

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

WALTER N. FUNASAKI)

Complainant,)

vs.)

HAWAII WATER SERVICE COMPANY)
dba WEST HAWAII WATER COMPANY)

Respondent.)

DOCKET NO. 2009-0136

ORDER GRANTING WAIKOLOA WATER COMPANY, INC.,
dba WEST HAWAII WATER COMPANY'S MOTION TO DISMISS
FORMAL COMPLAINT, FILED ON SEPTEMBER 11, 2009

PUBLIC UTILITIES
COMMISSION

2009 OCT -9 P 1:15

FILED

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

WALTER N. FUNASAKI)
)
 Complainant,) Docket No. 2009-0136
)
 vs.)
)
 HAWAII WATER SERVICE COMPANY)
 dba WEST HAWAII WATER COMPANY)
)
 Respondent.)
 _____)

ORDER GRANTING WAIKOLOA WATER COMPANY, INC.,
dba WEST HAWAII WATER COMPANY'S MOTION TO DISMISS
FORMAL COMPLAINT, FILED ON SEPTEMBER 11, 2009

By this Order, the commission grants Waikoloa Water Company, Inc., dba West Hawaii Water Company's Motion to Dismiss Formal Complaint, filed on September 11, 2009 ("Motion to Dismiss").

I.

Background

On June 22, 2009, WALTER N. FUNASAKI ("Complainant") filed a formal complaint ("Complaint") against HAWAII WATER SERVICE COMPANY, dba WEST HAWAII WATER COMPANY.¹ Complainant

¹The Complaint incorrectly identified "Hawaii Water Service Company dba West Hawaii Water Company" as the respondent. The proper respondent in this proceeding is Waikoloa Water Company, Inc., dba West Hawaii Water Company ("West Hawaii Water Company" or "Respondent"), which is the company that provides water services to the Complainant. See Motion to Dismiss, at 1, n.1.

As a subsidiary of Hawaii Water Service Company, Inc., West Hawaii Water Company is a public utility that is authorized to

alleges, among other things, that West Hawaii Water Company charges late fees in violation of its charter, that its billing practices are deceptive, and that its billing practices are not consistent with those of other utilities on the island of Hawaii.²

By Order Directing Respondent to File an Answer to Complainant's Formal Complaint, filed on August 24, 2009, the commission ordered West Hawaii Water Company to file an answer to the formal complaint within twenty (20) days after the date of service of the order. On the same date, the commission served two copies of the complaint on the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), which is an ex officio party to this proceeding.³

On September 11, 2009, West Hawaii Water Company timely filed its Motion to Dismiss.⁴

provide potable water services to the residences, condominiums and commercial establishments in the greater Waikoloa Village area. See In re Waikoloa Water Co., Inc., Waikoloa Sanitary Sewer Co., Inc., Waikoloa Resort Util., Inc., and Hawaii Water Serv. Co., Inc., Docket No. 2008-0018, Decision and Order, filed on August 20, 2008.

²See Complaint, at 1-2.

³See Hawaii Revised Statutes ("HRS") § 269-51 and Hawaii Administrative Rules ("HAR") §§ 6-61-62 and 6-61-67(e). On September 23, 2009, the Consumer Advocate informed commission staff that it would not be participating in this proceeding due to limited resources. Therefore, the only parties in this proceeding are Complainant and West Hawaii Water Company (collectively referred to as the "Parties").

⁴By email dated September 17, 2009, received by commission staff on September 21, 2009, Complainant appeared to be attempting to respond to West Hawaii Water Company's Motion to Dismiss. See Letter from commission staff to the Complainant, filed on September 21, 2009, at Exhibit 1. The commission rules,

A.

Complaint

The Complaint against West Hawaii Water Company relates to the assessment of late fees on the Complainant's water bill. The Complainant alleges that West Hawaii Water Company is improperly charging customers a "6% late fee when payment is received as few as two days past the due date shown on their invoices."⁵ According to the Complainant, West Hawaii Water Company sends customers "a bi-monthly invoice in the form of a 4 x 6 inch card-form bill, with [a] tear-off remittance stub, about four weeks before the due date shown on the bill."⁶ The Complainant further states that under West Hawaii Water Company's billing practices, the invoice is due and payable when mailed, and the due date shown on the invoice is the date when the invoice is already thirty days past due.⁷

however, do not allow filings via email or fax. HAR § 6-61-15 specifies that "[a]ll pleadings, briefs, and other documents required to be filed with the commission shall be filed at the office of the commission within the time limit prescribed by statutes, rules, or by order of the commission." Furthermore, all information requests and responses, notices of motions, motions, memoranda, other requests for commission action, briefs, and the like, must comply with the formatting requirements prescribed pursuant to HAR § 6-61-16.

