



**Hawaiian
Electric**

NEWS RELEASE

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Regulators approve Hawaiian Electric proposal for no increase in O‘ahu rates

HONOLULU, Oct. 22, 2020 – The Public Utilities Commission (PUC) has approved Hawaiian Electric’s proposal for no rate increase for O‘ahu customers.

The final decision by the PUC affirms the settlement reached in May between the company and the state Division of Consumer Advocacy for no rate increase.

In its August 2019 application to the PUC, the company had requested a 4.1 percent increase in revenues, or \$77.5 million. The increase was sought to help pay for operating and capital costs, including upgrades to strengthen the grid and integrate more renewable energy.

With the onset of the COVID-19 pandemic and broad economic impacts on residents and businesses, Hawaiian Electric cut its rate request to zero in the spring even as it continued to invest in and maintain the electric system.

With falling oil prices and no change to base rates, a monthly bill for a typical residential customer on O‘ahu using 500 kilowatt-hours was \$139.36 in October, compared to \$153.64 in October 2019.

Hawaiian Electric has begun a comprehensive, 3-year cost reduction program that uses technology and resources shared across five islands to work more efficiently while improving service to customers.

The company has committed to reduce costs by at least \$25 million a year by the end of 2022 and accepted the findings of a management audit conducted for the PUC as part of its review of the rate application. “The commission is gratified with the company’s open-minded approach and its willingness to embrace the management audit’s findings and recommendations,” the PUC said in its decision.

The last rate review for O‘ahu was filed in 2016 and resulted in a decrease to customer rates overall, largely due to the pass-through of savings from federal tax law changes.

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