December 9, 2020

The Honorable Chair and Members
of the Hawai‘i Public Utilities Commission
Kekuanao‘a Building, First Floor
465 South King Street
Honolulu, Hawai‘i 96813

Dear Commissioners:

Subject: 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
Hawaiian Electric Companies' Responses to Commission Request

The Hawaiian Electric Companies[1] respectfully submit herewith their responses to the Commission's letter dated November 25, 2020 regarding *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*.

The Companies are filing the confidential information identified in Attachment A, enclosed herewith, subject to the terms of non-docketed Protective Order No. 37141, issued on May 15, 2020. Attachment A is a log that (1) identifies, in reasonable detail, the information's source, character, and location; (2) states clearly the basis for the claim of confidentiality; and (3) describes, with particularity, the cognizable harm to the Utility from any misuse or unpermitted disclosure of the confidential information included in this filing.

In accordance with Order No. 37043, the Companies are serving this filing on the Consumer Advocate[2] via e-mail.[3]

[1] The "Hawaiian Electric Companies" or "Companies" are Hawaiian Electric Company, Inc. ("Hawaiian Electric"), Maui Electric Company, Limited ("Maui Electric") and Hawai‘i Electric Light Company, Inc. ("Hawai‘i Electric Light").

[2] The "Consumer Advocate" refers to the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs.

[3] Order No. 37043 *Setting Forth Public Utilities Commission Emergency Filing and Service Procedures related to COVID-19* (non-docketed), issued on March 13, 2020 ("Order No. 37043") at 11.

Very truly yours,

/s/ Dean K. Matsuura

Dean K. Matsuura
Director, Regulatory Rate Proceedings

Enclosures

cc: Division of Consumer Advocacy

ATTACHMENT A: CONFIDENTIALITY JUSTIFICATION TABLE

In accordance with Protective Order No. 37141, the Hawaiian Electric Companies[1] hereby identifies redacted confidential information that is being submitted as "confidential information" and: (1) identifies, in reasonable detail, the confidential information's source, character, and location; (2) states clearly the basis for the claim of confidentiality; and (3) describes, with particularity, the cognizable harm to the Companies from any misuse or unpermitted disclosure of the information.

Reference	Identification of Item	Basis of Confidentiality	Harm
PUC QUESTION 2, page 2	Estimated dollar amount impacts of an extension of the disconnection suspension for one month, three months and six months to the Companies' financial conditions.	The confidential financial information is restricted from disclosure by the rules and guidelines of the U.S. Securities and Exchange Commission and/or the New York Stock Exchange, and therefore falls within the frustration of legitimate government function exception of the Uniform Information Practices Act ("UIPA").[2]	Public disclosure of the confidential financial information via non-confidential filing with the Commission could trigger additional requirements of disclosure under the rules and guidelines of the U.S. Securities and Exchange Commission and/or the New York Stock Exchange, creating considerable additional burdens for the Companies and instability and disruption to the market, which would expose the Companies to claims of liability arising from investors' alleged reliance on and/or failure to receive such financial information.
PUC QUESTION 2 Attachment 1	The number of customers past due and the respective amounts in arrears by rate schedule and by timeframe as of November 30, 2020. Total accounts receivable balance, total amount past due great than 30 days, and % past due greater than 30 days as of November 30, 2020.	The confidential financial information is restricted from disclosure by the rules and guidelines of the U.S. Securities and Exchange Commission and/or the New York Stock Exchange, and therefore falls within the frustration of legitimate government function exception of the UIPA.	Public disclosure of the confidential financial information via non-confidential filing with the Commission could trigger additional requirements of disclosure under the rules and guidelines of the U.S. Securities and Exchange Commission and/or the New York Stock Exchange, creating considerable additional burdens for the Companies and instability and disruption to the market, which would expose the Companies to claims of liability arising from investors' alleged reliance on and/or failure to receive such financial information.

[1] The "Hawaiian Electric Companies" or the "Companies" refers to Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawai'i Electric Light Company, Inc.
[2] Haw. Rev. Stat. § 92F-13(3).

PUC QUESTION 1

Reference: Commission's letter *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* filed on November 25, 2020 (Non-Docketed).

