



Hawaiian Electric
Maui Electric
Hawai'i Electric Light

NEWS RELEASE

FOR IMMEDIATE RELEASE

Tax cut means bill reduction for O'ahu utility customers

HONOLULU, March 9, 2018 – Customers of Hawaiian Electric Company will see their bills fall as the result of an updated base-rate adjustment approved by the Public Utilities Commission (PUC) on Friday.

Changes in federal tax law reduced the corporate tax bill of Hawaiian Electric and the company announced in January it planned to pass on the savings to customers.

In February, the PUC approved an interim rate that increased the typical O'ahu monthly residential bill for 500 kilowatt hours by \$2.60, a 2.3 percent increase. It was the first increase to base rates in six years.

At the time, Hawaiian Electric said it was continuing to review the impact of the new tax law and that an updated rate filing would be made once the amount to be returned to customers was calculated. Hawaiian Electric made similar rate reductions in 1987 and 1989 following changes to federal tax law.

Under the new base rate approved Friday, the impact of the reduced tax collection is about \$3.36 per month, resulting in the typical O'ahu residential bill falling by about 76 cents from what it had been before the February rate increase.

The PUC will determine the effective date of the new rate for O'ahu customers but ordered Hawaiian Electric to file its updated tariffs by March 16 for final regulatory review "to timely pass on the benefits to ratepayers."

The amounts of the tax impacts for Maui Electric and Hawai'i Electric Light customers are still being determined and will require regulatory approval. Regardless of when those bill credits take effect, they will reflect the full year of tax savings.

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