Not only did the Complainant's response fail to comply with the commission's rules, it was also not served upon the Respondent and the Consumer Advocate as required by HAR § 6-61-21. Accordingly, the email correspondence will not be considered by the commission.

⁵See Complaint, at 1.

⁶Id.

⁷Id.

The Complainant contends that "[t]here is nothing printed on the invoice which notifies the customer that the bill is due on receipt, and that the due date shown is actually the date the bill is already 30 days past due."⁸ Based on this, the Complainant claims that West Hawaii Water Company's billing practices are deceptive.⁹

Furthermore, the Complainant contends that West Hawaii Water Company's billing practices are "at odds with those of all other utilities and the vast majority of commercial companies on the Big Island[.]"¹⁰ The Complainant claims that invoices issued by other utilities "are mailed three or four weeks before the due date shown, and are considered delinquent only if unpaid 30 days past the printed due date; payments received after the printed due date, but within a 7-10 day grace period, are not considered delinquent, but regarded as 'on-time payments'."¹¹

Based on the foregoing allegations, the Complainant argues that West Hawaii Water Company should be ordered to:¹²

1. Replace its card-form invoice with a larger invoice with sufficient space to provide printed notification to customers of its payment terms;
2. Highlight the late fee on a customer's invoice when it is charged;

⁸Id.

⁹Id. at 2.

¹⁰Id. at 1.

¹¹Id. at 1-2.

¹²Id. at 2-3.

3. Report the annual amount of late fees recorded in West Hawaii Water Company's financial records from 1996 to 2008;
4. Refund all late fees that were "improperly" charged to the Complainant and other customers from 1996 to the present date.¹³

B.

West Hawaii Water Company's Motion to Dismiss

In its Motion to Dismiss, West Hawaii Water Company requests that the commission dismiss the Complaint on the grounds that (1) the Complaint fails to state a claim upon which relief can be granted, and (2) the Complainant lacks standing to seek a refund on behalf of other customers.¹⁴

First, West Hawaii Water Company argues that the assessment of a one percent (1%) charge per month on the unpaid balance of Complainant's account plus a one-time late fee of five percent (5%) of the unpaid amount is in accordance with its tariff.¹⁵

¹³The Complainant estimates that the total amount of late fees that may have been improperly charged by West Hawaii Water Company is approximately \$388,800. See Complaint, at 2. The Complainant's estimate is based on his assumption that: (1) 30% of West Hawaii Water Company's 2,000 residential customers were subject to 6% late fees; (2) that the average invoice was for \$150; and (3) that each of the 600 affected customers were subject to late fees in each of the six billing cycles during the past twelve years. Id.

¹⁴See West Hawaii Water Company's Memorandum in Support of Motion to Dismiss Formal Complaint ("Memorandum in Support of Motion to Dismiss"), at 2.

¹⁵Id. at 2-3.

Second, West Hawaii Water Company contends that its billing format is not deceptive. According to West Hawaii Water Company, its invoices clearly indicate the "Due Date," the "Net Due Now" amount and the "Gross Due If Late" amount.¹⁶

Third, West Hawaii Water Company claims that its billing practices are consistent with that of other utilities.¹⁷ In support of its position, West Hawaii Water Company cites to the billing policies of Hawaii Electric Light Company ("HELCO"), the County of Hawaii Department of Water Supply, and Hawaiian Telcom, Inc. ("Hawaiian Telcom").¹⁸

Fourth, West Hawaii Water Company argues that the Complainant lacks standing to seek a refund on behalf of other customers for improperly charged late fees.¹⁹ Because these individuals are not parties in this proceeding, West Hawaii Water Company contends that the Complainant has no legal right to assert a claim on their behalf.

II.

Discussion

Rule VI of West Hawaii Water Company's Tariff No. 1, "Rules and Regulations Governing Water Service to Customers and Water Rate Schedules," issued on February 9, 2009 (hereafter referred to as "West Hawaii Water Company's tariff"), governs

¹⁶Id. at 4-5.

¹⁷Id. at 5-7.

¹⁸Id.

