

Motion to intervene filed against KIUC rate hike

By [Jackson Healy The Garden Island](#) | Wednesday, April 12, 2023, 12:05 a.m.

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LIHU‘E — Local activist group Friends of Maha‘ulepu has filed a motion to intervene in the Kaua‘i Island Utility Cooperative’s request to increase electric rates by an average 9.42 percent.

The motion, if passed, would not immediately kill the proposed rate increase. However, it would grant the group a seat at the table as the state Public Utilities Commission decides whether to approve or deny KIUC’s request, allowing them to directly make their case to the ultimate authority on the matter.

In the filing’s text, Friends of Maha‘ulepu argues their organization has a right to intervention based on their emphasis of cultural and environmental issues — issues they say no currently involved group represent.

“Because our members are cultural practitioners and have a different interest than either the consumer advocate will have or KIUC has exhibited in their application ... we bring to the table something that some cases say make our inclusion mandatory,” said Friends of Maha‘ulepu President Bridget Hammerquist.

Specifically, the filing references the Waiahi hydroplants and proposed West Kaua‘i Energy Project, as being “highly problematic” and having both environmental and cultural consequences not currently accounted for.

Additionally, Hammerquist and Friends of Maha‘ulepu have taken aim at KIUC’s proposed rates, particularly for residents.

In both the filing and statements made to The Garden Island, Hammerquist has made claims that the cooperative’s claims of a 9.42 percent rate increase are misleading. Hammerquist instead argues while commercial resort ratepayers would receive smaller increases, residents would be hit with increases between 18.5 and 20 percent.

However, KIUC has refuted these claims, arguing Friends of Maha‘ulepu is falsely representing its proposed rates.

“Analyzing the impact of a rate increase on customer bills is a rather complex calculation and requires a comprehensive understanding of utility rates,” said KIUC communications manager Beth Amaro.

“Unfortunately, in Ms. Hammerquist’s case, rather than requesting clarification from KIUC on how the 9.4 percent increase is calculated, she chose to go public with her incorrect and misleading information.”

Amaro says the confusion likely comes down to a technical change in how KIUC calculates its bills.

Previously, the cooperative’s fluctuating fuel expenses were included as its own distinct charge. Under the newly proposed rates, these expenses would be embedded in other charges, such as non-fuel energy charge and base fuel charge.

“This amount would be in member bills regardless of our rate filing, and should not be characterized as an increase from the rate case,” Amaro said. “Ms. Hammerquist incorrectly includes fuel increase amounts as an increase from the rate filing and inflates the rate case increase to 19 percent.”

Amaro also denied rates between classes being significantly different from each other.

“Overall, the estimated revenue increase in our rate filing is \$16.7 million, or 9.42 percent,” she said. “This increase was essentially applied equally against all major customer classes. Claims that residential customers are receiving a higher percentage increase than commercial or industrial customers is incorrect.”

Amaro said KIUC intends to formally file a response on the motion with the Public Utilities Commission within the required five-day period.

KIUC has argued the 9.42 percent rate increase is necessary to address several economic factors, including rising inflation and growing operation and maintenance costs. Additionally, the cooperative is seeking to recover \$12.8 million in revenue that had been deferred during the COVID-19 pandemic.

Individuals looking to provide comments on the proposed rate hike can send them to puc.comments@hawaii.gov. All comments must reference Docket No. 2022-0208 — the rate case’s formal title — and include the person’s name, as well as whether the person is representing an entity or organization.

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