#### Via Electronic Mail

May 22, 2020

The Honorable Chair and Members of the Hawai'i Public Utilities Commission Kekuanao'a Building, First Floor 465 South King Street Honolulu, Hawaii, 96813 Attention: Caroline Ishida, Esq.

Re: Transmittal No. 20-0003 (Non-Docketed), <u>Young Brothers, LLC, for Approval of a Emergency Changes to its Sailing Schedule</u> – YB Report Pursuant to Order No. 37128

Dear Commissioners and Commission Staff:

On April 24, 2020, Young Brothers, LLC ("Young Brothers", "YB", or the "Company") filed Transmittal No. 20-0003, which sought to amend Local Freight Tariff No. 5-A to reduce the number of weekly sailings to certain ports<sup>1</sup> in response to the current COVID-19 pandemic and the rapidly evolving circumstances surrounding YB's operations. On May 4, 2020, the Hawaii Public Utilities Commission ("Commission") issued Order No. 37128 approving the amendments sought under Transmittal No. 20-0003 for 30 days subject to certain conditions. By Order No. 37128, the Commission also directed YB, by May 22, 2020, to file a report with the Commission detailing:

- Additional information to better support how the proposed schedule changes correlate to the destination-specific decreases in cargo and why the proposed sailing schedule changes will not result in any cargo being left behind. Depending on the information provided, there should be discussion and evaluation of whether the capacity of its marine and shoreside equipment is greater than needed and the possible exploration of sales and leasebacks or sales and leasing of lower capacity assets to help lower YB's capital and O&M costs;
- 2) Any information discussing the steps or actions Young Brothers has taken or will take to inform customers of the changes, address their concerns, and minimize customer disruptions; and
- 3) Information regarding what metrics and benchmarks YB is monitoring and the thresholds that might trigger further changes.

By this letter, Young Brothers respectfully reports the following information in response to the above-referenced Commission directives.

Sincerely,

Jay Ana President,

Young Brothers, LLC

<sup>1</sup> Weekly sailings were reduced for Kahului, Maui from three (3) to two (2); Kaunakakai, Molokai from two (2) to one (1); and Hilo, Hawaii from two (2) to one (1).

#### 1) Destination-specific cargo decreases; Marine and shoreside equipment capacity.

Please see the table below for updated destination-specific cargo data.

COVID-19 Impacts
Young Brothers, LLC



#### **Total Revenue Tonnage**

Destination	<b>2019 PCP</b> Weeks 13-20	<b>2020 Trailing</b> Weeks 5-12	<b>2020 COVID</b> Weeks 13-20	Variance to 2019 PCP	Variance to 2020 Trailing
Hilo	169,704	161,011	116,726	-31.2%	-27.5%
Honolulu	482,441	489,025	355,096	-26.4%	-27.4%
Kahului	257,075	254,204	186,194	-27.6%	-26.8%
Kawaihae	152,108	142,732	110,797	-27.2%	-22.4%
Lanai	24,091	17,607	7,095	-70.5%	-59.7%
Molokai	13,767	12,030	12,779	-7.2%	6.2%
Nawiliwili	168,631	161,134	121,145	-28.2%	-24.8%
<b>Total Tonnage</b>	1,267,817	1,237,744	909,831	-28.2%	-26.5%

#### **Weekly Average Revenue Tonnage**

Destination	2019 PCP	2020 Pre-COVID	<b>2020 COVID</b>	Variance to	Variance to
Destination	Weeks 13-20	Weeks 2-12	Weeks 13-20	2019 PCP	2020 YTD
Hilo	21,213	20,429	14,591	-31.2%	-28.6%
Honolulu	60,305	60,773	44,387	-26.4%	-27.0%
Kahului	32,134	32,021	23,274	-27.6%	-27.3%
Kawaihae	19,014	18,119	13,850	-27.2%	-23.6%
Lanai	3,011	2,170	887	-70.5%	-59.1%
Molokai	1,721	1,548	1,597	-7.2%	3.2%
Nawiliwili	21,079	20,892	15,143	-28.2%	-27.5%
Total Tonnage	158,477	155,952	113,729	-28.2%	-27.1%

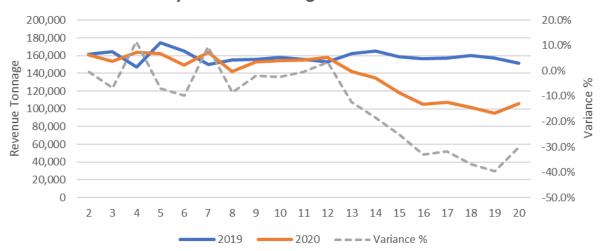
As shown in the table above, since the effects of COVID-19 began to materialize in Hawaii, cargo volumes remain in decline across all ports when compared to the Prior Comparable Period ("PCP") in 2019 and when compared to "pre-COVID" weeks of 2020. The ports that lost sailings as a result of the sailing changes approved by Order No. 27128 show declines when compared to the PCP in 2019 of -27.6% for Kahului, -7.2% for Molokai, -31.2% for Hilo, and -26.4% for Honolulu. Young Brothers acknowledges that all ports have experienced a decline in volume following the materialization of the effects of the COVID-19 pandemic. The amended sailing schedule was not proposed in response to destination-specific declines in

cargo volume. Rather, YB took a statewide approach to its proposed sailing schedule and sought changes that would allow for the greatest cost savings while minimizing the impacts of the reduced sailing schedule on its customers. To achieve this effect, Young Brothers sought ways to reduce its sailing schedule so that all ports could retain an acceptable level of service with a fleet of four tugs rather than five. The relative distance and duration of sailings to Hilo as well as the alternatives that remain available to Hilo shippers, even under the reduced sailing schedule, were both factors in reaching this decision.

