

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

WINSTON HOSHINO, HOWARD KAWABATA,)
CHARLES WEBSTER, ET AL.,)

Complainants,)

HAWAIIAN ELECTRIC LIGHT COMPANY,)

Respondent.)

DOCKET NO. 2007-0018

PROJECT

ORDER NO. 23297

Filed March 13, 2007

At 2 o'clock P.M.

Karen Higashi

Chief Clerk of the Commission

DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

2007 MAR 14 A 9:01

RECEIVED

ATTEST: A True Copy

KAREN HIGASHI

Chief Clerk, Public Utilities
Commission, State of Hawaii.

Karen Higashi

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

| | | |
|-----------------------------------|---|----------------------|
| WINSTON HOSHINO, HOWARD KAWABATA, |) | |
| CHARLES WEBSTER, ET AL., |) | |
| |) | |
| Complainants, |) | Docket No. 2007-0018 |
| |) | |
| vs. |) | Order No. 23297 |
| |) | |
| |) | |
| HAWAIIAN ELECTRIC LIGHT COMPANY |) | |
| [sic], |) | |
| |) | |
| Respondent. |) | |
| |) | |

ORDER

By this Order, the commission orders Respondent HAWAII ELECTRIC LIGHT COMPANY ("HELCO")¹ to file an answer to the formal complaint filed by Complainants WINSTON HOSHINO, HOWARD KAWABATA, CHARLES WEBSTER, DANNY KAYANO, LLOYD NISHIDA, COLETTE SHIMABUKURO (TAKEUCHI), and PATRICK ARBLES ("Complainants"), attached as Exhibit A, within twenty (20) days after the date of service of this order.

I.

Formal Complaint

On January 18, 2007, Complainants filed a formal complaint with the commission against HELCO. The complaint alleges that HELCO (1) denied Complainants reimbursement for damages and services resulting from a faulty outdated

¹Complainants appear to inadvertently refer to HELCO as "Hawaiian Electric Light Company."

transformer; and (2) engaged in discriminatory treatment in not updating the transformer servicing Complainants' end of the subdivision, as compared to the other transformers on the same street. Complainants request that the commission (1) compel HELCO to release their records for any repairs on Pole Nine during the period from April 2005 to April 2006; (2) compel HELCO to display the transformer that was formerly on Pole Nine; (3) order HELCO to reimburse Complainants for their personal losses, damages, and repairs; and (4) order HELCO not to retaliate in any way or form against Complainants, HELCO employees, and Oceanic Cable employees.

The complaint appears to substantially comply with Hawaii Administrative Rules ("HAR") Title 6, Chapter 61, Subchapter 5 of the commission's Rules of Practice and Procedure. Therefore, pursuant to HAR § 6-61-67(e), HELCO must file an answer to the complaint within twenty (20) days after the date of service of this order.

II.

Order

THE COMMISSION ORDERS:

HELCO shall file an answer to the attached complaint with the commission within twenty (20) days after the date of service of this order.

DONE at Honolulu, Hawaii MAR 13 2007.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By Carlito P. Caliboso
Carlito P. Caliboso, Chairman

By John E. Cole
John E. Cole, Commissioner

APPROVED AS TO FORM:

Nichole K. Shimamoto
Nichole K. Shimamoto
Commission Counsel

2007-0018.eh

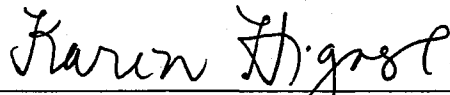
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 23297 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

CATHERINE P. AWAKUNI (1 copy of Order and 2 copies
EXECUTIVE DIRECTOR of Complaint enclosed)
DIVISION OF CONSUMER ADVOCACY
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
P. O. Box 541
Honolulu, HI 96809

WARREN H.W. LEE (1 copy of Order and Complaint)
PRESIDENT
HAWAII ELECTRIC LIGHT COMPANY, INC.
P.O. Box 1027
Hilo, HI 96721-1027

WINSTON HOSHINO (1 copy of Order each served
HOWARD KAWABATA separately)
CHARLES WEBSTER
DANNY KAYANO
LLOYD NISHIDA
COLETTE SHIMABUKURO (TAKEUCHI)
PATRICK ARBLES
748 Kaiua Place
Hilo, HI 96720



