rental and utility aid. Read Hawaiian Electric's news release for the list of nonprofits.
- Eligible customers may apply for energy credit from the <u>Low-Income Home Energy</u>
 <u>Assistance Program</u> during the month of June. The amount of the credit provided varies.
 Visit Hawaiian Electric's website for LIHEAP information and an application.
- Commercial customers can visit the state's <u>Business Development and Support Division's resource page</u> for available assistance.
- Restaurants can review information on the federal <u>Small Business Administration's</u> Restaurant Revitalization Fund.

For assistance managing energy costs, Hawai'i Energy is a trusted resource for tips and rebates to help offset the costs of energy-saving equipment and services. Visit https://hawaiienergy.com/tips for more information.

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