

The Molokai Farm Bureau serves as Molokai's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community. We are also an arm of the Hawaii Farm Bureau Federation, organized in 1948 and comprised of 1800 farm families statewide.

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

### IN THE MATTER OF: YOUNG BROTHERS TARIFF TRANSMITTAL NO. 20-0003

May 3, 2020

Aloha Chair Griffin, Commissioner Potter and Commissioner Asuncion,

Thank you for the opportunity to provide testimony.

There is no doubt that reducing Molokai shipments to once a week will severely impact those of us involved in agriculture. But the more we thought about this issue the more we realized the impact would be to all goods, and quickly realized the crucial impact it would have to our entire Molokai community. For these reasons we felt there was a greater need to voice our concerns for our community as a whole, which extended beyond our agricultural focus.

# Young Brothers is Molokai's lifeline, we have no other options.

Young Brothers is literally Molokai and Lanai's only lifeline other than extremely costly air freight. Unlike Oahu, Hawaii Island, Kauai and Maui who receive additional shipment options from Matson and/or Pasha, Molokai and Lanai are solely dependent on Young Brothers for ALL cargo moving in and out of our ports.

#### Because of this, any movement by Young Brothers shakes Molokai's entire economic and social infrastructure.

By understanding we have no other viable option for cargo, we can better understand the importance of Young Brothers and its direct link to every aspect of our island's already fragile economy. From this epicenter of disturbance by Young Brothers, impacts will radiate throughout our island's standard of living, movement of goods, cost of goods, and businesses and entrepreneur's ability to remain viable. COVID-19 only compounds these issues.

#### Perishables, Produce and Livestock Concerns:

• (MKK > HNL) Outbound Perishables, Produce and Livestock will be subject to 6 days of shipping.

A weekly Sunday PM sail from Molokai will mandate our produce and livestock be delivered to YB on business day Wednesday AM (YB MKK is closed Wed 11:30am, Thurs, Fri, Sat). YB Oahu is closed on Sundays. This will mean our outbound goods and livestock will not be picked up by Oahu vendors until business day Monday – *6 days later*.

- *This is of grave concern.* For livestock, this is absolutely not an option. For perishables and both short and medium shelf-life produce, the inevitable concern is off-island buyers will no longer choose Molokai goods.
- The economic importance of these outbound goods is they infuse vital new money into our fragile economy.

# • (HNL > MKK) Inbound goods will be subject to 5 days of shipping.

A weekly Saturday sail from Oahu will mandate all Oahu vendors selling to Molokai to pack their perishables and produce on Thursday to face Oahu YB's new Friday 4-hour delivery window (Fri close 11:30am, Sat closed). This shipment will be ready for our pickup on Molokai on business day Monday – **5 days later**. This subjects all perishables and produce to 5 days of shipping, substantially decreasing their shelf-life, reducing the time our

Molokai businesses have to store or sell these products before spoilage, and ultimately provides our community with less food and goods.

## Community Concerns:

Lack of cold storage for all island Grocers on Molokai

Although the "volume of cargo" will essentially remain the same, none of our large grocers have the ability (individually or collectively) to store a week's worth of cold storage and frozen goods to match our island's demand. Potentially store shelves could remain empty until the next weekly barge, impacting our grocers' profitability and community's access. Molokai vendor storage improvements (individually or collectively) would be costly to construct, and county permits to alter or increase store square footage would take months.

 $\circ$   $\;$  Please refer to the Molokai Chamber of Commerce's testimony for more details.

### • Molokai will likely no longer have ice cream

Oahu vendors were already averse to shipping ice cream via the original HNL>MKK Sunday barge due to the liability of product melting or spoiling (ice cream must be kept at -10 degrees, YB's cold storage containers do not maintain that temperature). It is extremely likely Oahu ice cream vendors will no longer accept an extended shipping period under these new conditions. Molokai could likely face no ice cream shipments unless air freighted in, which would be extremely costly for the community.

### • Revisit Molokai's proposed sail days

If Young Brothers is sailing less statewide, we ask they schedule their Molokai sails when vendor deliveries and pickups can occur during normal business hours on both ends – to avoid this detrimentally disruptive impact to Molokai's already challenged economy. Asking Molokai vendors to bear an additional staffing day every Sunday and solely open operations for freight pickup will negatively impact the fragile bottom line for businesses that play critical roles in our community (as recently demonstrated when our largest grocer closed for 2 weeks). And as stated, unlike other islands Molokai vendors have no other port to port shipping choices.

Molokai is solely dependent on Young Brothers for ALL CARGO moving in and out of our port. This change in both the gate hours and shipping schedule will radiate negative impacts throughout the greater Molokai community. We understand COVID-19 is impacting Young Brothers, it is impacting everyone. Molokai's isolated location and frail economy simply does not provide us the ability to absorb these changes at this time.

We thank you for your time and consideration.

Respectfully submitted on behalf of the of the Molokai Farm Bureau Board and its members,

Dawn Bicoy

Dawn Bicoy Government Affairs, Molokai Farm Bureau

PER YOUNG BROTHERS – NEW GATE HOURS:							
PORT	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	
HONOLULU	CLOSED	7:30 AM - 3:30 PM	7:30 AM - 11:30 AM New Hours	7:30 AM - 3:30 PM	7:30 AM - 3:30 PM	7:30 AM - 11:30 AM New Hours	
KAUNAKAKAI	1:00 PM - 4:30 PM New Hours	7:30 AM - 2:30 PM	1:00 PM - 4:30 PM New Hours	7:30 AM - 11:30 AM New Hours	CLOSED New	CLOSED	

#### PER YOUNG BROTHERS – PROPOSED NEW SAIL DATES:

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