

AQUA PUHI, LLC
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December 8, 2020

The Honorable Chair and Members of the
Hawaii Public Utilities Commission
Public Utilities Commission
465 S. King Street, #103
Honolulu, HI 96813

Re: Commission Request for Feedback from Utilities and the Consumer Advocate on the Suspension of Termination or Disconnection of Regulated Utility Services Due to Non-Payment

Dear Commissioners and staff:

The purpose of this letter is to provide feedback to the Public Utilities Commission on the questions for utilities regarding the suspension of termination or disconnection of regulated utility services.

Questions for Utilities

1) Lifting the Suspension of Disconnection for Non-Payment

- a) Do you think the Commission should extend the disconnection suspension for all of your customers beyond December 31, 2020? If so, when do you think the suspension should subsequently be lifted (e.g., by a specific date, at the end of Pandemic, etc.)?

No, the utility does not believe the Commission should extend the disconnection suspension for customers beyond December 31, 2020.

- i) Alternatively, do you think the suspension should end for certain customer classes before others, and if so, which customer classes, and when?

No, the suspension should end on December 31, 2020 for all customer classes.

- b) If the suspension is not extended beyond December 31, 2020, would your Utility request authority to voluntarily suspend disconnections?

The utility does not currently disconnect customers. The utility does send customers to collections and charge interest on past due balances, both activities which were suspended during the pandemic. The utility requests these activities resume.

2) Financial Impacts on Utilities

- a) How many of your Utility customers (of each customer class) have past due balances for utility service, and what is the total cumulative past due balance for all customers? Please break out past due balances by timeframe (e.g., past due by less than 30 days, by greater than 30 days, by greater than 60 days, by greater than 90 days, etc.), if available.

Past Due – as of November 30, 2020

<u>Customer Class</u>	>30	>60	>90	>120
Residential	\$3,519.73	\$2,159.60	\$1,621.96	\$36,036.93
# of Customers	65	43	33	27
Industrial	\$2,886.71	\$2,157.94	\$1,052.64	\$3,523.81
# of Customers	8	4	4	3
Commercial	\$5,415.23	\$590.72	\$602.69	\$1,164.94
# of Customers	8	1	1	1
Effluent	\$5,649.05			
# of Customers	1			

- b) How would an extension of the disconnection suspension for 1 month, 3 months, or 6 months, respectively, affect the financial condition of your Utility?

An extension of the disconnection suspension would not have an impact because the utility, which provides wastewater collection and treatment service, currently does not disconnect customers. However, as a result of [1] not charging interest on past due payments, [2] imposing late payment fees or [3] turning over delinquent customer accounts to collections, the utility projects its accounts receivable and bad debts to continue to increase causing a larger loss to the utility.

- c) What data and/or financial information does your Utility think would be helpful to provide to the Commission on a going-forward basis to help the Commission continue to make decisions around disconnection suspension and related issues?

The utility has been filing quarterly reports with the PUC pursuant to Order No. 37125 showing its total accounts receivable increase and its accounts receivable as a percentage of revenue and will continue to do so.

3) Protections for Customers (Including Those Experiencing Financial Hardship)

- a) What mechanisms exist, or are you considering implementing, for customers to alert your Utility that they are experiencing financial hardship or otherwise need special customer protections related to their utility bill or service?

The utility has implemented payment plans to customers who have contacted the utility indicating they have suffered hardship due to the pandemic. The utility also will offer direct mailers to impacted customers in 2021 to encourage continued use of payment through payment plan.

- b) What types of payment plans is your Utility currently offering, or contemplating offering, to customers? Please include information regarding the proposed minimum and maximum lengths of these payment plans, including those that may be established specifically for vulnerable customers (e.g., customers experiencing financial hardship, low-income customers, customers with special medical needs, etc.).

Payment plans are extended anywhere between three months to one year depending on a customer's situation. An equal opportunity payment plan would be available to all customers regardless of reason for hardship.

- c) What, if any, specific customer protections is your Utility offering or contemplating offering to vulnerable customers (e.g., customers experiencing financial hardship, low-income customers, customers with special medical needs, etc.)?

The utility currently offers an equal opportunity payment plan to all customers experiencing hardship regardless of their reason for hardship.

- d) Are there other specific customer protections that you think should be extended or newly implemented?

No, not at this time.

4) Customer Engagement

- a) What communications regarding the disconnection suspension and other customer protections (including those provided by outside sources, such as COVID-19 relief funds) have you provided to your customers during the Pandemic?

The utility does not currently disconnect customers. The utility has offered payment plans to those who have expressed hardship due to the pandemic.


- b) When and how is your Utility planning to notify customers, if you have not already, that they are at risk for disconnection or termination of regulated utility services upon the lifting of the suspension?

The utility does not disconnect customers. The utility will contact all past due customers with a payment plan offer prior to implementing late fees, interest on past due balances or sending delinquent accounts to collections.

- c) How is your Utility communicating payment plans (or, planning to communicate payment plans) and other options to customers who are at risk for disconnection? Are you currently conducting, or planning to conduct, this outreach prior to any lifting of the suspension?

The utility does not disconnect customers. The utility has been in contact with customers with past due balances to establish payment plans. In addition, the utility will contact all customers via mail and/or email to establish a payment plan for past due balances in the first quarter of 2021 for those who have not already contacted the utility for support.

Sincerely,



John K. Newton
Secretary of Member

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PUBLIC UTILITIES
COMMISSION

The foregoing document was electronically filed with the State of Hawaii Public Utilities Commission's Document Management System (DMS).