¹⁹Id. at 7-8.

meter reading and the rendering of bills. Rule VI states in relevant part:

3. All bills shall be due and payable upon deposit in the United States mail, receipt by the customer, or other presentation to the customer. . . . All unpaid customer balances over 30 days old are subject to interest of one percent per month until paid plus a one time late charge equal to five percent (5%) of the unpaid amount as partial compensation for the administrative costs in initiating action to collect the unpaid amounts. If any bill is not paid within sixty (60) days after presentation or deposit in the United States mail, the water service shall be subject to discontinuance in accordance with Rule VII.3, and a reconnection charge of \$25.00 will be required in addition to payment of the amount due and payable in order to re-establish water service. . . .²⁰

Therefore, based on the plain language of West Hawaii Water Company's tariff, all water bills are due and payable upon mailing, receipt by the customer, or other presentment of the bill. All unpaid amounts that are over 30 days old are subject to a one percent (1%) interest charge per month until such amounts are paid. West Hawaii Water Company's tariff also authorizes the company to charge a one-time late fee equal to five percent (5%) of the unpaid amount.²¹

²⁰See West Hawaii Water Company's tariff, Rule VI (emphases added). The commission takes administrative notice of West Hawaii Water Company's tariff, a copy of which is attached hereto as Exhibit "1".

²¹As noted by West Hawaii Water Company, the Complainant is not assessed a "6% late fee" each month. See Memorandum in Support of Motion to Dismiss, at 3, n.6. Under West Hawaii Water Company's tariff, the 5% late charge is applied once. If a bill continues to remain outstanding, then only the 1% interest charge is assessed each month on the balance owed. See West Hawaii Water Company's tariff, Rule VI.

In this case, the Complaint does not specifically refer to a particular invoice or incident as the basis for the Complainant's claim in this proceeding. Although the Complaint generally alleges that West Hawaii Water Company violated its tariff from 1996 to the present date, the Complainant does not identify a specific invoice whereby West Hawaii Water Company improperly charged the Complainant a late fee.²²

The commission, however, notes that in the Complainant's informal complaint filed on March 16, 2009 against West Hawaii Water Company, the Complainant alleged that West Hawaii Water Company improperly assessed late fees in an invoice that was issued for the two-month service period of August 19, 2008 to October 20, 2008 (hereafter referred to as the "subject invoice").²³ The subject invoice indicated that \$80.88 was due and payable by December 1, 2008.²⁴ It also

²²See Complaint at 2-3.

²³The Complainant did not produce a copy of the subject invoice as part of his Complaint. West Hawaii Water Company also indicated that it is unable to reproduce a copy of the subject invoice that was originally sent to the Complainant. *Id.*, at 3, n.4. Although the subject invoice is not part of the record in this proceeding, the commission takes official notice of the records pertaining to Informal Complaint No. IC-2009-0037 and the facts stated therein. See Letter from commission to Complainant, dated April 16, 2009, regarding Informal Complaint No. IC-2009-0037, attached hereto as Exhibit "2".

²⁴West Hawaii Water Company states that the invoice was for service provided for "the two month period of August 18, 2008 through September 18, 2008[]" and that the due date was "October 1, 2008". See Memorandum in Support of Motion to Dismiss, at 3. This, however, is apparently incorrect based on the commission's review of the documents filed in Informal Complaint No. IC-2009-0037. These records indicate that the service period was for August 18, 2008 to October 20, 2008, with a due date of December 1, 2008. See Exhibit "2".

indicated that if the total amount owed was not paid in full by the due date, then the "Gross due if late" amount would be \$85.73.²⁵ When the Complainant failed to pay the total amount owed by December 1, 2008, he was assessed a total of \$4.85, which represents an interest charge of one percent (1%) of the unpaid amount per month, plus a one-time late fee of five percent (5%).²⁶

Commission staff previously investigated the Complainant's informal complaint and concluded that West Hawaii Water Company had not violated any applicable statutes, rules, or regulations concerning water utilities.²⁷ Here, the commission confirms that West Hawaii Water Company is acting in accordance with Rule VI of its tariff. There is no evidence that the Complainant was improperly charged a late fee as part of the subject invoice or as part of any other invoice thereafter.²⁸

Moreover, West Hawaii Water Company's invoice form shows the "DUE DATE," i.e. the date when payment must be received by West Hawaii Water Company to avoid incurring a late fee. It also shows the "NET DUE NOW" amount, which represents the total amount that is due and payable by the "DUE DATE", and the "GROSS DUE IF LATE" amount that a customer owes if he or she

²⁵See Memorandum in Support of Motion to Dismiss, at 3.