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.)?
   i) Alternatively, do you think the suspension should end for certain customer classes before others, and if so, which customer classes, and when?
b) If the suspension is not extended beyond December 31, 2020, would your Utility request authority to voluntarily suspend disconnections?

Hawaiian Electric Companies' Response:

a) The Companies understand and appreciate that the decision whether or not to extend the disconnection moratorium is a significant public policy decision that the Commission has to make. The Companies appreciate the opportunity to provide input. For their part, the Companies are prepared in either event – that is, either the disconnection suspension is extended or it is not. The following are factors the Companies believe are relevant to the Commission's determination. The Companies provide additional relevant considerations for the Commission's decision below and in response to PUC Question 2(b).

   The Companies understand that an extension of the disconnection moratorium may be warranted. Given the total number of COVID-19 cases in Hawai'i (18,390) and average daily cases (93) as of December 6, 2020[1] which have been generally flat over the past few months but higher than when the disconnection moratorium was first put in place, and the

[1] *See* State of Hawai'i, Department of Health, Disease Outbreak Control Division, COVID-19, Hawaii COVID-19 Data, *How is Hawaii Doing at Flattening the Epidemic Curve? (Updated December 8, 2020)*, available at https://health.hawaii.gov/coronavirusdisease2019/what-you-should-know/current-situation-in-hawaii/#epicurve.

gradual opening of the economy and tourism in the midst of the holiday season when larger social gatherings are expected, there is real risk for an increased number of cases in the near future. Sustained or increased infection rates will continue to create difficult economic conditions. Thus, an extension of the disconnection moratorium beyond December 31, 2020 may be appropriate at this time.

However, extending the disconnection moratorium also has potential negative consequences on the Companies' ability to reduce bad debt. While the disconnection moratorium is in place, customers may have a tendency to prioritize other payments ahead of their utility bills. As a result, when the moratorium is lifted, the amounts in arrears may become unmanageable with potentially a higher number of customers in arrears, larger balances, and limited available assistance. The Companies also note that they have had a number of options for customer payment plans available for the past six months and only about 3% of past due accounts have requested and are on an active payment plan, despite significant and ongoing outreach. There was a significant increase in payment plans in the 8 weeks leading up to the September 1, 2020 disconnection moratorium end date and a marked decrease after the moratorium was extended.[2] In addition, based on prior experience, some customers rely on disconnection notices to prompt them to make payments, and thus, a moratorium extension will further increase balances for these

[2] In non-docketed Order No. 37189 issued on June 26, 2020, the Commission extended the suspension of disconnections to July 31, 2020 with the option to extend any suspensions further through September 1, 2020. Subsequently, in non-docketed Order No. 37284 issued on August 24, 2020, the Commission further extended the suspension of disconnections to December 31, 2020.

customers and ultimately increase uncollectible expense beyond the moratorium extension.[3]

Further, as stated in the Companies' December 3, 2020 response to the Consumer Advocate's letter dated November 23, 2020 in Docket No. 2020-0069, the financial impact of the moratorium extension will extend beyond the termination date of the moratorium on service terminations since the impacts of the moratorium and the pandemic on uncollectible expense and the Companies' liquidity and credit quality will continue beyond the end of the moratorium. See the Companies' response to PUC Question 2(b).

However, given the many factors driving the potential need to extend the moratorium, the Companies do not object to extending the moratorium by up to three months beyond December 31, 2020.[4] If the Commission decides to extend the moratorium, the Companies will continue and enhance their efforts to assist customers and reduce the number of accounts and balances in arrears. See the Companies response to PUC Question 3.

i. No. While Hawai‘i relies heavily on the tourism industry, and the impact to tourism and related businesses has been greater than other industries, the economic impact of the pandemic is overarching such that the moratorium extension should extend to all customer classes. As an example, as reported by Hawaii News Now on December 2,

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[3] *See* Response to Consumer Advocate's Letter Dated November 23, 2020, filed on December 3, 2020, Docket No. 2020-0069 at 1, 3-4.

[4] Consistent with the Response to Consumer Advocate's Letter Dated November 23, 2020, filed on December 3, 2020 in Docket No. 2020-0069, the Companies request that the period of cost deferral extend beyond the termination date of the moratorium on service terminations since the impacts of the moratorium and the pandemic on uncollectible expense and the Companies' liquidity and credit quality will continue beyond the end of the moratorium.

