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July 8, 2020

Jeremiah Ana
President
Kris Nakagawa
Vice President, Legal, Regulatory, and Government Affairs
Young Brothers, LLC
jana@htbyb.com
knakagawa@htbyb.com

Re: Transmittal No. 20-0003, <u>Young Brothers' Request for Further Extension of Adjusted Sailing Schedule</u>

Dear Mr. Ana and Mr. Nakagawa:

To assist the Commission in its review of the above-referenced request, please respond to the following Information Request ("IR") by Thursday, July 9, 2020.

Thank you for your assistance.

Sincerely,

Caroline C. Ishida Commission Counsel

CCI:ljk

Enclosure

c: Dean Nishina, Executive Director, Division of Consumer Advocacy, at dnishina@dcca.hawaii.gov

Transmittal No. 20-0003 Young Brothers, LLC ("YB") Information Request

General Instructions:

Unless otherwise directed, all responses to these IRs that concern or require tabular or graphic representations of data should include the data in an electronic spreadsheet file compatible with MS Excel. All spreadsheet files provided the responses to these IRs should be provided in live or dynamic format with cell logic, references, calculations and formulas intact; and all cells unhidden and unprotected.

PUC-YB-IR-101

Reference: Young Brothers, LLC's Updates Regarding the Hilo Barge Incident, dated June 29, 2020 ("Hilo Barge Incident Update"); Young Brother's Request for Further Extension of Adjusted Sailing Schedule, dated July 2, 2020 ("Request for Further Extension").

In its Request for Further Extension, at 2, YB states that its "financial condition remains extremely dire, and the continuation of the adjusted sailing schedule is critical and necessary to help mitigate against the impending cash shortfall and the severe losses that Young Brothers is projecting to suffer through at least 2020." Further, YB states, at 3, that it "would not recommend a reversion to its pre-COVID sailing schedule at least until its cash shortfall issues are resolved in the near- to mid-term."

Given the recent Hilo Barge Incident and YB's statements that its "primary purpose [for] reducing its sailing schedule is to mitigate the economic impacts YB has experienced since the onset of the COVID-19 pandemic," Request for Further Extension at 3, the Commission seeks specific clarification from YB regarding the reduced sailing schedule. Please provide info regarding:

- a) How YB's barge capacity for all routes is affected by the adjusted sailing schedule;
- b) Whether the reduced sailing schedule from Honolulu to Hilo ((i.e., one sailing with Saturday departure from Honolulu to Hilo, with a Monday arrival in Hilo) resulted in the *Ho'omaka Hou* being overloaded/above capacity at the time of the June 22, 2020 Hilo Barge Incident;¹

¹The Commission recognizes that the Hilo Barge Incident is the subject of an ongoing investigation by the U.S. Coast Guard, as well as an internal YB investigation, see Hilo Barge Incident Update Letter, however, given Young Brothers' request that the Commission grant YB approval to extend its adjusted sailing schedule for at least 90 days by July 12, 2020, the Commission seeks information now regarding the safety and reasonableness of such an adjusted sailing schedule extension to help inform its decision-making.

- c) Please provide a detailed discussion of all safety measures YB has taken since the Hilo Barge Incident for all routes; and
- d) As noted above, YB has stated that it "would not recommend a reversion to its pre-COVID sailing schedule at least until its cash shortfall issues are resolved in the near- to mid-term."

Would YB continue to not recommend a "reversion to its pre-COVID sailing schedule" if it experiences increased cargo volumes prior to resolution of its "cash shortfall issues" in either the near- or mid-term?