Karen Higashi

DATED: MAR 13 2007

KH

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII**

Mr. Winston Hoshino, Mr. Howard Kawabata,
Mr. Charles Webster, Mr. Danny Kayano,
Mr. Lloyd Nishida, Ms. Colette Shimabukuro (Takeuchi),
Mr. Patrick Arbles
748 Kaiua Place
Hilo, HI 96720

Plaintiffs

Vs

Hawaiian Electric Light Company
P.O. Box 1027
Hilo, HI 96721-1027

Defendant

PUBLIC UTILITIES
COMMISSION

2007 JAN 18 P 2:03

FILED

2007-0018

This formal complaint is made by Winston Hoshino, Howard Kawabata, Charles Webster, Danny Kayano, Lloyd Nishida, Colette Shimabukuro (Takeuchi), and Patrick Arbles, against Hawaiian Electric Light Company for:

1. Denial of reimbursement for damages and services incurred by faulty outdated transformer.
2. Discriminatory treatment in not updating the transformer serving our end of the subdivision as compared to the other transformers on the same street.

The facts and circumstances surrounding this complaint are contained in our attached letter to HELCO after the denial of our claims (dated July 13, 2006). HELCO's denial of the reconsideration letter dated September 15, 2006, is also attached.

The relief we desire is to have the Public Utilities Commission:

1. Compel HELCO to release their records for the repair on Pole Nine for the period April 2005 to April 2006. This will show that there was an explosion at that pole and that repair work was done prior to the April 2006 incident.

This will show that HELCO's letter stating that ..."crews performing work in the area in 2005 did not notice any potential problems." is not true.

2. Compel HELCO to display the transformer that was formerly on Pole Nine.

This will verify that the transformer was not the same as the others on Kaiao Street.

HELCO's letter in paragraph four states:

"HELCO does not use "external breakers" on distribution transformer installations but instead uses expulsion fuses to disconnect transformers from the electric grid when a fault within the transformer occurs. When the fuse operates properly, a loud booming sound occurs that is often described by customers as an explosion. This loud boom is normal and part of the fuse design. Though damage to your equipment occurred, all indications are that the fuse for the transformer serving your residence operated properly when the transformer failed."

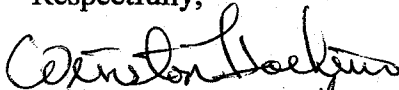
HELCO seems to be confusing two separate occurrences: Explosion prior to April 2006 (loss of electricity but no damages) and April 2006 (loss of electricity and damages). How can HELCO say that the fuse for the transformer operated properly if we all suffered damages?

HELCO and Oceanic Cable employees stated there was no external breaker on this transformer. Term "external breaker" was used by the service men.

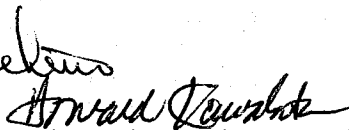
3. Order HELCO to reimburse us of our personal losses, damages, and repairs.
4. Order HELCO not to retaliate in any way or form against us, HELCO employees, and Oceanic Cable employees.

Your prompt attention to this exceptionally unjust situation will be appreciated.

Respectfully,



Winston Hoshino



Howard Kawabata

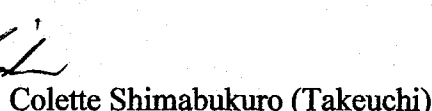


Charles Webster

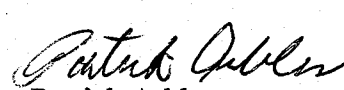
Danny Kayano



Lloyd Nishida



Colette Shimabukuro (Takeuchi)



Patrick Arbles

Enclosures: July 13, 2006 letter
September 15, 2006 letter

STATE OF HAWAII)

COUNTY OF HAWAII)

On this 18th day of Dec. 2006, before me personally appeared Winston Hoshino known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.

Winfred L.E. Makaea, Winifred L.E. Makaea

Notary Public

My commission expires: 8-29-08

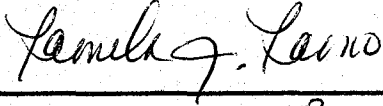
L.S.



STATE OF HAWAII)

COUNTY OF HAWAII)

On this 18th day of December 2006, before me personally appeared Howard Kawabata known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.



Pamela J. Pava

Notary Public

My commission expires: 9/24/2009

STATE OF HAWAII)

COUNTY OF HAWAII)

On this 18th day of December 2006, before me personally appeared Charles Webster known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.

L.S. 