2020, "with the pandemic squeezing state budget, public schools are facing as much as $264 million in budget cuts over the next two years."[5]

b) If the Commission does not extend the moratorium beyond December 31, 2020, the Companies would not request authority to voluntarily suspend disconnections. Instead, the Companies will continue to work on payment options and other means to support customers who may have trouble paying account balances with the goal of preventing disconnections for customers. See the responses to part (a) above and PUC Question 3. The Companies are prepared to pursue a number of measures to minimize actual disconnections, given the current state of the pandemic and economy in Hawai‘i, and intend to:

1. Provide extended 12-month payment plans to residential customers with delinquent accounts.
2. Allow for a two-month deferral of any payments for those who are not yet able to pay their bill and work with customers as needed to find other solutions as the Companies advance their understanding of customer needs through these interactions.
3. Limit the initiation of the disconnection process (starting with notices) to approximately 400 customers per month based on the highest and oldest account balances. This limit and the Companies' process will be reassessed based on their experience over the first few months.

[5] "Budget crisis won't spare schools and that has educators worried about the future." *Hawaii News Now*, December 2, 2020, https://www.hawaiinewsnow.com/2020/12/02/budget-crisis-wont-spare-schools-that-has-educators-worried-about-future/.

4. Provide greater advance notice of pending disconnections relative to the Companies' normal disconnection process to allow more time for customers to pay and/or consider the options available to them.
5. Provide enhanced customer outreach through increased number of touchpoints and frequency of outreach compared to the Companies' normal disconnection process. Utilize bill inserts, emails, calls and door hangers to notify customers of their pending disconnection and to connect them with available assistance, whether through the Companies' available options or external assistance.
6. Continue to partner with non-profits and government agencies who are assisting mutual customers.[6]
7. Continue to investigate options for external funding, whether through government, grants or other sources, to reduce customers' past due balances.[7]

With the recognition that the Commission may decide to extend the moratorium, the Companies do not plan on starting any disconnection notifications until the latter part of January 2021 in order to ensure plans do not change, while still ensuring customers have the appropriate communications and reasonable advance notice of the Companies' plans for disconnection. However, the Companies' past due reminder notices continue to go out and inform customers of the current moratorium end date of December 31, 2020. The Companies do believe that it is beneficial to customers and the Companies to have

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[6] Since the financial impact of the pandemic began to affect customers, the Companies implemented numerous programs and enhanced partnership with key stakeholders to coordinate support for those impacted by the pandemic. *See e.g.* Attachment 2 to the Hawaiian Electric Companies COVID-19 Quarterly Reports (Non-Docketed) filed on October 30, 2020 for the further information on their Customer Assistance Programs.

[7] The Companies have been proactively working with the State to evaluate the ability to apply the Coronavirus Aid, Relief, and Economic Security ("CARES") funding to delinquent past due accounts.

reasonable advance notice if the moratorium is to be extended so that the Companies can notify customers of the change and minimize confusion.

PUC QUESTION 2

Reference: Commission's letter *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* filed on November 25, 2020 (Non-Docketed).

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.
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?
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?

Hawaiian Electric Companies' Response:

a) See Attachment 1 to this response[1] for details on the number of customers past due and the respective amounts in arrears by rate schedule and by timeframe (i.e., 1-30 days past due, 31-60 days past due, 61-90 days past due, and greater than 90 days past due) as of November 30, 2020 for the Companies.

b) Two primary areas of potential financial impact on the Companies from extending the moratorium involve related risks to liquidity and bad debt.

Liquidity Concerns

To begin with, the Companies secured additional financing over the last nine months in order to ensure sufficient liquidity to account for lower sales and lower collections as a result of the pandemic. Thus, the Companies believe an extension of the

[1] Attachment 1 to this response contains confidential information which is redacted in accordance with Protective Order No. 37141, issued in this non-docketed matter on May 15, 2020. Attachment A to the transmittal letter of this filing provides the legal basis for the confidential treatment of the information.

moratorium for an additional three months will be manageable absent any significant changes to their assumptions, such as a significant increase in oil prices. Continuing to ensure the Companies' credit-worthiness in the near-term and through the pandemic is critical. The Companies' investment grade credit rating, ability to access the capital markets and maintain their liquidity position have enabled the Companies to manage through the increase in accounts receivable ("AR") resulting from the deferral of customer payments and extension of longer term payment plans to help customers bridge through the crisis.

