

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)	
)	
PRINCEVILLE UTILITIES COMPANY,)	Docket No. 2025-0172
INC.)	
)	
For Approval of a General Rate)	
Increase and Certain Tariff Changes)	
_____)	

**APPLICANT'S RESPONSE TO THE DIVISION OF CONSUMER ADVOCACY'S
THIRD SUBMISSION OF INFORMATION REQUESTS**

and

CERTIFICATE OF SERVICE

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BEFORE THE PUBLIC UTILITIES COMMISSION
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PRINCEVILLE UTILITIES COMPANY, INC.)	Docket No. 2025-0172
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**APPLICANT’S RESPONSE TO THE DIVISION OF CONSUMER ADVOCACY’S
THIRD SUBMISSION OF INFORMATION REQUESTS**

Applicant PRINCEVILLE UTILITIES COMPANY, INC. (“PUCI” or “Applicant”), by and through its attorneys, WATANABE ING LLP, respectfully submits its Response to the Division of Consumer Advocacy’s Third Submission of Information Requests that was filed on August 1, 2025.

DATED: Honolulu, Hawaii, August 25, 2025.

/s/ Kendrick S. Chang
DAVID Y. NAKASHIMA
DAWN A. EGUSA
KENDRICK S. CHANG

Attorneys for Applicant
PRINCEVILLE UTILITIES COMPANY, INC.

DOCKET NO. 2025-0172

PRINCEVILLE UTILITIES COMPANY, INC.'S

RESPONSE TO DIVISION OF CONSUMER ADVOCACY'S

THIRD SUBMISSION OF INFORMATION REQUESTS

CA-IR-66

Ref: Company Exhibit PUCI-W-6 and CONFIDENTIAL Excel

Exhibit CA-IR-4-r and s.

- a. Please reconcile the Operating Expenses shown on Exhibit PUCI-W-6 to the Operating Expenses shown on CONFIDENTIAL Excel Exhibit CA-IR-4-r and s.
- b. Please reconcile the Salaries and Wages and Employee Benefits and Payroll taxes shown on Exhibit PUCI-W-6 to the Wages – Union and Non-Union and the Benefits & Taxes – Union and Non-Union.
- c. Please provide the reconciliation for the test year ending June 30, 2026 under Present and Proposed Rates.

RESPONSE:

- a. Exhibit CA-IR-4-r (ROO W & S 2020 to 2026 1-18-25) was initially developed to separate PUCI's revenue and expenses for the years 2020 to 2023 for each of the water and sewer operations as shown on tab "ROO W & S" in columns "AI to BE." The separate water and sewer columns were the source for the expense amounts for those years contained in Exhibits PUCI-W-9.4, 9.5, 9.6, 9.8 and 9.9. Other than the use of the

historic expenses for 2022 and 2023 for those accounts in the averaging process used to determine the pro forma expenses for 2025 and 2026, the data from Exhibit CA-IR-4-r was not used in the determination of the pro forma test year expenses on those exhibits. Therefore, there is no reconciliation that can be provided between the operating expenses shown on Exhibit PUCI-W-6 and Exhibit CA-IR-4-r.

The data in Exhibit CA-IR-4.s (ROO W & S 2020 to 2026 9-30-24) was an earlier version of Exhibit CA-IR-4.r and was used only as support for the file Confidential – S & W – Water 3-17-25, PUCI-W-CWP-9.2.3, lines 9, 10, 14 and 15 in columns 2 to 5. PUCI has not updated those amounts or the expense calculations used for the test year expense.

b. The pro forma Salaries & Wages and Employee Benefits & Payroll Taxes shown on Exhibit PUCI-W-6, lines 10 and 11 were calculated in the Confidential – S & W – Water 3-17-25 workpapers, which the Company has not updated. The Company has no other reconciliation.

c. In responding to the Consumer Advocates Set 2, the Company determined that several of the expense amounts for

the years 2021 to 2023 on Exhibits PUCI-W-9.4, W-9.6 and W-9.9 were incorrect by minor amounts. PUCI provided updated schedules for those three exhibits showing each of the changes required. Attached is Exhibit CA-IR-66-c which contains those changes and shows the result of the changes in Exhibit PUCI-W-6 in column 1 on lines 13, 15 and 18. These changes result in a reduction in Total Operating Expenses from the amounts included in Exhibit PUCI-W-6, column 1, line 27 in the Application of \$386 ($\$1,539,156 - \$1,538,769 = \386). The Company has not adjusted its proposed rates for this change in expense.

SPONSOR: Robert O'Brien

Ref: Company Exhibit PUCI-S-6 and CONFIDENTIAL Excel Exhibit CA-IR-4-r and s.