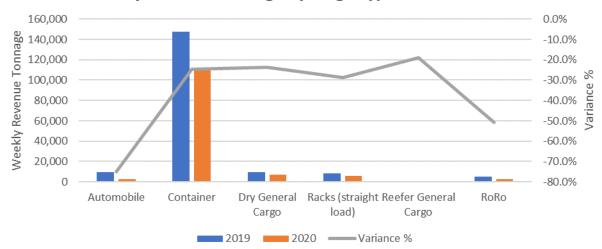
As stated on page 8 of Tariff Transmittal No. 20-0003, Young Brothers noted that, based on current cargo volumes for the subject sailings, no cargo will have to be left behind as a result of the proposed schedule changes. While an exact metric for barge utilization is not available, YB's Shoreside employees have observed that ample barge space has been available on all barges sailing to and from the affected ports since the implementation of the reduced schedule. Consistent with these observations, Young Brothers notes that no cargo has been left behind as a result of the proposed schedule changes. The tables and charts below illustrate the overall volumetric trends that YB has experienced year-to-date.

Revenue Tonnage by Week			2020	Dates	
Week	<b>2019</b>	2020	Variance %	Start	End
2	161,361	160,612	-0.5%	1/5/2020	1/11/2020
3	164,467	153,500	-6.7%	1/12/2020	1/18/2020
4	146,753	163,616	11.5%	1/19/2020	1/25/2020
5	174,644	162,539	-6.9%	1/26/2020	2/1/2020
6	165,307	149,005	-9.9%	2/2/2020	2/8/2020
7	149,844	163,999	9.4%	2/9/2020	2/15/2020
8	155,281	142,072	-8.5%	2/16/2020	2/22/2020
9	155,935	152,895	-1.9%	2/23/2020	2/29/2020
10	157,769	154,089	-2.3%	3/1/2020	3/7/2020
11	155,750	154,904	-0.5%	3/8/2020	3/14/2020
12	153,221	158,241	3.3%	3/15/2020	3/21/2020
13	161,955	142,097	-12.3%	3/22/2020	3/28/2020
14	165,073	134,920	-18.3%	3/29/2020	4/4/2020
15	158,305	118,497	-25.1%	4/5/2020	4/11/2020
16	156,723	105,112	-32.9%	4/12/2020	4/18/2020
17	157,088	107,316	-31.7%	4/19/2020	4/25/2020
18	160,205	101,239	-36.8%	4/26/2020	5/2/2020
19	157,118	94,959	-39.6%	5/3/2020	5/9/2020
20	151,350	105,692	-30.2%	5/10/2020	5/16/2020
<b>Total Tonnage</b>	3,008,150	2,625,303	-12.7%		

## Weekly Revenue Tonnage - YTD Trend vs. PCP



## Weekly Revenue Tonnage by Cargo Type - Weeks 13 - 20



Marine Equipment Capacity - The temporary changes to YB's sailing schedule that were approved by Order No. 37128 enable YB to meet its sailing schedule with a fleet of four (4) tugs and six (6) barges rather than its normal fleet of five (5) tugs and eight (8) barges. Accordingly, YB currently has one (1) tug and two (2) barges more than is necessary to meet YB's reduced sailing schedule. YB is actively direct marketing the additional vessels for short-term lease in the local region as well as through vessel brokers Marcon and Clarksons Platou. Due to the temporary nature of YB's currently approved reduced sailing schedule, YB cannot consider leasing out its additional vessels for an extended period. For the same reason, YB cannot consider selling the additional vessels. YB notes that one (1) of the additional barges, barge AMS250, is being leased from Anderson Marine Services ("AMS"). YB has reached out to AMS to discuss potential reductions in the charter rate or a potential sub-charter of barge AMS250, in light of YB's reduced cargo volumes and sailing schedule. However, YB does not view a rate reduction, sub-charter, or leaseback of the barge AMS250 as a likely option, as all options would require agreement from AMS. Furthermore, a leaseback would result in significant additional costs that include negotiating a payment of a certain percentage of the current lease as a penalty for early termination, mobilization back to the U.S. West Coast, and off-hire dry dock. These expenses would then be re-incurred when the sailing schedule returns to normal and YB would be required to either lease the AMS250 barge again or find another barge to lease.

Shoreside Equipment Capacity - YB notes that the vast majority of its shoreside equipment is unique to the water carrier industry and it is therefore difficult to find opportunities to quickly off-hire or sell any shoreside equipment that may be unused. The necessity of YB's entire fleet of shoreside operational equipment (e.g. various lifts and hustlers) are tied to its shoreside labor headcount. As long as YB maintains its typical shoreside labor headcount numbers, it is necessary to retain YB's entire fleet of shoreside operational equipment. With the lower cargo volumes currently being experienced, such equipment will be used less than normal, which may delay maintenance expenses. However, access to the full fleet remains necessary to sustain current operational levels. Furthermore, due to the capabilities of YB's current shoreside equipment utilization tracking systems, it would take time to recognize any notable reductions in the utilization of YB's containers, flat-racks, or other shipping devices. Given the uncertainty regarding the duration of the effects of COVID-19 and the reduced sailing schedule, YB does not believe it would be prudent and advisable to take steps to reduce its shoreside equipment capacity at this time.

## 2) Discussion of YB Action to Inform Customers of Changes, Address Customer Concerns, and Minimize Customer Disruptions

As the effects of the COVID-19 pandemic have developed across the State of Hawaii, Young Brothers has remained committed to providing interisland barge service that is critical to meet the needs of its customers and the neighbor island communities. Young Brothers has continued to communicate any resulting changes to its operations via customer notices, its website, as well as through various social media platforms. Please see Attachment 1 to this report for all customer notifications that YB has provided regarding COVID-19 related changes through the date of this report (i.e., May 22, 2020).

Preceding the filing of Tariff Transmittal No. 20-0003 and the proposed amended sailing schedule, Young Brothers made a concerted outreach effort to affected communities to provide advance notice of its intent to propose an amended sailing schedule. This effort (which is continuing on an ongoing basis) has included outreach to key stakeholders, including customers and government officials from the affected communities.