Pamela J.A. Martin

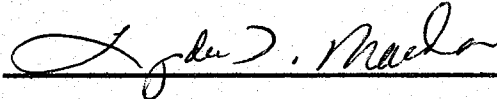
Notary Public

My commission expires: 1-29-2010

STATE OF HAWAII)

COUNTY OF HAWAII)

On this 19th day of December 2006, before me personally appeared Danny Kayano known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.



Notary Public Lyndee T. Maeda
My commission expires: 12/25/2009

l.s.

STATE OF HAWAII)

COUNTY OF HAWAII)

On this 18th day of December 2006, before me personally appeared Lloyd Nishida known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.



CYNTHIA J. WOOLVERTON
Notary Public

My commission expires: 11/3/2009

| |
|---|
| CYNTHIA J. WOOLVERTON NOTARY PUBLIC STATE OF HAWAII 63. |
|---|

STATE OF HAWAII)

COUNTY OF HAWAII)

On this 20th day of Dec. 2006, before me personally appeared Colette Shimabukuro (Takeuchi) known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.

Debra Tatsuno

DEBRA TATSUNO

Notary Public

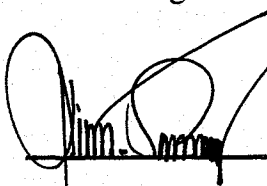
My commission expires: *November 8, 2010*

us

STATE OF HAWAII)

COUNTY OF HAWAII)

On this 26th day of DEC 2006, before me personally appeared Patrick Arbles known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.

 _____
KIM T. SAMOY

Notary Public, STATE OF HAWAII
My commission expires: 26NOV2010

W.

**PALAKIKO SUBDIVISION
748 KAIUA PLACE
HILO, HI 96720**

July 13, 2006

Mr. Warren Lee
Hawaii Electric Light Company, Inc.
P.O. Box 1027
Hilo, HI 96720

Dear Mr. Lee

This letter is a response by the affected residences in the Palakiko Subdivision. On April 5, 2006, the fuse exploded causing the transformer to leak oil. Our homes were affected by the power outage which lasted several hours and suffered losses caused by electrical surges.

We were told by HELCO to call an electrician, replace damaged household items, and save damaged items and receipts.

The following are the households and their Claim Damage Numbers:

| | |
|-------------------|----------|
| Winston Hoshino | 2006-083 |
| Howard Kawabata | 2006-073 |
| Charles Webster | 2006-069 |
| Danny Kayano | 2006-072 |
| Lloyd Nishida | 2006-074 |
| Colette Takeguchi | 2006-085 |
| Patrick Arbles | 2006- |

Last year the same fuse exploded causing power outage and was changed. All the other transformers in the subdivision were replaced with new transformers with external breakers. The one in our area had no external breaker.

If the transformer was replaced last year with an external breaker, no damages would have occurred this time. Also, the occurrence of the transformer was on April 5 and not during the severe lightning storm on April 2.

Mr. Warren Lee

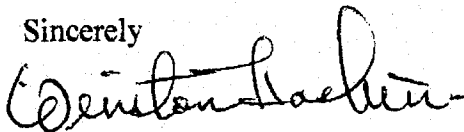
Page 2

July 13, 2006

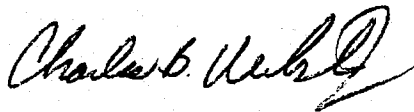
We feel that Hawaii Electric Light Company should reimburse us of all expenses. These expenses were incurred because of the malfunction of the outdated transformer and Helco's negligence in not replacing the old one with a new transformer with the external breaker when it exploded last year.

We, the residences of the Palakiko Subdivision would appreciate your favorable decision to pay for our claims of damages. We will be awaiting your response.

