

**MORIHARA LAU & FONG LLP**  
A LIMITED LIABILITY LAW PARTNERSHIP

December 9, 2020

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

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:  
Kohala Ranch Water Company's ("KRWC") Responses

Dear Commissioners and Commission Staff:

KRWC hereby submits its responses to the Hawaii Public Utilities Commission's  
("Commission") November 25, 2020 letter.

Thank you for your consideration in this matter. Should you have any questions,  
please do not hesitate to contact the undersigned.

Very truly yours,

/s/ Kent D. Morihara  
KENT D. MORIHARA  
JAMIE C. YOSHIKANE  
LIANNA L. FIGUEROA

Morihara Lau & Fong LLP  
Attorneys for Kauai island Utility  
Cooperative

c: Division of Consumer Advocacy

**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**

KRWC Corporation dba Kohala Ranch Water Company's Responses  
December 9, 2020

**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.)?

**Response:** As shown in the information provided in Question 2.a below, KRWC Corporation dba Kohala Ranch Water Company (KRWC) has not experienced any increase in past due balances during the suspension of disconnection/terminations ordered by the Commission. As a result, KRWC takes no position on whether the suspension should be extended or terminated since it appears that the suspension has not impacted our customers' ability or decision to pay KRWC.

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

**Response:** For the same reasons as above, KRWC takes no position on this question.

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

**Response:** KRWC does not anticipate requesting the authority to voluntarily suspend disconnections in the event the suspension is not extended beyond December 31, 2020.

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.

**Response:** The following table summarizes the current cumulative past due balances. These balances are consistent with what KRWC had experienced before COVID-19.

KRWC Summary of Past Due Balances		
Past Due	Customers	Amount
31-60 days	41	\$29,986.07*
61-90 Days	9	\$1,462
Over 90 Days	5	\$589.09

\* This past due amount includes \$16,969.53 that has been due from the Department of Hawaiian Home Lands (DHHL). DHHL payments are inconsistent in timing but have always been made in full.

- 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?

**Response:** Based on the fact that KRWC has not experienced an increase in its past due balances during the suspension period, KRWC does not currently anticipate that the extension of the disconnection suspension would have any significant impact on its financial condition.

- 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?

**Response:** Based on the limited impacts of the suspension to date upon KRWC, KRWC does not believe that it has any additional information that would assist the Commission in its analysis on this matter as it pertains to KRWC and KRWC's customers.

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?

**Response:** Our normal practice is to work with the customers on an individual basis if they are late with their payments. As noted above and to the best of our knowledge, there has not been any increase in the number of customers who have been late with payments nor have there been any customers who have been unable to make payments due to COVID-19 related hardship.

- 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.).

**Response:** See response to Question 3.a above. In the event a customer experiences a financial hardship, KRWC would contemplate deferring any service shut offs for that customer as long as there is a good faith effort by the customer to bring the past due amounts current within a reasonable period of time.

- 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.)?

**Response:** See response to Question 3.b above. In the event a customer has special medical needs, KRWC would provide additional consideration regarding that customer's special needs in attempting to reach a solution that would allow that customer to become current on their past due amounts within a reasonable period of time.

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

**Response:** Based on the limited impact of the suspension of disconnections upon KRWC and its customers, KRWC does not have any position on this question.

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?

**Response:** As noted above, there are currently no KRWC customers at risk for disconnection as a result of COVID-19. However, as discussed in the response to Question 3.a above, if a customer does become late with their payments, KRWC's normal practice is to work with the customers on an individual basis. As discussed in Question 3.b above, if a customer is experiencing a financial hardship, KRWC would contemplate deferring any service shut offs for that customer as long as there is a good faith effort by the customer to bring the past due amounts current within a reasonable period of time.

- 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?

**Response:** As explained in the response to Question 3.a above, it is KRWC's normal practice to work with its customers on an individual basis if they are late with their payments. Because there currently are no KRWC customers at risk for disconnection or termination of water service for non-payment, KRWC does not believe that such a notice would be necessary under these circumstances.

- 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?

**Response:** Not applicable. As noted above, there are currently no KRWC customers at risk for disconnection. However, as discussed in the response to Question 3.a above, if a customer does become late with their payments, KRWC's normal practice is to work with the customers on an individual basis. As discussed in Question 3.b above, if a customer is experiencing a financial hardship, KRWC would contemplate deferring any service shut offs for that customer as long as there is a good faith effort by the customer to bring the past due amounts current within a reasonable period of time.

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COMMISSION

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