On April 22, 2020, Young Brothers began by verbally advising key stakeholders in the affected communities of the intent to request a reduced sailing schedule in response to the COVID-19 related decrease in cargo volume. Young Brothers did not provide details of the reduced sailing schedule at this time because the exact nature of the proposed schedule changes were still being assessed and determined.

On April 24, 2020, after reaching an internal decision on the proposed schedule changes, customers were provided with written notice advising of the potential changes.<sup>2</sup> YB also reached out directly to shippers who regularly ship larger volumes of cargo between affected communities to discuss the proposed changes.

On May 4, 2020, upon the filing of Order No. 37128, YB distributed customer notifications to confirm the May 5, 2020 effective date for the amended sailing schedule and gate hour reductions proposed in Tariff Transmittal No. 20-0003.<sup>3</sup>

In general, the initial response to these outreach efforts was that the stakeholders indicated that they understood the necessity of such changes under the current conditions caused by COVID-19. Initial concerns included uncertainty regarding the duration of the schedule changes, uncertainty regarding the sufficiency of cargo capacity across the remaining sailings, and questions of whether cargo availability on destination islands would be affected.

In response to these initial concerns, Young Brothers was able to convey that the duration of the proposed changes was dependent on Commission approval and the expected economic rebound following the effects of COVID-19. Young Brothers also acknowledged that customers may need to adjust their cargo logistic processes to fit the amended sailing schedule. Young Brothers also conveyed that due to the drop in cargo volumes across all ports, there should be ample space on the proposed reduced sailings to accommodate customer shipping demand.

<sup>&</sup>lt;sup>2</sup> <u>See</u> Attachment 1, pages 11-12.

<sup>&</sup>lt;sup>3</sup> <u>See</u> Attachment 1, pages 16-18.

As of the date of this report, there has been no cargo left behind as a result of the reduced barge space under the reduced sailing schedule.

YB understands that, because of the implementation of the amended sailing schedule, many customers and stakeholders have filed written comments with the Public Utilities Commission or the Consumer Advocate raising concerns with the amended sailing schedule. The primary concerns from each affected port, as Young Brothers understands them, are summarized below, along with the steps Young Brothers has already taken to address such concerns.

<u>Kahului, Maui</u> - Prior to the implementation of the amended sailing schedule, YB had three sailings to Kahului per week, departing from Honolulu on Mondays, Wednesdays, and Thursdays. The amended sailing schedule eliminated the Wednesday sailing out of Honolulu. Young Brothers notes that it has not received any feedback from stakeholders regarding the elimination of the Wednesday sailing to Kahului. Young Brothers will continue to closely monitor the situation at Kahului for any concerns that may develop.

<u>Hilo, Hawaii</u> - Prior to the implementation of the amended sailing schedule, YB had two sailings to Hilo per week, departing from Honolulu on Saturdays and Tuesdays. The amended sailing schedule eliminated the Saturday sailing out of Honolulu. The two sailings to Kawaihae per week, departing from Honolulu on Mondays and Thursdays and departing from Kawaihae on Tuesdays and Fridays, remained intact as an alternative for shippers on the Big Island.

In response to these changes, certain stakeholders raised the possibility of eliminating one of the Kawaihae sailings or the Tuesday sailing to Hilo rather than the Saturday sailing to Hilo. Other customers indicated that, as a result of the reduced sailing schedule, they may utilize Matson barge sailings to the Big Island with Matson containers being shipped through the Matson Stop In Transit ("SIT") container rate.

Certain stakeholders noted that while Kawaihae sailings were available as a potential alternative to a Hilo sailing, transferring cargo between Kawaihae to Hilo by truck would increase the overall costs of transporting goods to and from Hilo. Furthermore, by introducing the additional step of transferring cargo between the Kawaihae and Hilo facilities by truck, cargo going to and from Hilo would be more likely to result in containers being stored at the Hilo or Kawaihae facilities in excess of allowable free time. Agricultural customers also indicated that they would prefer if YB eliminated the Tuesday sailing to Hilo rather than the Saturday sailing to Hilo. It is YB's understanding that this is because the Saturday sailing to Hilo arrives on Monday and returns to Honolulu on Wednesday, which aligns better with agricultural shippers' harvest and distribution timing.

Despite these concerns, YB understands that shippers moving cargo to and from Hilo have adjusted their logistics to accommodate the movement of cargo via the remaining three sailings to and from the Big Island (two sailings for Kawaihae and one remaining sailing for Hilo). YB port facilities at both Kawaihae and Hilo are working with individual customers who have encountered issues with storage to extend the allowable free time for dry or refrigerated container storage. Young Brothers is also currently evaluating whether additional changes to the sailing schedule are possible to address many of the concerns raised by its customers, including the possibility of eliminating the Tuesday sailing to Hilo rather than the Sunday sailing to Hilo. Young Brothers understands that before proposing any further changes, it must do its due diligence to communicate with its customers in advance of any changes and to minimize the effects of such changes on its customers.

<u>Kaunakakai, Molokai</u> – Prior to the implementation of the amended sailing schedule, YB had two sailings to Molokai per week, departing from Honolulu on Sundays and Tuesdays. The amended sailing schedule eliminated the Sunday sailing out of Honolulu and moved the Tuesday sailing to Saturday.

For the changes to the Molokai sailing, various supermarkets, businesses, and the Molokai Chamber of Commerce noted the lack of storage space on island – both dry and refrigerated - to accommodate a single weekly barge arrival on Molokai rather than the normal two barge per week sailing schedule. Young Brothers sought to accommodate this concern by providing Molokai customers with dry cargo storage and refrigerated cargo storage at the Young Brothers Molokai pier at no additional charge. Young Brothers ensured that customers who used Young Brothers' storage space were able to retrieve cargo during the new Molokai pier hours of operation. YB notes that Molokai supermarkets have already begun to utilize this storage option, particularly for cargo that requires refrigerated cold storage. In addition, YB notes that some supermarkets have elected to fly produce from Oahu as part of their commitment of offering fresh produce to the Molokai community.