Bad Debt Concerns

As a practical matter, an extension of the disconnection suspension increases the risk of uncollectable accounts (and therefore bad debt increases) as certain customers continue to accumulate mounting balances and their ability to repay these past due balances becomes more difficult with the passage of time.

Based on the Companies' analysis of the current trends, and assuming no significant volatility in oil prices, the accounts receivable balance will [redacted] with the extension of the moratorium. As such, in addition to the potential increase in bad debt expense, [redacted] is estimated to [redacted][3] The estimated amount consists of customer

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[2] Customer bills fluctuate on a monthly basis and the estimated financial impacts assume that rates remain consistent over the next six months.

[3] Portions of the response to part b contain confidential information which is redacted in accordance with Protective Order No. 37141, issued in this non-docketed matter on May 15, 2020. Attachment A to the transmittal letter of this filing provides the legal basis for the confidential treatment of the information.

balances in arrears that are over 31 days for both residential and commercial customers.[4]

However, the financial impact of increased bad debt associated with an extension of the disconnection moratorium will depend significantly upon related regulatory approvals and actions. For example, the Companies have a pending request to extend deferral of COVID-19 related costs and expenses, the majority of which is bad debt expense, into 2021. The Companies would not presume approval of that request, but certainly the Commission's prior approval to allow deferral of such costs through 2020 has been viewed positively by the financial analyst community[5] and has already been supportive of the Companies' financial condition. Second, financial impacts of the existing moratorium and any extension will be influenced significantly by the Companies' perceived and then actual ability eventually to recover the deferred costs. To the extent that a moratorium extension will cause an increase in the amount of the deferred COVID-19 related costs and expenses, concern by financial markets over recovery will increase. This impacts the Companies' creditworthiness considerations and borrowing ability. This concern could be mitigated to a great extent with a strong signal or affirmation from the Commission that recovery of actual and reasonably incurred COVID-19 related costs will be allowed following subsequent review.

Additional Considerations

Assuming cost recovery approval for bad debt/uncollectable accounts over time, the Companies are also concerned about the burden on all customers in the future. Thus, the

[4] These rising past due balances will also impact the financial condition of the Companies as they need to borrow more short-term debt in order to have enough cash to meet current obligations.

[5] It is noted in the Credit Highlights section of the S&P Report dated July 8, 2020 that "the Hawaii Public Utilities Commission (HPUC) has established deferral accounts for utilities—including HECO—to track any incremental costs and expenses related to the pandemic for subsequent recovery." S&P report was filed as Attachment 1 to the Companies' response to CA-IR-13 on August 28, 2020 in Docket No. 2020-0072.

Companies will continue to pursue their efforts to minimize uncollectable accounts and maximize customer payment options regardless of whether the disconnection moratorium is lifted. Certainly, the Companies are also sensitive to adding to customer burdens in general when the economic recovery from this pandemic will likely take time, maybe years. Thus, the Companies intend to suggest ways to mitigate such customer impacts, such as proposing that recovery be amortized over time.

c) The Companies monitor various metrics in order to track the number of the customers who are in arrears and the impact to the Companies. The Companies recommend that the Commission review the AR aging in a dollar amount and as a % of the total AR balance on a going-forward basis to help the Commission continue to make decisions on the suspension of disconnections and related issues. The AR aging shows the balances that are past due in the 31-60; 61-90 and >90-day timeframe which continue to rise in parallel with the adverse economic impacts of the pandemic. Similarly, the AR % of balances in arrears are significantly more than the entire AR balance relative to the same AR % prior to the pandemic. However, it is worthwhile to note that the AR balances in 2020 have not increased on a total dollar basis as customer bills and the effective rates have decreased an average of 13% since the start of the moratorium for disconnects began in March 2020[6] as customers benefit from lower oil prices. These decreases help to offset the total dollar impact of the AR balances, which drives the need to show the different aging buckets and amounts in arrears increasing instead of the total AR dollar change alone to perform an

[6] As of November 30, 2020, there has been a 71% increase in number of customers who are past due greater than 30 days since the beginning of March 2020.

analysis of the financial impact of the COVID-19 pandemic and other related issues.

