

June 21, 2010

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 on the Proposed Water Rates at **9:30 a.m., July 27, 2010, Tuesday, at the Department of Water Supply, Hilo Baseyard Conference Room, 889 Leilani Street, Hilo, Hawai‘i.**

Pursuant to Chapter 54, Part III, Hawai‘i Revised Statutes, the hearings will be for the purpose of hearing views and comments of all persons interested in the following proposals for increases in the water rate schedules to be applied by the Department of Water Supply, County of Hawai‘i, for all districts.

**THE WATER BOARD IS SOLICITING PUBLIC INPUT ON FOUR
PROPOSED RATE STRUCTURES FOR GENERAL USE AND AGRICULTURE
USE RATES.**

- 1) OPTION “A” reflects graduated levels of annual rate increases for agriculture customers so that by July 1, 2014, agriculture customers are paying their “cost of service.”**
- 2) OPTION “B” makes no change to the current agriculture rate over a 5 year period. In order to generate sufficient revenues for the Department, the 3rd and 4th block rates for general use customers are greater than in Option A.**
- 3) “CATTLEMEN’S OPTION” reflects a change in rate structure for agriculture customers from 1 consumption rate to 3 block rates. The first 2 blocks are the same as the first 2 blocks for general use customers in Options “A” and “B.” The 3rd block increases the current \$0.85 agriculture rate by 2 cents on an annual basis.**
- 4) “MODIFIED CATTLEMEN’S OPTION” is similar to the “Cattlemen’s Option” except that annual 3rd block rate increases correspond to the system-wide percentage rate increase.**

Please be aware that these are alternative proposals. The Water Board may adopt either of the 4 proposals or a different set of rates based on public input.

At its last meeting on June 15, 2010, the Water Board adopted Option B, which became effective July 1, 2010.

OPTION A: PROPOSED GENERAL USE RATES (per 1,000 gallons)

In addition to standby and power cost charges, a consumption charge will be applied to all general use customers.

Option A	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
1 st Block	\$0.81	\$0.86	\$0.86	\$0.87	\$0.87
2 nd Block	\$1.67	\$1.68	\$1.68	\$1.69	\$1.69
3 rd Block	\$2.87	\$2.88	\$2.88	\$2.89	\$2.89
4 th Block	\$3.77	\$3.78	\$3.78	\$3.79	\$3.79

OPTION A: PROPOSED AGRICULTURAL USE RATES (per 1,000 gallons)

In addition to standby and power cost charges, a consumption charge will be applied to all agricultural use customers.

	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
Option A - All Usage	\$0.92	\$1.07	\$1.21	\$1.42	\$1.69

OPTION B: GENERAL USE RATES (per 1,000 gallons) CURRENTLY IN EFFECT

In addition to standby and power cost charges, a consumption charge will be applied to all general use customers.

Option B	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
1 st Block	\$0.81	\$0.86	\$0.86	\$0.87	\$0.87
2 nd Block	\$1.67	\$1.68	\$1.68	\$1.69	\$1.69
3 rd Block	\$2.93	\$3.01	\$3.01	\$3.02	\$3.02
4 th Block	\$3.89	\$3.99	\$3.99	\$4.00	\$4.00

OPTION B: AGRICULTURAL USE RATES (per 1,000 gallons) CURRENTLY IN EFFECT

In addition to standby and power cost charges, a consumption charge will be applied to all agricultural use customers.

	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
Option B - All Usage	\$0.85	\$0.85	\$0.85	\$0.85	\$0.85

CATTLEMEN’S OPTION: PROPOSED GENERAL USE RATES (per 1,000 gallons)

In addition to standby and power cost charges, a consumption charge will be applied to all general use customers.

Cattlemen’s Option	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
1 st Block	\$0.81	\$0.86	\$0.86	\$0.87	\$0.87
2 nd Block	\$1.67	\$1.68	\$1.68	\$1.69	\$1.69
3 rd Block	\$2.87	\$2.88	\$2.88	\$2.89	\$2.89
4 th Block	\$3.77	\$3.78	\$3.78	\$3.79	\$3.79

CATTLEMEN’S OPTION: PROPOSED AGRICULTURAL USE RATES (per 1,000 gallons)

In addition to standby and power cost charges, a consumption charge will be applied to all agricultural use customers.