For farmers on Molokai, Young Brothers communicated that, despite having to change their harvesting and delivery schedule, the proposed changes actually offered an opportunity to improve the ability to deliver Molokai produce to neighbor islands. The new Sunday night arrival and the new Wednesday morning stopover with the barge from Kawaihae, allow for the immediate connection to the Monday and Thursday barge to the islands of Maui and Kauai, thus providing Molokai farmers an added line of sales opportunity to these islands. Under the prior sailing schedule, which offered Monday and Thursday cargo availability, only the latter barge returned to Honolulu in time for the aforementioned connections.

Certain members of the Molokai community also expressed concern with the proposed delivery schedule of Sunday in Molokai for religious reasons. In response to this concern, Young Brothers adjusted its hours of operation to allow the Molokai port to receive outgoing cargo on a Friday.

Molokai livestock shippers also expressed concern that with the Sunday Molokai sailing in effect, livestock delivered to the pier on Friday would have to be on the pier the whole weekend. Furthermore, livestock returning to Honolulu on Monday would now incur costs for housing as livestock waits to be placed on a major Friday sailing to the mainland. Young Brothers takes its responsibility to transport livestock between islands seriously and is committed to doing everything possible to minimize the stress and danger to the animal. Understanding the concerns of livestock shippers, Young Brothers continues to assess ways to address these concerns as well as the concerns of other businesses and shippers in the Molokai community.

#### 3) Metrics and Benchmarks to Trigger Further Changes

YB requested the weekly schedule changes proposed in Transmittal No. 20-0003 to reduce costs and maintain its operations amidst significant declines in cargo volumes. The specific changes to the sailing schedule that were proposed by YB were designed to maximize cost savings while minimizing the impacts of the reduced sailing schedule on its customers. If YB identifies further changes to the sailing schedule that could better maximize cost savings and/or better minimize the impacts of the reduced sailing schedule on its customers, then YB would propose such changes to the Commission.

Young Brothers continues to closely monitor cargo volume data, customer feedback, booking requests, and instances of short shipments along with updates from federal, state, and local authorities on the latest guidance regarding COVID-19. Significant developments in any of these areas would result in the reevaluation of the sailing schedule and could potentially lead to further proposed changes.

YB notes that it has had difficulty identifying a metric that can be used to measure the effects of COVID-19 on YB's operations. In the absence of such a metric, YB is currently considering whether the total revenue tonnage over a defined period could be a useful metric for setting specific thresholds that might trigger further sailing schedule changes. Weekly measurements of revenue tonnage are an ideal measure of time for the intended purposes, as YB's sailing schedule recurs on a weekly basis. As displayed in the tables above, the average weekly tonnage for weeks of 2020 affected by COVID (weeks 13 through 20) ("COVID weeks") has been 113,729. If YB were to see an average weekly tonnage that is consistently worse than the average of COVID weeks to date, for example, a weekly average of less than 100,000 for four consecutive weeks (or a total tonnage of 400,000 over four weeks), then YB may consider proposing further reductions to its sailing schedule. Ultimately, further degradation or insignificant improvement to cargo volumes within the next 30-60 days may require additional operational adjustments in order to manage utility solvency.



March 9, 2020

**Dear Valued Customer:** 

RE: Young Brothers' Update to Operations regarding Coronavirus

At Young Brothers, the health and safety of our employees, our customers, and the community we serve is our priority. The Company is closely monitoring the Coronavirus ("COVID-19") situation, and its potential impact it may have to the communities that we serve.

Currently, there are no changes to Young Brothers' 12 weekly sailings and cargo acceptance and delivery on all islands. Young Brothers is committed to keeping our customers informed regarding any operational changes, if any, based on any new information received regarding COVID-19 from the Center for Disease Control, the State of Hawaii Department of Health, as well as other local and federal government agencies.

As the situation evolves, please refer to these agencies for the latest information regarding COVID-19:

Center for Disease Control:

https://www.cdc.gov/coronavirus/2019-ncov/index.html

State of Hawaii Department of Health:

https://health.hawaii.gov/docd/advisories/novel-coronavirus-2019.

Please visit our website for the most up to date information regarding sailing schedules and cargo acceptance and delivery information. If you have any questions, please feel free to call your local Young Brothers' office. Thank you for your continued patronage.



March 13, 2020

**Dear Valued Customer:** 

RE: Young Brothers' Update to Operations regarding Coronavirus Update 2

Young Brothers understands the critical service we provide and the needs of the community we serve. As the Coronavirus ("COVID-19") begins to have a greater impact in the communities we live in, we want to share the important steps we are taking to ensure our employees and customers are both healthy and safe. Young Brothers remains committed to moving the cargo our customers have entrusted to us for 120 years.

There are currently NO changes to Young Brothers' 12 weekly scheduled sailings and we intend to maintain operations at all facilities statewide. Changes to cargo operations, if any, will continue to be communicated via our customer notices, posted to our website, as well as posted to our social media platforms.

Upon recommendations made by both the State of Hawaii Department of Health ("DOH") and Center for Disease Control ("CDC"), Young Brothers has taken these additional steps to ensure the Company is doing its part to protect our employees and customers when they visit our facilities:

- 1. Monitoring all port facilities and making sure they are stocked with the appropriate cleaning supplies.
- 2. Increase the frequency of regularly scheduled cleanings of high trafficked areas.
- 3. Reinforce good hygiene behavior of all of our employees.
- 4. Limit business travel and encourage employees to leverage technology to hold meetings.

As the situation evolves, please refer to these agencies for the latest information regarding COVID-19:

Center for Disease Control:

https://www.cdc.gov/coronavirus/2019-ncov/index.html

State of Hawaii Department of Health:

https://health.hawaii.gov/docd/advisories/novel-coronavirus-2019.

If you have any questions, please feel free to call your local Young Brothers' office. Thank you for your continued patronage.



March 19, 2020

**Dear Valued Customer:** 

RE: Young Brothers' COVID-19 Update 3: Our Commitment to Serving Our Island Communities

At Young Brothers, providing for the safety of our employees and you, our customers, is always our top priority. To that end, we have been closely monitoring updates from all government agencies on the latest news regarding COVID-19 and guidance about safeguards to prevent further spread of the virus.

