

Hawaii American Water Company (HAWC) recently filed an application (Docket No. 2024-0038) with the Hawaii Public Utilities Commission (PUC) seeking, among other things, approval to increase wastewater rates presently in effect (proposed rate increases). Hawaii American Water is authorized by the PUC to provide wastewater collection, treatment and disposal services to residences, condominiums, commercial and other establishments and facilities in the Hawaii Kai community on the island of Oahu.

The proposed rate increases, if approved, would result in an increase of approximately 11% for Hawaii American Water's Hawaii Kai customers.



HAWAII
AMERICAN WATER

P.O. Box 25010
Honolulu, HI 96825

**IMPORTANT INFORMATION
ABOUT A PUBLIC HEARING**

**NOTICE OF PUBLIC HEARING ON HAWAII
AMERICAN WATER'S REQUEST TO INCREASE
WASTEWATER RATES AND RULE CHANGES
DOCKET NO. 2024-0038**

You are invited to attend an in-person public hearing being held by the Hawaii Public Utilities Commission.

IN-PERSON OR ONLINE PUBLIC HEARING

Friday, October 25, 2024, at 5:45 p.m. HST

IN-PERSON MEETING

**Public Utilities Commission Hearing Room
Kekuanao`a Building**
465 South King Street, Room 103
Honolulu, Hawaii 96813

ONLINE MEETING

<https://bit.ly/3zAjeat>
Meeting Number: **2558 610 7635**
Meeting Password: **2PqUvJS7hg3**
Dial-in Number: **+1-650-479-3208**
Access Code: **2558 610 7635**

The following summarizes Hawaii American Water’s proposed rate increases and adjustments by customer class:

Customer Class	Current Rates	Proposed Rates	Percentage Change
Residential Units			
Single-Family Residential Unit (monthly service charge per dwelling unit)	\$79.21	\$88.28	11.45%
Multi-Family Residential Unit (monthly service charge per dwelling unit)	\$67.40	\$75.12	11.45%
Commercial (Non-Residential) Units			
Food Service Operation	\$18.98 per 1,000 gallons of water used	\$21.15 per 1,000 gallons of water used	11.43%
Non-Food Service Operation	\$11.65 per 1,000 gallons of water used	\$12.98 per 1,000 gallons of water used	11.42%
Public Authority - Other	\$11.65 per 1,000 gallons of wastewater treated	\$12.98 per 1,000 gallons of wastewater treated	11.42%
Public Authority - Dwelling	\$4.40 per 1,000 gallons of wastewater treated	\$4.90 per 1,000 gallons of wastewater treated	11.36%

Hawaii American Water’s last rate case filing for Hawaii Kai was in 2021 in PUC Docket No. 2021-0063. The proposed rate increases are needed to help Hawaii American Water recover increased costs of furnishing wastewater service. Since Hawaii American Water’s last rate case, its customer base and resulting operating revenues have remained relatively constant, while operating costs have increased. In addition, Hawaii American Water has made annual investments in plant and equipment for its Hawaii Kai operations that are prudent and necessary for the provision of its utility service. In its application, Hawaii American Water is seeking PUC approval of an increase of \$1,382,060 in total revenues or approximately 11.45% over total revenues at present rates for Hawaii Kai.

As part of its Application, HAWC also requests, among other things, that the Commission: approve changes to its existing tariffs, including, without limitation, adding a new rule for a Catastrophic Event Tracking Mechanism to address cost recovery related to the restoration, repairs, replacement, and compliance with government agency orders resulting from declared disasters; establishing a new Capital Infrastructure Surcharge Mechanism that facilitates smaller, more gradual rate increases by annually updating eligible capital expenditures completed in the prior calendar year and implementing a surcharge to recover HAWC’s return and related revenue requirement on those investments; revising the Schedule of Wastewater Rates for residential, commercial and public authority customers to reflect the rates and rate structure proposed by HAWC to reflect HAWC’s requested revenue requirement; updating certain definitions; adding a new section for an Automatic Power Cost Adjustment Clause to address power cost recovery; aligning language in an older tariff with language in a recently Commission-approved tariff.

The PUC will review all of Hawaii American Water’s requests described in its application and other supporting information and will render a decision after receiving input from the Consumer Advocate’s office, which is statutorily responsible to represent, protect and advance the interest of all customers/consumers. Please note that the adjustments to Hawaii American Water’s current rates and/or charges to be approved by the PUC in this proceeding, if any, may be higher or lower than the proposed rates and/or charges noted in the application.

Customers may find the PUC’s notice of public hearing here:
<https://puc.hawaii.gov/category/public-notice/>

The PUC’s public hearing on the proposed rate increases will be held as follows:

PUBLIC HEARING: Friday, October 25, 2024, at 5:45 p.m. HST	
<p>IN-PERSON MEETING Public Utilities Commission Hearing Room Kekuanoa`a Building 465 South King Street, Room 103 Honolulu, Hawaii 96813</p>	<p>ONLINE MEETING https://bit.ly/3zAjeat Meeting Number: 2558 610 7635 Meeting Password: 2PqUvJS7hg3 Dial-in Number: +1-650-479-3208 Access Code: 2558 610 7635</p>

We encourage all of our customers to attend. A copy of the application describing the proposed rate increases in further detail is available for public viewing during regular business hours at our office, 6700 Kalanianaʻole Highway, #206, Honolulu, HI 96825, and at our website, hawaiiwater.com > Customer Service & Billing > Your Waste Water Rates. A copy of the application can also be found on the PUC’s Document Management System, as noted in the PUC’s notice of public hearing referenced above.

Why the Proposed Rate Increase is Needed

Since its Hawaii Kai rate case (Docket No. 2021-0063), HAWC has made infrastructure investments of approximately \$9.6M from 2022 through mid-2024, with additional ongoing and planned investments of approximately \$7.1M through 2025. Our primary project has been replacement of all the components of a crucial pump station. Additionally, we have replaced infrastructure to safely store chemicals and are renewing the coating systems at the treatment plant. We remain committed to providing exceptional service to our customers, complying with regulatory standards, and safeguarding our environment. Together, we’ll continue to make Hawaii Kai, our beautiful ocean, and pristine beaches the best in the world.

While we know that no rate increase is ever welcome, we are proud of the work we have done to maintain and even improve service and quality of treatment.

We’re Here for You

Hawaii American Water is here to serve you. We believe the proposed rate increases will allow us to better serve the Hawaii Kai community. If you have questions about the proposed rate increases, or any questions about your wastewater service, please call us at 1-808-394-1285. Mahalo.