²⁶Id.

²⁷See Exhibit "2".

²⁸According to West Hawaii Water Company since the assessment of the late fee, the Complainant has "consistently paid on or before the due date, the precise result that is intended by such fees." See Affidavit of Richard Terminello, dated September 8, 2009, at ¶ 6.

fails to pay his bill on time.²⁹ The commission finds, as a matter of law, that West Hawaii Water Company's invoice, in particular the description of the payment terms, is neither deceptive nor predatory.

Accordingly, the commission grants West Hawaii Water Company's Motion to Dismiss and dismisses the Complaint.³⁰

III.

Order

THE COMMISSION ORDERS:

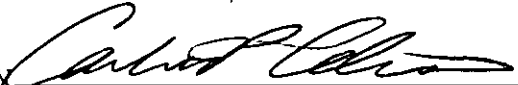
1. West Hawaii Water Company's Motion to Dismiss is granted.
2. This docket is closed.

²⁹West Hawaii Water Company states that it is currently in the process of revising its invoice form to "provide more information to customers regarding their water consumption in order to aid in conservation efforts." See Memorandum in Support of Motion to Dismiss, at 5. West Hawaii Water Company further indicates that it is willing to incorporate the Complainant's suggestions regarding additional notifications or explanations regarding its payment terms. Id. To the extent that the Complainant has suggestion on how West Hawaii Water Company can make its billing information and payment terms clearer, then such suggestions may be submitted directly to West Hawaii Water Company.

³⁰Because the commission finds that West Hawaii Water Company is acting in accordance with Rule VI of its tariff, the commission does not reach the issue of Complainant's standing to assert claims on behalf of third parties.

DONE at Honolulu, Hawaii OCT - 9 2009.


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
John E. Cole, Commissioner

By 
Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:


Bonita Y.M. Chang
Commission Counsel

2009-0136.laa

WEST HAWAII WATER COMPANY
A subsidiary of Hawaii Water Service Company, Inc.
Waikoloa, Hawaii

WHWC Tariff No. 1
Second Revised Title Sheet
Cancels First Revised Title Sheet

EXHIBIT 1

RULES AND REGULATIONS
GOVERNING WATER SERVICE
TO CUSTOMERS
AND WATER RATE SCHEDULES

WEST HAWAII WATER COMPANY
A subsidiary of Hawaii Water Service Company, Inc.

Post Office Box 384809
Waikoloa, Hawaii 96738

EXHIBIT A

RULE VI
METER READING AND RENDERING OF BILLS

1. Meters are read and bills are rendered monthly or semimonthly at the option of the Company. Special readings will be made, when necessary, for closing accounts or for other reasons.

2. Readings of separate meters are not combined. For the purpose of computing charges, all meters serving the customer's premises shall be considered separately, and the readings thereof shall not be combined except in cases where the Company, because of operating necessity, installs two or more meters in parallel to serve the same customer's supply pipe.

3. All bills shall be due and payable upon deposit in the United States mail, receipt by the customer, or other presentation to the customer. Payment shall be made in cash at the office of the Company, or by personal check, cashier's check, or money order, in person or by U.S. mail, at the office of the Company, or at the Company's option, to duly authorized collectors of the Company. All unpaid customer balances over 30 days old are subject to interest of one percent per month until paid plus a one time late charge equal to five percent (5%) of the unpaid amount as partial compensation for the administrative costs in initiating action to collect the unpaid amounts. If any bill is not paid within sixty (60) days after presentation or deposit in the United States mail, the water service shall be subject to discontinuance in accordance with Rule VII.3, and a reconnection charge of \$25.00 will be required in addition to payment of the amount due and payable in order to re-establish water service. Also, the Company shall require the customer to put up a deposit subject to Rule V.4. Any bill for which a bank check written in payment has been dishonored will be due and payable immediately upon written notice to the customer by the Company of the check's dishonorment. Within 5 days of issuance of written notice, the full amount of the bill must be paid in cash at the Company's office, along with a \$10.00 service charge. Should the customer fail to make payment on the dishonored check, the Company may discontinue service under Rule VI.3, with the sixty-day period running from the date that the original bill was mailed or presented to the customer.