Thanks to the tireless work of our employees across the state, our operations and all lines of service are continuing without interruption.

As a valued customer, we wanted you to know about some important changes we are making to ensure the safety of our employees, customers, and community during this challenging time. Effective immediately, we ask that all customers and vendors self-screen before entering our facilities. That means anyone who is showing any flu-like symptoms or is feeling unwell should not enter the port. A self-screening handout is included on page three of this notice.

Social Distancing best practices will also be incorporated into how we serve you. Following guidance from state authorities and local health officials, we ask that you adhere to the following modified receiving process to minimize personal contact:

- Vehicles should enter port facilities with rolled-up windows and present their TWIC ID or driver's license against the window for security officers' inspection.
- Customers maintain the recommended 6-feet of distance from others and refrain from congregating.
- Please remain in vehicles while delivering or receiving cargo.
- Customers will be directed by a YB employee to roll down their windows when
  necessary and will be allowed to exit their vehicle to secure and unsecure cargo. At that
  time, please remain within an arm's-length distance (approximately 2 feet) from the
  vehicle.
- In the event of booking discrepancies upon arrival, drivers will be asked to exit the facility
  while booking errors are addressed via their company's dispatch and/or customer
  service. This procedure will minimize congestion in the ports, so there will not be groups
  larger than 10 on premises. Once the error has been resolved, drivers are invited to
  return immediately.

Additional safeguards will be implemented to provide for the safe handling of vehicles being shipped between the islands.

Please know that we stand ready to support you through these changes. For more information

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YB COVID-19 Update 3 March 19, 2020 Page 2

and regular updates, please visit <a href="https://youngbrothershawaii.com">https://youngbrothershawaii.com</a>. We will continue our close monitoring of COVID-19 guidance from federal, state, and local authorities to prevent the spread of illness in our community.

Young Brothers considers it a privilege to serve you and move what matters most to Hawai'i. Your support in compliance with these and other directions from Young Brothers' employees is deeply appreciated.

YOUNG BROTHERS

# COVID-19 UPDATE

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Lokahi.
SAFETY STARTS WITH US.

## **NEW CUSTOMER AND VENDOR COVID-19 SCREENING PROCESS**

Beginning March 19, for the safety of our customers, employees and the communities we serve, we are asking all customers and vendors accessing Young Brothers facilities to participate in a self-screening process.

## WHAT DOES THIS MEAN?

EVERYONE entering any Young Brothers office or facility should answer the following 3 questions **BEFORE** entering.

## What If...

### I and/or a member of my household is experiencing flu-like symptoms such as fever, cough, sore throat, shortness of breath.

In the last 14-days, I or a member of my household was in an area the CDC has designated as a Level 2 or 3 alert or on a passenger cruise ship.

I or a member of my household had contact with a suspected or confirmed case of someone having COVID-19 in the last 14 days.

I answered **NO** to all three questions.

## My Actions...

Please do **NOT** enter the facility. Contact your local port office for more information.

Port of Honolulu - 1-808-543-9311

Port of Kahului - 1-808-877-6511

Port of Hilo - 1-808-935-8903

Port of Kawaihae - 1-808-882-7244

Port of Nawiliwili - 1-808-245-4051

Port of Kaunakakai - 1-808-553-5431

Port of Kaumalapau - 1-808-565-6626

youngbrothershawaii.com

Young Brothers is open so please enter. Remember to maintain good hygiene to keep yourself and those around you healthy and safe.

As the health and safety of our customers and employee continues to be our number one priority, we ask that you limit the number of people to two per truck or auto when entering and conducting business at our facility. We will continue to closely monitor the situation and evaluate additional measures as needed to protect you and our employees.

We appreciate your support and patience as we work to prevent the spread of COVID-19 and ensure we are able to maintain reliable, on-time service to all the islands. **Mahalo!** 

# BEST PRACTICES TO HELP STOP COVID-19

- FEEL SICK? STAY HOME!
- WASH HANDS OFTEN
- COUGH INTO YOUR ELBOW
- DON'T TOUCH YOUR FACE
- STAY MORE THAN 6 FT. APART

Together we can help slow the spread of coronavirus and maintain vital services to communities throughout Hawai'i *Mahalo!* 





March 20, 2020

**Dear Valued Customer:** 

RE: Young Brothers' COVID-19 Update 4: Our Commitment to Serving Our Island Communities

As stated in our March 19, 2020 notice, Young Brothers ("YB") would be implementing additional safeguards based on upon the guidance from state authorities and local health officials to continue to provide for the safe handling of your cargo to and from the Neighbor Islands. Based on the most recent developments to the COVD-19 situation, we find it necessary to make the following changes effective Monday, March 23, 2020:

- Elimination of cash and check transactions, the preferred method of payment is credit card payment over the phone.
- For cargo requiring reservations, reservations must be made in advance. We will no
  longer process walk-up reservations at the pier. Cargo types requiring reservations
  include straightload equipment, automobiles, roll-on/roll-off cargo, and livestock.
  Shippers who arrive at the port without any reservations for these type of cargo will be
  asked to leave and return once their reservations are made over the phone.
- All dry and refrigerated less than container load (mixed and palletized) cargo must be delivered to the port ready to ship. Customers will not be allowed to box their cargo or shrink wrap pallets while on port.

As a reminder, YB continues to ask customers and vendors to self-screen before entering our facilities and observe the social distancing practices as outlined below:

- Vehicles should enter port facilities with rolled-up windows and present their TWIC ID or driver's license against the window for security officers' inspection.
- Customers maintain the recommended 6-feet of distance from others and refrain from congregating.
- Please remain in vehicles while delivering or receiving cargo.
- Customers will be directed by a YB employee to roll down their windows when
  necessary and will be allowed to exit their vehicle to secure and unsecure cargo. At that
  time, please remain within an arm's-length distance (approximately 2 feet) from the
  vehicle.
- In the event of booking discrepancies upon arrival, drivers will be asked to exit the facility
  while booking errors are addressed via their company's dispatch and/or customer
  service. This procedure will minimize congestion in the ports, so there will not be groups
  larger than 10 on premises. Once the error has been resolved, drivers are invited to
  return immediately.

