



March 26, 2020

The Honorable Chair and Members of the  
Hawai'i Public Utilities Commission  
Kekuanao'a Building, First Floor  
465 South King Street  
Honolulu, Hawai'i 96813

Dear Commissioners:

Subject: Hawaiian Electric Request for Temporary Waiver of Meter Reading Requirements due to COVID-19

## **I. Introduction**

By this letter request, due to emergency circumstances, Hawaiian Electric<sup>1</sup> respectfully seeks a temporary waiver from General Order No. 7 (“GO7”), Section 3.3 and Tariff Rule No. 8 to read meters on an other-than-monthly basis for all of its service territories. Specifically, Hawaiian Electric seeks authorization to temporarily suspend all efforts to take actual customer meter reads (which require Company employees to physically go out into the community for both residential and commercial customers) through May 31, 2020 (“Waiver Period”) due to serious health and safety concerns related to COVID-19 and instead provide customers with estimated bills. The Companies acknowledge this is a broad request. But it is intended to be proactive and provide the Companies wide flexibility in this dynamic situation to determine how to proceed. The Waiver Period would allow the Companies to cease meter reading while evaluating whether some level of actual meter reading can be done safely and consistent with State and County directives. Periodically during the Waiver Period, the Companies would advise the Commission and Consumer Advocate on what level, if any, of meter reads are being done. Following the end of the Waiver Period, or upon resumption of normal Company business practices, whichever occurs first, meter reading will resume and customer bills will be trued up to actual usage. If granted, the Companies may seek to extend the Waiver Period if necessary.

## **II. Background**

As the Commission knows, the U.S. Center for Disease Control and Prevention (“CDC”) is responding to a pandemic of respiratory disease spreading from person-to-person caused by a novel (new) coronavirus. The disease has been named “coronavirus disease 2019” (abbreviated

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<sup>1</sup> “Hawaiian Electric” or the “Company” refers to Hawaiian Electric Company, Inc., Hawai'i Electric Light Company, Inc., and Maui Electric Company, Limited. Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawai'i Electric Light Company, Inc. are each doing business as “Hawaiian Electric” and have jointly registered “Hawaiian Electric” as a trade name with the State of Hawai'i Department of Commerce and Consumer Affairs, as evidenced by Certificate of Registration No. 4235929, dated December 20, 2019.

“COVID-19”).<sup>2</sup> This situation poses a serious public health risk. The federal government is working closely with state, local, tribal, and territorial partners, as well as public health partners, to respond to this situation. COVID-19 can cause mild to severe illness; most severe illness occurs in older adults.<sup>3</sup>

U.S. COVID-19 cases include:

- Imported cases in travelers;
- Cases among close contacts of a known case; and
- Community-acquired cases where the source of the infection is unknown.<sup>4</sup>

On March 4, 2020, Governor David Y. Ige issued an Emergency Proclamation intended to prevent, contain, and mitigate the spread of COVID-19, to provide emergency relief if necessary, and authorize the expenditure of state funds on equipment and supplies as needed.

On March 13, 2020, the Commission, recognizing the global threat posed by COVID-19, issued non-docketed Order No. 37043 (“Order 37043”), Setting Forth Public Utilities Commission Emergency Filing and Service Procedures Related to COVID-19, which, among other things, required electronic filing of any documents or other filings and at the same time closed the Commission’s physical offices to non-commission employees.<sup>5</sup> The Commission noted that it was preparing, as a precaution, for the possibility that the spread of COVID-19 would escalate rapidly in Hawaii and implemented the Emergency Filing and Services Procedures “for the protection of commission staff, the regulated utilities, parties, participants, stakeholders, entities, and individuals that conduct business, before the commission, and the general public, in the interest of maintaining continuity of commission operations while taking precautions for health and safety, to the extent possible, during this time.”<sup>6</sup>

On March 13, 2020, the President of the United States of America declared a national emergency in response to the COVID-19 pandemic. On March 16, 2020, the White House announced a program called “15 Days to Slow the Spread” – a nationwide effort to slow the spread of COVID-19 through the implementation of social distancing at all levels of society.<sup>7</sup>

On March 16, 2020, Governor Ige issued a Supplemental Emergency Proclamation suspending certain laws hindering State and county responses to COVID-19.