- a. Please reconcile the Operating Expenses shown on Exhibit PUCI-S-6 to the Operating Expenses shown on CONFIDENTIAL Exhibit Ca-IR-4-r and s.
- b. Please reconcile the Salaries and Wages and Employee Benefits and Payroll taxes shown on Exhibit PUCI-S-6 to the Wages-Union and Non-Union and the Benefits & taxes – Union and Non-Union.
- c. Please provide the reconciliation for the test year ending June 30, 2026 under Present and Proposed Rates.

RESPONSE:

- a. **Exhibit CA-IR-4-r (ROO W & S 2020 to 2026 1-18-25) was initially developed to separate PUCI's revenue and expenses for the years 2020 to 2023 for each of the water and sewer operations as shown on tab "ROO W & S" in columns "A1 to BE." The separate water and sewer columns were the source for the expense amounts for those years contained in Exhibits PUCI-S-9.4, 9.5, 9.6, 9.8 and 9.9. Other than the use of the historic expenses for 2022 and 2023 for those accounts in the averaging process used to determine the pro forma expenses for 2025 and 2026, the data from Exhibit CA-IR-4-r was not used in the determination of the pro forma test year expenses on**

those exhibits. Therefore, there is no reconciliation that can be provided between the operating expenses shown on Exhibit PUCI-W-6 and Exhibit CA-IR-4-r.

The data in Exhibit CA-IR-4.s (ROO W & S 2020 to 2026 9-30-24) was an earlier version of Exhibit CA-IR-4.r and was used only as support for the file Confidential – S & W – Water 3-17-25, PUCI-S-CWP-9.2.3, lines 9, 10, 14 and 15 in columns 2 to 5. PUCI has not updated those amounts or the expense calculations used for the test year expense.

b. The pro forma Salaries & Wages and Employee Benefits & Payroll Taxes shown on Exhibit PUCI-S-6, lines 10 and 11 were calculated in the Confidential – S & W – Sewer 3-17-25 workpapers which the Company has not updated. The Company has no other reconciliation.

c. In responding to the Consumer Advocates Set 2, the Company determined that several of the expense amounts for the years 2021 to 2023 on Exhibits PUCI-S-9.4 and S-9.9 were incorrect by minor amounts. PUCI provided updated schedules for those two exhibits showing each of the changes required. Attached is Exhibit CA-IR-67-c which contains those changes

and shows the result of the changes in Exhibit PUCI-S.6 in column 1 on lines 16 and 21. These changes result in a reduction in Total Operating Expenses from the amounts included in Exhibit PUCI-S-6, column 1, line 30 in the Application of \$1,384 ($\$2,639,896 - \$2,638,512 = \$1,384$). The Company has not adjusted its proposed rates for this change in expense.

SPONSOR: Robert O'Brien

Ref: CONFIDENTIAL WORKPAPER PUCI-W-CWP 9.1.1
(CA-IR-4-m) and Company Exhibit PUCI-W-6 and PUCI-S-6.

- a. Please line up and reconcile the Employees shown on Confidential Workpaper PUCI-W-9.1.1 by Water and Sewer divisions to the Company's Exhibit PUCI-W-6 and PUCI-S-6 reflecting the Salaries and Wages balance for the Water division of \$316,967 and the Sewer division of \$475,447.
- b. Please breakdown the Salaries and Wages for each employee (Water and Sewer) by base salary, Overtime, Incentive Compensation and other.

RESPONSE:

- a. The Company does not charge expenses for specific employees by water and sewer operations. As shown on Confidential Workpaper PUCI-S-CWP 9.1.1, line 4, the Company proposed to allocate 40 percent of the employee's time to the water operations and 60 percent of the employees time to the sewer operations. This is based on the calculations on Confidential Workpaper PUCI-S-SWP 9.1.5.
- b. Please see Confidential Exhibit CA-IR-4.bb for each union employee's base salary, overtime, etc. The total for all union employees is shown on pages 16 and 17 of that exhibit. Please see Confidential Exhibit CA-IR-4.aa for each non-union

employee's base salary, overtime, etc. The total for all non-union employees is shown on pages 8 and 9 of that exhibit.

SPONSOR: Robert O'Brien

CERTIFICATE OF SERVICE

I hereby certify that on this date a copy of the foregoing document, together with this Certificate of Service, were duly served upon the following entities electronically to the email address shown below pursuant to HAR § 16-601-21(d), as modified by Order No. 38270 *Setting Forth Public Utilities Commission Emergency Filing and Service Procedures*, filed on March 14, 2022.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS via E-Mail
DIVISION OF CONSUMER ADVOCACY
335 Merchant Street, Room 326
Honolulu, Hawaii 96813
consumeradvocate@dcca.gov
mangelo@dcca.hawaii.gov

DATED: Honolulu, Hawaii, August 25, 2025.

/s/ Kendrick S. Chang
DAVID Y. NAKASHIMA
DAWN A. EGUSA
KENDRICK S. CHANG

Attorneys for Applicant
PRINCEVILLE UTILITIES COMPANY, INC.

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