Please know that we do not make these changes lightly, and are designed to maintain safe and reliable service while minimizing personal contact. For more information and regular updates regarding YB operations and COVID-19, please visit <a href="https://youngbrothershawaii.com/covid-19">https://youngbrothershawaii.com/covid-19</a>.

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We will continue to monitor COVID-19 guidance from federal, state, and local authorities to prevent the spread of illness in our community. Your support in compliance with these and other directions from Young Brothers' employees is deeply appreciated.



March 26, 2020

**Dear Valued Customer:** 

RE: <u>Young Brothers' COVID-19 Update 5: We're Taking More Precautions to Protect our Customers and Employees</u>

As one of Hawaii's "essential businesses," we take seriously our role to provide critically needed interisland transportation of cargo, especially now as our entire community comes together to combat the spread of COVID-19. Following the government's directive to shelter at home, we are asking all users of our services, to strictly follow the government's directive to shelter at home. Keeping our employees, specifically our ports, free of COVID-19 is vital to ensuring we can maintain critical service to transport the goods and supplies for the entire state.

Young Brothers prides itself on shipping "freight of all kinds." However, to ensure Young Brothers is able to continue uninterrupted service to all ports, we are required to take further steps to ensure the health and safety of our customers and employees. While we understand some of these new procedures and policies may result in some inconvenience for our customers, we do believe these changes are necessary to keep both customers and employees safe from harm.

Starting Monday, March 30<sup>th</sup>, the following new procedures will be in place:

We will continue to accept "essential," non-containerized cargo. "Essential" cargo includes:

- Food, water, and other household consumer products for retail stores
- All household consumer products
- Medical Supplies and Equipment for hospitals and to care for those in need
- Educational Supplies
- First Responder Vehicles
- Public Utilities (Electric, Water, Sewer, Gas, Telecommunications) Vehicles and Equipment
- Construction Supplies and Equipment

We will not be able to accept "non-essential" cargo during this time; non-essential cargo includes:

- Privately-owned vehicles
- **Dry** mixed cargo
- Less than container load Livestock shipments

Like our maritime industry partners, Young Brothers will continue to ship both dry and refrigerated full containers, as well as 20' and 40' straight load livestock shipments. Please continue to follow the cargo acceptance times as noted on our website. If you have questions regarding what is essential vs. non-essential cargo please call your local port office.

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YB COVID-19 Update 5 March 26, 2020 Page 2

This temporary restriction allows us to continue to minimize physical contact between our employees and customers, expedite the loading and unloading of essential cargo at all Neighbor Island ports, and ensure Young Brothers will maintain uninterrupted service to ALL ports. We do not take this decision lightly, but the inconvenience is necessary to make sure we can continue our critical service through this uncertain time and reduce the spread of COVID-19.

Meanwhile, we're asking all of our customers to continue to practice safe "social distancing" measures, including:

- Enter the port facilities with your vehicle windows rolled up and hold your TWIC ID or driver's license against the window for the security officers to view through the glass.
- Maintain the recommended 6-feet of distance from others and refrain from congregating.
- Please remain in your vehicle at all times while delivering or receiving cargo.
- Wait to be directed by a YB employee to roll down your window and/or to exit your vehicle to handle cargo.

For more information and regular updates regarding YB operations and COVID-19, please visit <a href="https://youngbrothershawaii.com/covid-19">https://youngbrothershawaii.com/covid-19</a>.

We will continue to monitor COVID-19 guidance from federal, state, and local authorities to prevent the spread of illness in our community. Your support in compliance with these and other directions from Young Brothers' employees is deeply appreciated.

Thank you for continuing to ship with Young Brothers.



April 9, 2020

**Dear Valued Customer:** 

RE: <u>Young Brothers' COVID-19 Update 6: We're Taking More Precautions to Protect our Customers and</u>
Employees

Keeping our employees, specifically our ports, free of COVID-19 is vital to ensuring we can maintain critical service to transport the goods and supplies for the communities we serve. To that end, Young Brothers has updated our social distancing policy to combat the spread of COVID-19 to include the use of facemasks or coverings while at the ports. Effective Monday, April 13, 2020:

- All persons entering any Young Brothers' facility must wear a facemask or covering while conducting business at the port.
- Vehicles should enter port facilities with rolled-up windows and present their TWIC ID or driver's license against the window for security officers' inspection.
- Customers maintain the recommended 6-feet of distance from others and refrain from congregating.
- Customers should remain in vehicles while delivering or receiving cargo, unless otherwise instructed by a YB employee.
- Customers will be directed by a YB employee to roll down their windows when necessary and will be allowed to exit their vehicle to secure and unsecure cargo. At that time, please remain within an arm's-length distance (approximately 2 feet) from the vehicle.
- In the event of booking discrepancies upon arrival, drivers will be asked to exit the facility while booking errors are addressed via their company's dispatch and/or customer service. This procedure will minimize congestion in the ports, so there will not be groups larger than 10 on premises. Once the error has been resolved, drivers are invited to return immediately.

Changes implemented will allow us to minimize physical contact between our employees and customers, expedite the loading and unloading of essential cargo at all Neighbor Island ports, and ensure Young Brothers will be able to maintain our critical service to all ports.

For more information and regular updates regarding YB operations and COVID-19, please visit youngbrothershawaii.com/covid-19.

We will continue to monitor COVID-19 guidance from federal, state, and local authorities to prevent the spread of illness in our community. Your support in compliance with these and other directions from Young Brothers' employees is deeply appreciated.

Thank you for continuing to ship with Young Brothers.



April 24, 2020

RE: Young Brothers' COVID-19 Update 7: Temporary Changes to Sailing Schedule and Port Hours

Dear Valued Customer,

As an "essential business" that our island communities depend on, Young Brothers remains committed now – more than ever – to providing you with steady, reliable inter-island cargo service during the COVID-19 pandemic.