Please refer to Attachment 1 to this response for a similar analysis as proposed.

Confidential Information
Deleted Pursuant To
Protective Order No. 37141.

Hawaiian Electric Companies
Past Due Balance as of November 30, 2020

	Number of Customers Past Due by Rate Schedule																			
Nov-20	R				F				G				J				P			
Company	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days
HECO	[redacted]																			
HELCO																				
MECO																				
Total																				

	Amount Past Due by Rate Schedule																			
Nov-20	R				F				G				J				P			
Company	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days	1 - 30 days	31 - 60 days	61 to 90 days	>90 days
HECO	[redacted]																			
HELCO																				
MECO																				
Total																				

Total A/R Balance	[redacted]
Total Amount Past Due Greater than 30 days	
% Past Due Greater than 30 Days	

PUC QUESTION 3

Reference: Commission's letter *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* filed on November 25, 2020 (Non-Docketed).

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

Hawaiian Electric Companies' Response:

a) Please refer to Attachment 2 to the Hawaiian Electric Companies COVID-19 Quarterly Reports (Non-Docketed) filed on October 30, 2020 for existing mechanisms, including new programs and initiatives for COVID-19, that enable customers to alert the Companies that they are experiencing financial hardship or otherwise need special customer protections related to their utility bill or service. In addition, the Companies are evaluating additional mechanisms, including the following:

1. To provide more convenient access to payment arrangements, the Companies are contemplating the following modifications to their practices:

a. Existing monthly Payment Reminder Notices will include a hard copy flyer urging the customer to submit an attached payment arrangement application via an enclosed return envelope to help those with limited access to the internet or who prefer not to call.

b. Customers who receive the hard copy Payment Reminder Notices and have an email address on file will receive a personalized email to which they can reply with the payment arrangement terms desired including an extended 12-month payment arrangement.

2. The Companies are developing doorhangers, that encourage past due customers to request a payment arrangement, that Field Service personnel can leave for customers that the Companies have not been able to reach or who have large balances.

3. The Companies are continuing to investigate options for external funding, whether through government, grants or other sources, to reduce customers' past due balances and develop a mechanism for the Companies to capture the relevant customer data for future assistance programs.

b) Please see below for the payment plans the Companies are currently offering to customers, which include information regarding the proposed minimum and maximum lengths of these payment plans, and those established specifically for vulnerable customers. For all options, late fees and interest fees are waived while on the payment plan.

Payment Arrangement Plan Options	**Residential Plan Details and Eligibility**	**Commercial Plan Details and Eligibility**
4-month Equal Installment	Equal installment payment on the total account balance over a four-month period Eligibility • Financial hardship On-time payment on future monthly bills for the duration of the plan	Equal installment payment on the total account balance over a four-month period Eligibility • Financial Hardship On-time payment on future monthly bills for the duration of the plan
6-month Equal Installment	Equal installment payment on the past due amount over a six-month period Eligibility • Financial Hardship • Credit history - No more than one disconnection notice* • Account balance >=$600 On-time payment of future monthly bills for the duration of the plan	Equal installment payment on the total account balance over a six-month period Eligibility • Financial Hardship • Credit history - No more than one disconnection notice* • Account balance >=$5,000 On-time payment of future monthly bills for the duration of plan
12-month Equal Installment	Equal installment payment on the total account balance over a twelve-month period Eligibility • Financial hardship: Unemployed at any point since March 2020 • Credit history - No disconnection notices* On-time payment of future monthly bills for the duration of the plan	N/A

Deferred Start 4-month or 6-month Equal Installment Plan	Equal installment payment on the total account balance over a four-month or six-month period, starts after two months Eligibility • Financial hardship: Unemployed at any point since March 2020 • Credit history - No disconnection notices* On-time payment of future monthly bills after two months and for the duration of the payment plan	N/A

** Credit history period: 12-month history pre-COVID (March 2019 to February 2020)*

The Companies are considering revising the current payment plans explained above to remove the eligibility requirements (pre-COVID credit history review) and account balance requirements. Once the moratorium is lifted, the Companies are considering automatically enrolling all residential past due accounts into 12-month payment arrangements with an option to opt out. Other payment arrangement options would continue to be available. This will significantly reduce customers subject to disconnection. As previously noted, customers on an active payment arrangement would not be assessed late fees and interest fees and would not be subject to disconnection of utility service (unless they default on the payment arrangement).