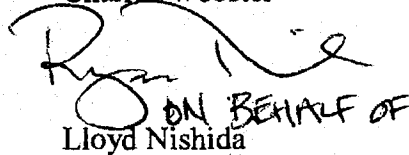
Sincerely



Winston Hoshino

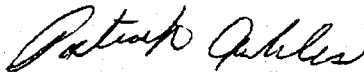


Charles Webster

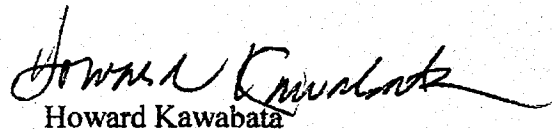


ON BEHALF OF

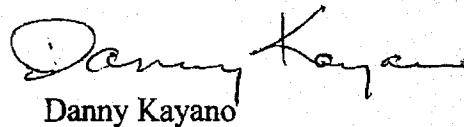
Lloyd Nishida



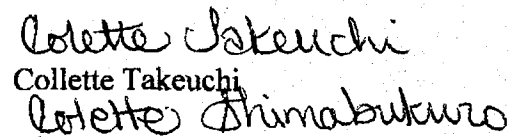
Patrick Arbles



Howard Kawabata



Danny Kayano



Collette Takeuchi

Collette Shimabukuro



September 15, 2006

Warren H. W. Lee, P.E.
President

Mr. Winston Hoshino
Mr. Howard Kawabata
Mr. Charles Webster
Mr. Danny Kayano
Mr. Lloyd Nishida
Ms. Collette Takeuchi
Mr. Patrick Arbles
Palakiko Subdivision
748 Kaiua Place
Hilo, HI 96720

Dear Messrs Hoshino, Kawabata, Webster, Kayano, Nishida, Arbles and Ms. Takeuchi:

Thank you for your letter dated July 13, 2006, asking that Hawaii Electric Light Company (HELCO) reconsider its denial of your claims for damage to appliances as a result of a power interruption that occurred in your area on April 5, 2006.

The power interruption on April 5 was caused when a transformer located on Kaiao Street, pole 9, failed. The transformer was removed and taken back to HELCO's baseyard to investigate the cause of failure. Test results indicated that the transformer primary winding (higher voltage side) failed. This mode of failure is consistent with transformers that fail during and following a lightning storm. Voltage transients caused by lightning strikes on or near transformers can cause damage to the winding insulation. The damaged insulation then leads to an electrical fault or short circuit within the transformer. The oil leaking from the transformer was determined to have been caused by the pressure build-up within the transformer resulting from the transformer primary winding failure.

Transformers have an indeterminate life and can remain in service for many years. HELCO performs periodic inspections of its transformers, and crews performing work in the area in 2005 did not notice any potential problems. There was surface rust on the transformer tank but that did not contribute to its failure being that the oil within the transformer was found to be free of water. HELCO also relies on customers to report power quality problems or deteriorated equipment to locate and alleviate potential electrical problems. For this transformer there were no power quality problems reported to HELCO prior to its failure.

Your letter mentions "external breakers." HELCO does not use "external breakers" on distribution transformer installations but instead uses expulsion fuses to disconnect transformers from the electric grid when a fault within the transformer occurs. When the fuse operates properly, a loud booming sound occurs that is often described by

September 15, 2006

Page 2

customers as an explosion. This loud boom is normal and part of the fuse design. Though damage to your equipment occurred, all indications are that the fuse for the transformer serving your residence operated properly when the transformer failed.

We sincerely regret the losses you incurred; however, our denial of June 23, 2006 remains unchanged. May we suggest that you refer to your homeowners' insurance for assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Warren H.W. Lee". The signature is fluid and cursive, with the first name "Warren" being more prominent than the last name "Lee".

Warren H.W. Lee

President



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII**

In the Application of) Docket No. _____

Mr. Winston Hoshino)
Mr. Howard Kawabata)
Mr. Charles Webster)
Mr. Danny Kayano)
Mr. Lloyd Nishida)
Ms. Colette Shimabukuro (Takeuchi))
Mr. Patrick Arbles)
748 Kaiua Place)
Hilo, HI 96720)

Vs)

Hawaiian Electric Light Company)
P.O. Box 1027)
Hilo, HI 96721-1027)

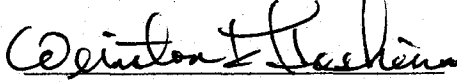
For Reimbursement for Losses, Damages & Repairs

CERTIFICATE OF SERVICE


Jan. 17, 2007
I hereby certify that on ~~December 27, 2006~~, I served 2 copies of the above complaint by United States Postal Service to the following, at the following address:

Division of Consumer Advocacy
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809


Jan. 17, 2007
Dated: Hilo, Hawaii, ~~December 27, 2006~~

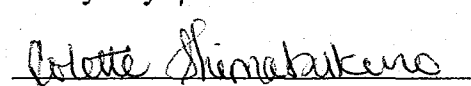

Winston Hoshino



Howard Kawabata


Charles Webster


Danny Kayano


Lloyd Nishida


Colette Shimabukuro (Takeuchi)


Patrick Arbles