As a valued customer, we wanted you to know that we are implementing important, temporary changes to our service in response to the COVID-19 pandemic and decreasing cargo volumes. Subject to approval by the Public Utilities Commission with a requested effective date of May 5, 2020, we will temporarily amend our sailing schedule for Maui and Hawai'i counties. All other county sailing schedules will not be affected. Also beginning May 5, 2020, we will implement changes to our hours of operation at all ports. Please know that essential cargo and supplies will continue to be shipped regularly.

The following summarizes the requested temporary changes to YB's sailing schedule for Maui and Hawai'i counties beginning May 5, 2020, subject to PUC approval:

**Maui:** The weekly Wednesday sailing from Honolulu to Kahului with arrival on Thursday will be temporarily suspended.

• The current routes to Maui with arrivals on Tuesday and Friday are continuing as scheduled.

**Moloka'i and Lāna'i:** New sail day and times for weekly sailings to Kaumalapau and Kaunakakai plus an occasional stopover in Kaunakakai to pick up agricultural products.

- The twice-weekly route to Kaunakakai is being adjusted to a single combined sailing with arrival to Kaumalapau on Sunday morning and to Kaunakakai on Sunday evening.
- Depending on cargo volume, the Kawaihae barge may occasionally make a stopover in Kaunakakai on Wednesday morning to pick up agricultural products on its return sailing to Honolulu.

**Hawai'i Island:** The weekly Saturday sailing from Honolulu to Hilo with arrival on Monday will be temporarily suspended.

- The twice-weekly route to Hilo is being adjusted to a single, direct sailing with arrival to Hilo on Thursday.
- There are no changes in service to Kawaihae. The current, twice-weekly routes to Kawaihae with arrivals on Tuesday and Friday are continuing as scheduled.

In conjunction with the amended sailing schedule, we will also be converting one or two days of regular gate hours (7:30 a.m. - 3:30 p.m.) to half-day operations (7:30 a.m. - 11:30 a.m.) at all ports.

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We will continue to monitor COVID-19 guidance from federal, state, and local authorities to prevent the spread of illness in our community. Your support in compliance with these and other directions from Young Brothers' employees is deeply appreciated.

For more information and regular updates regarding YB operations and COVID-19, please visit <a href="https://www.youngbrothershawaii.com/covid-19">www.youngbrothershawaii.com/covid-19</a>. If you have any questions, please contact your YB customer service representative.

Thank you for continuing to ship with Young Brothers.

Sincerely, Young Brothers, LLC

[Attachments included on next page]

### Temporary Changes to Young Brothers' Sailing Schedule for Maui and Hawai'i Counties

The following table summarizes the updated sailing schedule for Maui and Hawai'i counties beginning May 5, 2020, subject to PUC approval.

Honolulu to Kahului			
Departs Arrives			
Monday (pm)	Tuesday (am)		
Thursday (pm)	Friday (am)		

Honolulu to Kaumalapau		
Departs Arrives		
Saturday (pm)	Sunday (am)	

Honolulu to Kaunakakai		
Departs Arrives		
Saturday (pm)	Sunday (pm)	

Honolulu to Hilo		
Departs Arrives		
Tuesday (pm)	Thursday (am)	

## Young Brothers's Updated Gate Entry Hours at All Ports

**Effective Tuesday May 5, 2020**, the following summarizes Young Brothers' updated gate entry hours at all ports. The temporary changes are reflected in bold and red.

Port of Honolulu			
Monday	7:30 a.m. – 3:30 p.m.	No Change	
Tuesday	7:30 a.m. – 11:30 a.m.	New Hours	
Wednesday	7:30 a.m. – 3:30 p.m.	No Change	
Thursday	7:30 a.m. – 3:30 p.m.	No Change	
Friday	7:30 a.m. – 11:30 a.m.	New Hours	

Port of Nāwiliwili				
Monday	7:30 a.m. – 11:30 a.m.	New Hours		
Tuesday	7:30 a.m. – 3:30 p.m.	No Change		
Wednesday	7:30 a.m. – 11:30 a.m.	No Change		
Thursday	7:30 a.m. – 11:30 a.m.	No Change		
Friday	7:30 a.m. – 3:30 p.m.	No Change		

Ports of Kahului			
Monday	7:30 a.m. – 11:30 a.m.	New Hours	
Tuesday	7:30 a.m. – 3:30 p.m.	No Change	
Wednesday	7:30 a.m. – 11:30 a.m.	No Change	
Thursday	7:30 a.m. – 11:30 a.m.	New Hours	
Friday	7:30 a.m. – 3:30 p.m.	No Change	

Port of Kaunakakai			
Sunday	1:00 p.m. – 4:30 p.m.	New Hours	
Monday	7:30 a.m. – 2:30 p.m.	No Change	
Tuesday	1:00 p.m. – 4:30 p.m.	New Hours	
Wednesday	7:30 a.m. – 11:30 a.m.	New Hours	
Thursday	Closed		
Friday	Closed		

Port of Kaumalapau			
Sunday	New Hours		
Monday	7:30 a.m. – 11:30 a.m.	New Hours	
Tuesday	Closed		
Wednesday	Closed		
Thursday	Closed		
Friday	7:30 a.m. – 11:30 a.m.	New Hours	

Port of Kawaihae			
Monday	7:30 a.m. – 11:30 a.m.	New Hours	
Tuesday	7:30 a.m. – 3:30 p.m.	No Change	
Wednesday	7:30 a.m. – 11:30 a.m.	No Change	
Thursday	7:30 a.m. – 11:30 a.m.	No Change	
Friday	7:30 a.m. – 3:30 p.m.	No Change	

Port of Hilo			
Monday	7:30 a.m. – 11:30 a.m.	New Hours	
Tuesday	7:30 a.m. – 11:30 a.m.	New Hours	
Wednesday	7:30 a.m. – 11:30 a.m.	No Change	
Thursday	7:30 a.m. – 3:30 p.m.	No Change	
Friday	7:30 a.m. – 11:30 a.m.	No Change	



May 4, 2020

RE: Young Brothers' COVID-19 Update 8: Approval of Temporary Changes to Sailing Schedule

Dear Valued Customer,

On May 4, 2020, the Hawai'i Public Utilities Commission approved Young Brothers' request to temporarily amend the weekly sailing schedule for Maui and Hawai'i counties as a result of the COVID-19 pandemic and decreasing cargo volumes. Changes to the weekly sailing schedule for Maui and Hawai'i counties will go into effect on Tuesday, May 5, 2020. A summary of the approved temporary changes to the weekly sailing schedule is provided on page two of this customer notice. All other county sailing schedules remain unchanged and are not affected.

