



PUBLIC UTILITIES COMMISSION

FOR IMMEDIATE RELEASE

June 22, 2018

PUC Approves Rate Decrease for Hawaiian Electric Company, Inc.

HONOLULU – In a 3-0 decision, the Hawaii Public Utilities Commission today issued its Final Decision and Order approving a rate decrease for Hawaiian Electric Company, Inc.

This rate decrease reflects the impacts of the recently enacted federal “Tax Cuts and Jobs Act,” as well as several downward adjustments made by the Commission earlier in its Interim Decision and Order, issued December 15, 2017. As a result, what had initially been proposed by Hawaiian Electric as an approximately \$106,383,000 increase in revenues has been reduced to a revenue decrease of approximately \$603,000.

In reaching its decision, the Commission noted that Hawaiian Electric and the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy had reached a settlement agreement which addressed all of the outstanding issues remaining in this proceeding.

In addition, the Commission approved a modification to Hawaiian Electric’s automatic fuel cost surcharge to include a risk sharing element, to more fairly share the risk of fuel price increases and decreases between Hawaiian Electric and its customers. The fuel cost risk sharing includes a cap of \$2.5 million per year, so Hawaiian Electric is protected from significant unanticipated increases in fuel prices, while customers will still enjoy most of the benefits of fuel price decreases.

For a full description of the Commission’s rulings, please see the complete Final Decision and Order, filed June 22, 2018, in Docket No. 2016-0328. The Final Decision and Order, as well as links to the docket record may be found on the Commission’s website at: <http://puc.hawaii.gov/>.

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