Cattlemen’s Option	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
1 st Block	\$0.81	\$0.86	\$0.86	\$0.87	\$0.87
2 nd Block	\$1.67	\$1.68	\$1.68	\$1.69	\$1.69
3 rd Block	\$0.87	\$0.89	\$0.91	\$0.93	\$0.95

MODIFIED CATTLEMEN’S OPTION: PROPOSED GENERAL USE RATES (per 1,000 gallons)

In addition to standby and power cost charges, a consumption charge will be applied to all agricultural use customers.

Modified Cattlemen’s Option	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
1 st Block	\$0.81	\$0.86	\$0.86	\$0.87	\$0.87
2 nd Block	\$1.67	\$1.68	\$1.68	\$1.69	\$1.69
3 rd Block	\$2.87	\$2.88	\$2.88	\$2.89	\$2.89
4 th Block	\$3.77	\$3.78	\$3.78	\$3.79	\$3.79

MODIFIED CATTLEMEN’S OPTION: PROPOSED AGRICULTURAL USE RATES (per 1,000 gallons)

In addition to standby and power cost charges, a consumption charge will be applied to all agricultural use customers.

Modified Cattlemen’s Option	Effective July 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014
1 st Block	\$0.81	\$0.86	\$0.86	\$0.87	\$0.87
2 nd Block	\$1.67	\$1.68	\$1.68	\$1.69	\$1.69
3 rd Block	\$0.94	\$0.98	\$0.98	\$0.99	\$0.99

ALL PROPOSALS: GENERAL USE BLOCK THRESHOLDS (gallons per month)

Meter Size (inches)	1 st Block	2 nd Block	3 rd Block	4 th Block
5/8"	5,000	5,001 - 15,000	15,001 - 40,000	> 40,000
1"	5,000	5,001 - 100,000	100,001 - 300,000	> 300,000
1½"	5,000	5,001 - 400,000	400,001 - 1,000,000	> 1,000,000
2"	5,000	5,001 - 900,000	900,001 - 2,000,000	> 2,000,000
3"	5,000	5,001 - 2,000,000	2,000,001 - 5,000,000	> 5,000,000
4"	5,000	5,001 - 4,700,000	4,700,001 - 10,000,000	> 10,000,000
6"	5,000	5,001 - 10,000,000	10,000,001 - 25,000,000	> 25,000,000
8"	5,000	5,001 - 20,000,000	20,000,001 - 50,000,000	> 50,000,000
10"	5,000	5,001 - 40,000,000	40,000,001 - 100,000,000	> 100,000,000
12"	5,000	5,001 - 60,000,000	60,000,001 - 150,000,000	> 150,000,000

CATTLEMEN’S & MODIFIED CATTLEMEN’S OPTIONS: AGRICULTURE RATE BLOCK THRESHOLDS (gallons per month)

Meter Size	1 st Block	2 nd Block	3 rd Block
All Sizes	5,000	5,001 - 15,000	> 15,000

ALL PROPOSALS: AGRICULTURAL USE

In order to qualify for agricultural rates, applicants shall file annually with the Department, a written application and furnish upon request, satisfactory proof (as determined by the Department), of engagement in agriculture, stock raising or dairy farming on a commercial basis, and that water used in addition to the above is limited to one dwelling. The Department reserves the right to limit or restrict water flow to agricultural users in the event of water shortage or in the event water service to domestic users is disrupted or lowered because of agricultural water use. Applicants shall install backflow preventers which shall be inspected and approved by the Department before water service is granted. Agricultural rates are not applicable to canneries, mills or markets or other establishments engaged in the conversion or treatment or packaging of agricultural products.

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 21st day of June, 2010.

WATER BOARD OF THE
COUNTY OF HAWAI‘I

By: Dwayne Mukai
Its Chairperson

The Department of Water Supply is an Equal Opportunity provider and employer.

Posted on the Internet at:
<http://www.hawaiidws.org>

Hawaii Tribune-Herald
June 25, 2010

West Hawaii Today
June 25, 2010