Also, as a reminder, beginning on May 5, 2020, we will be changing our hours of operation at all ports. The revised operating hours are provided on page two of this customer notice.

We will continue to monitor COVID-19 guidance from federal, state, and local authorities to prevent the spread of illness in our community. Your support and understanding in compliance with these and other directions from Young Brothers' employees is appreciated. For more information, you may also visit our website at <a href="https://www.youngbrothershawaii.com/covid-19">www.youngbrothershawaii.com/covid-19</a>.

We take seriously our responsibility to support interisland commerce and serve as your neighbor island partner. If you have any questions regarding these changes, please feel free to call your local port or your Account Representative.

Thank you for continuing to ship with Young Brothers.

Sincerely, Young Brothers, LLC

[Attachments included on next page]

## Temporary Changes to Young Brothers' Sailing Schedule for Maui and Hawai'i Counties Effective Tuesday, May 5, 2020.

Honolulu to Kahului			
Departs	Arrives		
Monday (pm)	Tuesday (am)		
Thursday (pm)	Friday (am)		

Honolulu to Kaumalapau		
Departs	Arrives	
Saturday (pm)	Sunday (am)	

Honolulu to Kaunakakai		
Departs	Arrives	
Saturday (pm)	Sunday (pm)	

Honolulu to Hilo		
Departs	Arrives	
Tuesday (pm)	Thursday (am)	

### Young Brothers, LLC Port Hours of Operations Effective Tuesday May 5, 2020

	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
Honolulu	CLOSED	7:30 am to 3:30 pm	7:30 am to 11:30 am New Hours	7:30 am to 3:30 pm	7:30 am to 3:30 pm	7:30 am to 11:30 am New Hours
Hilo	CLOSED	7:30 am to 11:30 am New Hours	7:30 am to 11:30 am New Hours	7:30 am to 11:30 am	7:30 am to 3:30 pm	7:30 am to 11:30 am
Kahului	CLOSED	7:30 am to 11:30 am New Hours	7:30 am to 3:30 pm	7:30 am to 11:30 am	7:30 am to 11:30 am New Hours	7:30 am to 3:30 pm
Kaunakakai	CLOSED	7:30 am to 2:30 pm	1:00 pm to 4:30 pm New Hours	7:30 am to 11:30 am New Hours	CLOSED New	7:00 am to 12:00 pm New Hours
Kaumalapau	7:30 am to 3:30 pm New Hours	7:30 am to 11:30 am New Hours	CLOSED New	CLOSED New	CLOSED New	7:30 am to 11:30 am New Hours
Nawiliwili	CLOSED	7:30 am to 11:30 am New Hours	7:30 am to 3:30 pm	7:30 am to 11:30 am	7:30 am to 11:30 am	7:30 am to 3:30 pm
Kawaihae	CLOSED	7:30 am to 11:30 am New Hours	7:30 am to 3:30 pm	7:30 am to 11:30 am	7:30 am to 11:30 am	7:30 am to 3:30 pm



May 14, 2020

#### RE: Young Brothers COVID-19 Update 9: Privately-owned Vehicle Shipments to Resume

Dear Valued Customer,

As you may know, in response to the COVID-19 pandemic, Young Brothers suspended shipments of non-essential cargo, including privately owned vehicles ("POV").

Starting Friday, May 15, 2020, as part of Young Brothers' phased approach to resume cargo shipments, YB will accept shipping POV's with priority being placed for customers whose vehicle reservations were previously suspended in March. New vehicle bookings will be accepted via e-mail at your local port office and will be scheduled to sail after June 1. Please e-mail your booking form, which is available on our website <a href="https://www.youngbrothershawaii.com/forms/">www.youngbrothershawaii.com/forms/</a>, to your local port office listed below:

Port	E-mail
Honolulu	booking@htbyb.com
Hilo	hilom@htbyb.com
Kahului	mauim@htbyb.com
Kaunakakai	molokai@htbyb.com
Kaumalapau	lanai@htbyb.com
Nawiliwili	kauai@htbyb.com
Kawaihae	kawmail@htbyb.com

As a reminder, customers entering the port to drop off or pick up their vehicles will be required to follow all previously communicated social distancing policies. These include but are not limited to, wearing a facemask or covering and practicing social distancing from others. In addition, to help prevent the spread of COVID-19, customers will be required to wipe down their steering wheel, gear shifter, and inside door handles with disinfectant when checking in their vehicle.

We continue to follow the health and safety guidelines from federal, state and local authorities to prevent the spread of COVID-19. We appreciate your flexibility and understanding as we adjusted operations and implemented new policies to keep everyone at our ports safe. For more information and regular updates regarding YB operations and COVID-19, please visit <a href="https://www.youngbrothershawaii.com/covid-19">www.youngbrothershawaii.com/covid-19</a>.

As always, we remain deeply committed to providing steady, reliable inter-island shipping service to you, our valued customers, during this difficult time. Our customer service team is standing ready to help you and answer any questions you may have.

Thank you for continuing to ship with Young Brothers.

Sincerely,

Young Brothers, LLC

## FILED

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PUBLIC UTILITIES COMMISSION

The foregoing document was electronically filed with the State of Hawaii Public Utilities Commission's Document Management System (DMS).