May 28, 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

Re: Young Brothers Response to the Division of Consumer Advocacy’s May 26, 2020 Letter Concerning Young Brothers, LLC and Ongoing Current Events

Dear Commissioners and Staff:

The following responds to the Division of Consumer Advocacy’s (“Consumer Advocate”) letter of May 26, 2020 concerning “Young Brothers, LLC and Ongoing Current Events.” In its letter, the Consumer Advocate requests that the Commission consider two actions: “1) suspend the current procedural schedule for the ongoing rate case in Docket No. 2019-0117; and 2) open another proceeding to investigate all relevant facts and measures that might be needed to address Young Brothers, LLC (“YB” or “Company”) current situation and YB’s access to financing.”

In addition, the Consumer Advocate urges the Commission to require that YB produce certain information by May 29, 2020. The requested information included, but was not limited to, the following: “1) the facts and circumstances around YB’s access to financing; 2) YB’s most recent financial statement information and an assessment of the impact of any changes in access to financing might have; and 3) a comprehensive identification of the measures that YB has been exploring and evaluating to address its financial condition and the contingency plans that are being developed to address its situation.”

YB respectfully responds to these requests as follows:

Suspension of the procedural schedule in YB’s current rate case

YB has no objection to the Commission suspending the procedural schedule in YB on-going rate case in Docket No. 2019-0117, but recommends that the suspension be for a period of 60 days at which time the Commission should reconsider whether to continue the suspension order.

If approved by the Commission, it is YB’s understanding that the suspension of the procedural schedule would effectively stay, until further order by the Commission, all pending matters in the rate case, including, without limitation, outstanding information requests filed by the Consumer Advocate and Order No. 37143 filed by the Commission.
or order the parties to agree to a new procedural schedule. YB acknowledges that there are a number of matters currently at play that could materially change the rate case analysis, including, without limitation, the COVID-19 pandemic, availability of CARES funds or other funding options to assist YB, and the measured re-opening of the State’s economy. As greater clarity comes to each of these matters, we will all be in a better position to assess the impact they will all have on the rate case proceeding. Further, YB agrees with the Consumer Advocate that it would be prudent and appropriate to keep the rate case open rather than seeking to approve an emergency or temporary rate increase in a separate proceeding because it would allow more timely emergency or temporary relief under Hawaii Revised Statutes § 271G-17(e). Therefore, YB requests that the Commission suspend the rate case procedural schedule and other Commission directives (i.e., Order No. 37143) for a period of 60 days with an order to the parties to submit a status report 7 days prior to the expiration of the 60-day suspension order. It will then be in the Commission’s discretion to determine whether a new procedural schedule should be agreed upon by the parties or whether the suspension order should be extended.

Opening a new proceeding to investigate YB’s current situation

YB has no objection to the Commission opening a new investigative and coordinating docket to investigate YB’s current financial situation. YB requests that the Commission open a docket to investigate and coordinate YB’s various filings before the Commission in light of the economic conditions currently in existence and YB’s current financial crisis.

Request for information concerning access to financing, financial data, and contingency plans

In response to the Consumer Advocate’s request for financial information/data and contingency plans, YB will produce the requested financial information/data and contingency plans by Friday, May 29, 2020. Please note, however, that certain information/data/ plans are very fluid and subject to change depending upon, among other things, the various options that might be available to YB, the regulatory requirements/restrictions, and the rapidly changing economic conditions that currently exist in our State that are oftentimes beyond the control of YB.

If you have any questions, please contact the undersigned.

Sincerely,

Jay Ana
President,
Young Brothers, LLC
The foregoing document was electronically filed with the State of Hawaii Public Utilities Commission's Document Management System (DMS).