

September 30, 2008

WATER BOARD, COUNTY OF HAWAI‘I
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Water Board of the County of Hawai‘i will hold a public hearing in the Department of Water Supply, Hilo Operations Center Conference Room, 889 Leilani Street, Hilo, Hawai‘i, on Tuesday, October 28, 2008, at 9:00 a.m. for the purpose of considering and adopting a proposed amendment to the frequency and method of calculating the Power Cost Charge pursuant to Hawai‘i Revised Statutes Chapter 54, Part III, as amended.

CURRENT METHOD OF CALCULATING THE POWER COST CHARGE AND FREQUENCY OF CALCULATIONS

Presently, all water use is subject to the imposition of a Power Cost Charge in addition to the monthly standby and water consumption charges. Historic Actual Power Cost Charges are as follows:

Actual Power Cost Charges (*per 1,000 gallons*)

<i>July 1, 2005</i>	<i>1.16</i>
<i>July 1, 2006</i>	<i>1.50</i>
<i>July 1, 2007</i>	<i>1.60</i>
<i>July 1, 2008</i>	<i>1.70</i>

As part of the Department’s annual budget review process, the Department reviews the actual unit costs of power for each twelve-month period ending March 31st. At this time, the Power Cost Charge for the upcoming fiscal year will be calculated as the sum of the following two components: (1) budgeted unit power cost for the upcoming fiscal year, and (2) the difference (plus or minus) between the actual unit power costs incurred during the twelve-month period ending March 31st as previously described and the Power Cost Charge then in effect.

Revised Power Cost Charges are implemented on July 1st of each year.

PROPOSED CHANGES TO THE METHOD OF CALCULATING THE POWER COST CHARGE AND FREQUENCY OF CALCULATIONS

The Department is proposing that it be allowed to revise the Power Cost Charge (PCC) every two months, as it deems necessary, as opposed to its current practice of revising the PCC annually. The Department is also proposing that the formula used to calculate the PCC be as follows:

Every two months, as it deems necessary, the Department shall calculate the PCC which will be based on the actual unit cost of power for that two month period, or for the period since the last revision to the PCC (referred to as “Review Period”). “Actual Unit Cost of Power” is defined as a proportion of the actual power cost for the Review Period divided by actual water consumption by the Department for the Review Period, or more simply:

$$\text{Actual Unit Cost of Power} = \text{Actual Power Cost} / \text{Water Consumed} = \text{PCC}.$$

The Actual Power Cost will include the Department’s HELCO (and other utilities) power bill.

The PCC will then be applied to each 1,000 gallons of water used by the customer. For example, if a customer utilizes 24,000 gallons of water in a two-month period, and the PCC increases from \$1.70 to \$1.90, then that customer will pay a power cost adjustment charge of \$4.80 more for that two-month billing period.

Thus, the new Power Cost Charge shall be calculated and described in the Water Rate Schedule as follows:

“All water use shall be subject to the imposition of a Power Cost Charge (PCC) in addition to the monthly standby and water consumption charges.

The Department shall calculate the PCC from the actual unit cost of power for the period since the last revision (Review Period). The PCC is the actual power cost for the Review Period divided by actual water consumption as measured by the Department for the Review Period, or more simply:

$$\text{PCC (unit power cost)} = \text{Actual Power Cost} / \text{Actual Water Consumed}$$

The Actual Power Cost will include the Department’s HELCO (and other utilities) power bill.

The PCC shall be applied to each 1,000 gallons of water consumed for the billing period.

At its discretion, a revised PCC may be implemented by the Department every two months. At a minimum, the Department shall calculate the PCC as part of the Department’s annual budget review process so as to maintain a balanced budget.

The public may view the PCC calculation analysis at 345 Kekūanaō‘a Street, Hilo, Hawaii, 96720 and at the Department’s web site at: www.hawaiiidws.org. Public Notice of modifications of the PCC will be made as required by law prior to implementation.”

All those desiring to express their views, arguments, or submit data on the above matter may do so by submitting statements in writing to the Chairperson of the Water Board of the County on or before the date of the public hearing; but anyone interested may appear in person to submit their data, views, or arguments orally before the Water Board at the hearing. Submissions made to the

Chairperson prior to the date of the hearing shall be mailed or delivered to the Chairperson in care of the Department of Water Supply, 345 Kekūanaō‘a Street, Hilo, Hawai‘i 96720.

If accommodation or auxiliary aid and/or services (i.e., sign language, interpreter, large print) to participate in the hearing is required, please call (808) 961-8050.

Dated at Hilo, Hawai‘i, this 30th day of September, 2008.

WATER BOARD OF THE
COUNTY OF HAWAI‘I

By: Thomas Goya
Its Chairperson

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 720-5964 (voice and TDD)

Posted on the internet at:
www.hawaiidws.org

Hawaii Tribune Herald
October 5 and 7, 2008

West Hawaii Today
October 5 and 7, 2008