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<sup>2</sup> Non-Docketed Order No. 37043, Setting Forth Public Utilities Commission Emergency Filing and Service Procedures Related to COVID-19, filed March 13, 2020 (“Order No. 37043”), at 2.

<sup>3</sup> “Coronavirus Disease 2019 (COVID-19) Situation Summary,” at <https://www.cdc.gov/coronavirus/2019-ncov/summary.html> (last visited on March 23, 2020).

<sup>4</sup> Id.

<sup>5</sup> Order 37043 at 5-6.

<sup>6</sup> Order 37043 at 3.

<sup>7</sup> See CDC Situation Summary.

On March 17, 2020, Governor Ige announced his plan for “15 Days to Slow the Spread of COVID-19,” including limiting social gatherings to groups of 10 people or less to follow CDC guidelines, and avoidance of discretionary travel.

On March 21, 2020, Governor Ige issued a Second Supplementary Proclamation and Emergency Rules Relating to COVID-19 implementing a mandatory self-quarantine for all persons entering the State, effective March 26, 2020.

On March 22, 2020, Mayor Kirk Caldwell ordered that effective March 23, 2020 at 4:30 pm through April 30, 2020, anyone in the City and County of Honolulu is required to shelter-in-place, meaning stay at home and/or work from home, except for essential activities.

Similarly, on March 22, 2020, Mayor Mike Victorino ordered that effective March 25, 2020 through April 30, 2020, anyone in the County of Maui is required to shelter-in-place, except for essential activities (the March 22, 2020 City and County of Honolulu and County of Maui orders are referred to as the “Mayors Stay at Home Orders”).

On March 23, 2020, Governor Ige issued a Third Supplementary Proclamation, effective March 25, 2020 through April 30, 2020 (“Third Supplementary Proclamation”), ordering, among other things, that all persons within the State of Hawaii stay at home, except as necessary to maintain continuity of operations of the federal critical infrastructure sectors and except for certain essential activities, including travel to and from essential businesses and operations. In issuing this Third Supplementary Proclamation, Governor Ige recognized that the “dangers of COVID-19 require the serious attention, effort, and sacrifice of all people in the State to avert unmanageable strains on our healthcare system and other catastrophic impacts to the State.”

On March 24, 2020, the Commission issued a Statement recognizing that it “expect[s] this to be a highly dynamic environment where urgent needs are likely to develop on short notice.”

As of March 24, 2020, there have been at least 90 documented cases of COVID-19 in the State.

### **III. Discussion**

#### **A. Applicable Rules**

Hawaiian Electric Rule No. 8.A.2, provides in relevant part:

Bills for metered service will be based on meter registration.  
Meters will be read as required for the preparation of regular bills,  
opening bills and closing bills.

GO 7, Section 3.3, Meter Reading Interval, provides:

All meters, other than residential, shall be read monthly, except that authority may be obtained from the Commission for reading the meters at other than monthly intervals. Residential meters may be read bi-monthly. As nearly as practicable, utilities shall avoid sending a customer two successive estimated bills.

GO7, Section 4.3, Customer Bill Forms, provides, in relevant part:

The utility shall bill each customer as promptly as possible following the reading of his meter. The bill shall show:

\* \* \*

f. A distinct marking to identify an estimated bill.

Thus, although Rule 8 requires that “bills for metered service be based on meter registration” and that “meters be read as required for the preparation of regular bills,” GO7, Section 3.3, nevertheless contemplates that bills may be estimated, but that utilities should avoid sending a customer estimated bills for successive billing periods. GO7, Section 3.3, further contemplates that with Commission authority, meters may be read at “other than monthly intervals” – in other words, with Commission authority, bills may be estimated for a Commission approved period of time.

## **B. Suspension of Meter Reading Activities**

### **1. Suspension of Meter Reading**

Consistent with Governor Ige’s Third Supplementary Proclamation, the Mayors Stay at Home Orders, and the Commission’s actions in Order 37043, and for the protection of Hawaiian Electric employees, customers, and the general public, Hawaiian Electric is seeking authorization to temporarily suspend all efforts to take actual customer meter reads during the proposed Waiver Period and instead estimate customer energy usage for purposes of monthly billing. This will provide the Company wide flexibility during this health crisis to act in accordance with State and County mandates while also evaluating whether some level of actual meter reading can be done safely.

