



## Hawaiian Beaches Water Company

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December 11, 2020

The Honorable Chair and Members of  
the Hawaii Public Utilities Commission  
465 South King Street  
Kekuanaoa Building, Room 103  
Honolulu, Hawaii 96813

Attention: Caroline C. Ishida, Esq., Chief Counsel

Re: November 25, 2020 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 Commission Staff:

I apologize for not filing this in a timely manner but hope that you will consider my comments to the questions raised by the Commission in its November 25, 2020 filing.

I do not believe the Commission should extend the moratorium on disconnections beyond December 31, 2020. During the current moratorium, we have witnessed certain customers taking advantage of the fact that they will not be shut off and have not made any payment or payment arrangements with us despite numerous communications. We have found that most customers who have been affected by the pandemic have communicated with us and made payment arrangements wherever possible.

My concern is that there will be landlords who will be unfairly penalized when, at the end of the moratorium, may be obligated to pay their tenants' water bills if their tenants move out after using water for the entire year without payment. This is because they will be obligated to pay their tenants' past due water bill to re-establish service to the property (as per our rules). IF the moratorium is continued into next year, the past due accounts on these properties will continue to grow with no effort from the account holder to make payment.

For larger utilities such as HELCO, I understand tenants have to establish service at their new property and their debt can follow them. But as a small utility, we have difficulty collecting from tenants once they move out of the subdivision so we have to rely on our rules to collect the debt. For landlords, some who may have been unable to collect rent from their tenants, will then become responsible for their tenants' water bills. This will put the whole area (which is already low income) in a distressed situation as it will force many homeowners into foreclosure through no fault of their own.

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If the moratorium is lifted, HBWC would not immediately terminate customers with large delinquency, but would work with all customers who communicated with us and have been affected by the pandemic to make payment arrangements with us.

As a small utility with familiarity with its customers, I think that it would be best to lift the moratorium and allow the utility to work with the customers to come up with a payment plan and allow the utility to start charging interest and penalties again on the past due balances to incentivize those customers who are making no effort towards paying their bills to start making payments.

Our customers are all residential with the exception of one business customer. We currently have approximately 10% of our customers (132 out of 1234 customers) whose accounts are in a 'shut off position' of more than 60 days past due. Of these accounts, we have 52 customers who have not made any payments towards their account in over 120 days. 326 out of 1234 customers are past due. The past due balances are as follows:

30 days- \$10,157.43

60 days- \$8800.25

90 days- \$5394.60

120+ days- \$11551.32

Our total past due is \$45,551.48

We ask that if the Commission does not lift the moratorium, they allow us to restrict flow to households that aren't able to make payment to reduce the amount of water that they are using, while still allowing them water to follow basic hygiene practice during the pandemic. Thank you for your consideration of this matter.

Very truly yours,

/s/ Kate Prescott  
President  
Hawaiian Beaches Water Company, Inc.

cc: Consumer Advocate

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PUBLIC UTILITIES  
COMMISSION

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