c) In addition to the mechanisms identified in the response to part b above, after the moratorium on disconnections for non-payment is lifted, the Companies plan for an extended collections timeline for all customers. The Companies' initial collection process will limit the initiation of the disconnection process (starting with notices) to approximately 400 customers a month based on the highest and oldest account balances. This limit will allow the Companies to focus on providing further assistance to the most delinquent customers so that they do not fall further behind on their payments. The Companies will then reassess their processes based on experience over the first few months. Specific customer protections for Special Medical Needs which includes life support customers who have been identified for the targeted collections will include an even longer timeline with additional outreach steps in the disconnection process.

d) As noted in the response to part a above, the Companies are investigating options for external funding through government grants or other sources to reduce customer past due balances. Support from all stakeholders for such a program will help minimize the impact on other ratepayers of uncollectible expenses resulting from the economic hardships generated by the pandemic.

PUC QUESTION 4

Reference: Commission's letter *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* filed on November 25, 2020 (Non-Docketed).

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?
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?
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?

Hawaiian Electric Companies' Response:

a) The Companies, through numerous channels, have reached out to customers to encourage them to seek the Coronavirus Aid, Relief, and Economic Security ("CARES") Act funding and other financial assistance, and to set up payment arrangements. Attachment 2 to the Hawaiian Electric Companies COVID-19 Quarterly Reports (Non-Docketed) filed on October 30, 2020 provides further information on customer engagement as of September 30, 2020. In addition, the Companies effort included:

- Hoʻokuʻi customer newsletter, included as a bill insert every other month, has provided information on the disconnection moratorium and available assistance programs.[1]

- Several news releases[2] generated earned media, or news coverage, and have encouraged customers to seek federal CARES Act funding and/or to contact the Companies for payment arrangement.

[1] *Hoʻokuʻi* customer newsletter is available at the Companies' website at https://www.hawaiianelectric.com/billing-and-payment/customer-newsletters.

- In a September Hawaii News Now interview, John Fink of Aloha United Way ("AUW") reassured customers that it is okay to ask for help. Hawaiian Electric set up the interview for Fink.[3]

- A July 21, 2020 Honolulu Star-Advertiser item in Kokua Line outlined the Hawaiian Electric's payment arrangement plan offerings.[4]

- A July 21, 2020 KITV online article also highlighted the Companies' payment plans.[5]

- In a July 28, 2020 KHON web article, CARES Act funding and other financial assistance programs were promoted.[6]

- An August 25, 2020 Hawaii News Now online article reported that the moratorium on disconnections was extended through the end of 2020.[7]

- Hawaiian Electric Companies' Website

  - Dedicated COVID-19 update page created for customers at www.hawaiianelectric.com/COVID19 where all news releases and internal and external resources for customers are available

  - Dedicated COVID-19 page for businesses at https://www.hawaiianelectric.com/covid-19-response-for-businesses

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[2] Hawaiian Electric Companies' news releases are available at their website at https://www.hawaiianelectric.com/about-us/newsroom and at https://www.hawaiianelectric.com/hawaiian-electrics-response-to-covid-19.

[3] "Aloha United Way helps residents pay for utilities and rent." *Hawaii News Now*, September 18, 2020, https://www.hawaiinewsnow.com/video/2020/09/18/aloha-united-way-helps-residents-pay-utilities-rent/.

[4] "Hawaii News, Kokua Line: Hawaiian Electric has payment plans for households and businesses with overdue bills." *Honolulu Star-Advertiser*, July 21, 2020, https://www.staradvertiser.com/2020/07/21/hawaii-news/kokua-line/kokua-line-hawaiian-electric-has-payment-plans-for-households-and-businesses-with-overdue-bills/.

[5] "Hawaiian Electric offering payment plans for customers dealing with COVID-19 financial effects." *KITV*, July 21, 2020, https://www.kitv.com/story/42396032/hawaiian-electric-offering-payment-plans-for-customers-dealing-with-covid19-financial-effects.