Specifically, during the Waiver Period, in order to minimize the amount of time meter readers are out in the public in all of its service territories, the Company intends to continuously assess its meter reading practices based on the evolving and dynamic circumstances of the COVID-19 pandemic, and adapt quickly to those circumstances. For a two week period

commencing on March 24, 2020, the Company will estimate energy usage for all customers served on residential rate schedules and non-demand service commercial rate schedules. For customers that are served on demand service rate schedules, which are generally large and medium-sized commercial customers, the Company intends to continue actual meter reads. By the end of this two week period, the Company will evaluate its meter reading approach to determine if a change in course is necessary – namely, whether to continue the current process for an extended period, whether the Company will commence estimating usage for demand service rate schedules, or whether and to what extent the Company can safely re-commence actual meter reads for residential and non-demand service rate schedules. The Company anticipates that during the Waiver Period, it will continue this evaluative process and will periodically advise the Commission and Consumer Advocate as to what level of meter reads are being performed.

As noted above, although Rule 8 requires that meters be read for the preparation of regular bills, GO7, Section 3.3, contemplates that bills may be estimated, and that Commission authority is required for estimated bills for successive billing periods. Here, because the Waiver Period would result in estimated bills for successive monthly billing periods, Hawaiian Electric respectfully seeks a temporary waiver from GO7, Section 3.3 and Tariff Rule No. 8 during the Waiver Period to read meters on an other-than-monthly basis for all of its service territories.

## **2. Method of Calculating Estimated Usage**

The SAP Customer Information System (“CIS”) will use the last actual meter read that covers a period of at least 24 days, as the basis for estimation. The CIS calculates the kWh per day for this representative period, and applies the per day value to the estimated period. If the previous billing period does not qualify for a representative period (the period needs to have 24 days or more and be an actual read to be representative), the first actual representative meter consumption data available in the CIS will be used for estimation.

## **3. Notification to Customers**

The Company recognizes that estimated billing based on historical usage may result in potential inconsistencies when compared with possible changes in customer usage patterns resulting from Governor Ige’s Third Supplementary Proclamation and the Mayors Stay at Home Orders. Based on the Company’s current decision to temporarily estimate bills for residential customers and non-demand service commercial customers for two weeks, the Company will prioritize targeted communication to such customers as needed in order to explain the temporary suspension of meter reading and its impact on billing. In addition, Hawaiian Electric’s call centers will be ready to explain the estimated reads, its potential implications on future bills and the important health and safety reasons for the change.

Additionally, broad messaging is planned through news releases and social media outlining the Company's changing operations in response to COVID-19. This change in meter reading will be part of the broad messaging. The Company's website also includes a COVID-19 webpage that is continually updated with more detailed information and frequently asked questions. The changes, reasons for the change, options available to customers and how to contact the Company are examples of the information kept current on the website.

Should the Company decide to extend the period of estimated billings beyond two weeks, then the messaging channels described above will be used to ensure all customers understand the reasons for and implications to estimated billings during this time.

For the estimated bills, in compliance with GO7, Section 4.3.f, "EST" will be printed on the bill next to the current reading.

#### **4. True Up Upon Re-Commencement of Meter Reading**

Under normal circumstances, bills are estimated for different reasons, with the most common reason being no access to a meter. As such, the CIS is programmed to automatically true up the account balance when meter reading re-commences for the estimated account. If the estimated usage was low, the next period billed on an actual meter read would be considered the true up. If the estimated usage was high such that the subsequent actual meter read was lower than the estimated read, the system would flag the account as an exception and the overestimated bill would be reversed and rebilled accordingly.

#### **IV. Conclusion**

As discussed above, in response to serious health and safety concerns related to COVID-19 and for the protection of Hawaiian Electric employees, customers, and the general public, Hawaiian Electric respectfully seeks a temporary waiver from GO7, Section 3.3 and Tariff Rule No. 8 during the Waiver Period to provide the Companies the flexibility and capability to quickly implement plans to read meters on an other-than-monthly basis for all of its service territories. If granted, the Companies may seek to extend the Waiver Period if necessary.

Sincerely,

/s/ Kevin M. Katsura

Kevin M. Katsura  
Director, Regulatory Non-Rate Proceedings

c: Division of Consumer Advocacy

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