



PUBLIC UTILITIES COMMISSION

FOR IMMEDIATE RELEASE

August 17, 2020

PUC approves Young Brothers' emergency rate increase with conditions to restore sailings, improve customer service and undergo independent audit

HONOLULU -- In a decision issued on Aug. 17, 2020, the Hawaii Public Utilities Commission approved Young Brothers' emergency request to increase rates by 46 percent with several conditions over the next 12 months. As a result of the Commission's decision, Young Brothers will resume the full "pre-COVID" sailing schedule by Sept. 1, 2020, which will restore an additional sailing from the ports of Hilo and Kahului to Honolulu.

The PUC's decision also included the following conditions:

- Instituting a 12-month "stay-out" period for additional general rate increases;
- Requiring Young Brothers to provide 6-months advance notice to the PUC and State if the Company decides to discontinue regulated interisland service in the future;
- Requiring Young Brothers to develop and implement a comprehensive customer service plan; and
- Requiring Young Brothers to undergo a financial and management audit by an independent party selected by the PUC.

On July 7, 2020, Young Brothers filed a motion requesting "an emergency or temporary rate increase to mitigate Young Brothers' current liquidity crisis and assist the Company to continue its intrastate water carrier of property operations and services." Young Brothers had previously requested emergency financial assistance in the form of CARES Act funding and funding from other State or County sources, as well as third-party financing, in an attempt to alleviate its liquidity crisis, but was unsuccessful in obtaining it. The Commission conducted an expedited review of the emergency request, including an evidentiary hearing on Aug. 14, 2020, in which Young Brothers and the Consumer Advocate participated.

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The full decision and order can be found on the Commission's homepage at <https://puc.hawaii.gov/transportation/youngbrothers>.

The docket record is available in the Commission's Document Management System (<https://dms.puc.hawaii.gov/dms/>) by searching for Docket Number 2019-0117.

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