[6] "Financial options available to help HECO customers pay electric bill." *KHON*, July 28, 2020, https://www.khon2.com/coronavirus/financial-assistance-available-to-help-heco-customers-pay-electric-bill/.

[7] "Disconnections suspended until end of the year, customers urged to form payment plan." *Hawaii News Now*, August 25, 2020, https://www.hawaiinewsnow.com/2020/08/26/disconnections-suspended-until-end-year-customers-urged-form-payment-plan/.

  - New payment arrangement page outlining the different options which are also detailed in the response to PUC Question 3(b): https://www.hawaiianelectric.com/billing-and-payment/payment-assistance/payment-arrangement-options and a mobile-friendly form to submit request: https://www.hawaiianelectric.com/billing-and-payment/payment-assistance/payment-arrangement-options/payment-arrangement-request-form

- Social Media – Since the onset of the pandemic, the Companies have posted updates on an ongoing basis to help customers understand that there is a disconnection suspension in place and to help provide resources for financial assistance to help with rent and other monthly expenses.

- Low to Moderate Income ("LMI") Stakeholder Outreach
  As of November 2020, the Companies currently have 102 individuals from 49 non-profits and government agencies in their LMI Stakeholder outreach group, which includes Catholic Charities, Moloka'i Community Service Council, Legal Aid of Hawai'i, Hawai'i Energy, Salvation Army, and Hawai'i County Economic Opportunity Council. The kick-off meetings were held at the end of October and early November of this year and the respective feedback from the meetings are being considered into the Companies' outreach plans.

- CARES Funding Flyer Campaign
  The Companies created a CARES funding flyer in partnership with the City and County of Honolulu, County of Maui, and Hawai'i County. The CARES Funding Flyer Campaign began in mid-September 2020 and ended in October 2020. The campaign included:

  - Targeted emails for customers with outstanding balances. A link to the CARES assistance flyer was embedded in the email message for the customer's respective county.

  - Customers with outstanding balances who were slated to receive a reminder notice in the mail also received a hard copy CARES assistance flyer during the next notice cycle.

  - If a customer called for payment assistance help, the Companies' Call Center Representatives provided them with the flyer for their respective county.

b) Since September 2020, the Companies have been sending notices and emails to remind customers of the disconnection moratorium and to encourage them to contact the

Companies to set up payment arrangement. The communication included links to various funding available for assistance with utility bills by county.

Starting in July 2020, the Companies resumed automated direct mail reminder notices to customers with past due balances. The notices are printed on the bill form template, with contact and other information printed on the back. The language in the notice template was revised to address the current situation and is updated periodically to align with the Companies' overall message to customers. For example, when the disconnection moratorium end date is revised, the message is revised accordingly. Also, in September 2020, specific information about county CARES funding was included to urge customers to seek assistance and a hard copy flyer specific to each county.

c) The Companies have provided ongoing communication on the availability of payment arrangements and increased communication outreach with the addition of flexible payment arrangements. The additional flexible payment arrangements were part of the Companies' overall comprehensive collection strategy. Initially, customers were able to email a PDF form to sign up for a payment arrangement and in September 2020, the PDF form was converted to a mobile-friendly form so customers could submit it easily to the Companies.

With the possibility that the disconnection moratorium may be extended, the Companies' messaging has focused mainly on setting up payment arrangements to avoid disconnection. The overarching message has been: "We need to hear from you in order for us to help." Below are examples of messages on customer bills:

- December 2020: "It's OK to ask for help. Contact us if you're having difficulty paying your electric bill and we'll help you set up a payment plan. Go to www.hawaiianelectric.com/paymentarrangement for request form."

- November 2020: "Disconnections for nonpayment resume after Dec. 31, 2020, unless otherwise directed by regulators. Set up a payment plan now for past due balances at www.hawaiianelectric.com/paymentarrangement."

- October 2020: "Customers having difficulty paying their bill have options. Set up payment arrangement at www.hawaiianelectric.com/paymentarrangement. For assistance programs go to www.hawaiianelectric.com/COVID19."

If the Commission does not extend the moratorium, as noted in response to PUC Question 1(b), the Companies are prepared to pursue a number of measures to minimize actual disconnections given the current state of the pandemic and economy in Hawai‘i.