4. The customer shall submit any dispute regarding the charges appearing on the bill to the Company in writing no later than twenty (20) days following the due date for the bill. The Company shall furnish a written response regarding its investigation and determination as to the correctness of or any adjustments to the bill within fifteen (15) days of its receipt of the written dispute. The customer may pay the disputed bill under protest within the time required by this rule to avoid discontinuation of service, in which event the dispute may be submitted to the Hawaii Public Utilities Commission for final determination.

5. If a meter fails to register due to any cause except the non-use of water, an average bill may be rendered. Such average bill will be subject to equitable adjustment taking into account all factors before, during, and after the period of said bill.

6. Any customer who, for any reason, doubts the accuracy of the meter serving his premises may request a test of the meter. The customer, if he so requests, will be notified as to the time of the test and may witness the test

if he so desires. No charge will be made for meter tests if the meter is inaccurate. The customer will be charged the actual costs connected with such test if the meter is accurate within range of plus or minus two percent (2%) for small meters (5/8" and 3/4") and plus or minus five percent (5%) for large meters (1" and larger).

7. If, as a result of the test, the meter is found to register more than two percent fast for small meters or five percent (5%) fast for large meters under conditions of normal operation, the Company will refund to the customer the overcharge based on past consumption, for a period not exceeding six months unless it can be proved that the error was due to some cause, the date of which can be fixed. In this latter case, the overcharge shall be computed back to, but not beyond, such date.

8. If, as a result of the test, the meter is found to register more than two percent (2%) slow for small meters or five percent (5%) slow for large meters under conditions of normal operation, the Company will bill the customer the undercharge based on past consumption, for a period not exceeding six months, unless it can be proved that the error was due to some cause, the date of which can be fixed. In this latter case, the additional charge shall be computed back to, but not beyond, such date.

WATER RATE SCHEDULES

GENERAL USE RATES

Monthly Standby Charge

Meter Size (inches)		Monthly Charge Per Installed Meter
5/8 & 3/4	(Residential)	\$7.20
5/8 & 3/4	(Non-Residential)	\$7.20
1		\$13.80
1 ½		\$24.20
2		\$33.00
3		\$66.00
4		\$110.00
6		\$220.00
8		\$396.00

Monthly Water Consumption Charge

Rate per TG \$1.70274

The monthly water consumption charge of \$1.70274 per Thousand Gallons (TG) includes an allowance of \$0.07922 per TG to be used for operating contingencies and major repairs of the water system.

Water Availability Charge

\$2.00 per month will be charged to the owner of each lot at which a service connection is possible but has not been applied for.

Private Fire Service Charges

For each connection for automatic fire sprinklers or other private fire protection, there shall be a charge per month based on the size of the connection as follows:

Size of Service	Monthly Charge
3 - inch	\$66.00
4 - inch	\$110.00
6 - inch	\$220.00
8 - inch	\$396.00

LINDA LINGLE
GOVERNOR



CARLITO P. CALIBOSO
CHAIRMAN

JOHN E. COLE
COMMISSIONER

LESLIE H. KONDO
COMMISSIONER

STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
465 S. KING STREET, #103
HONOLULU, HAWAII 96813

Telephone: (808) 586-2020
Facsimile: (808) 586-2066

e-mail: Hawaii.PUC@hawaii.gov

April 16, 2009

EXHIBIT 2

Walter Funasaki
64 Saint Timothy Court
Danville, CA 94526

Re: Complaint Against Hawaii Water Service Company
Informal Complaint No. IC-2009-0037

Dear Mr. Funasaki:

Your informal complaint filed on March 16, 2009 alleging that Hawaii Water Service Company ("HWSCO") has overcharged you for being past due on your bill is attached for your review and information. In its response HWSCO states among other things, that since you reside in the mainland, it is advisable that your payment is mailed 10 days before the bill card's due date to avoid late payment.

Upon our review, HWSCO does not appear to have violated any of our laws, rules or regulations. Nonetheless, if you continue to believe that HWSCO is in violation of the public utility laws, and the Commission's rules and regulations, you may file a formal complaint pursuant to Hawaii Administrative Rules, Title 6, Chapter 61, Subchapter 67. These administrative rules may be viewed on our website at <http://www.hawaii.gov/budget/puc>.

In an effort to improve our services to the public, we are enclosing an Informal Complaint Survey and self-addressed stamped envelope for your use should you wish to provide feedback on our handling of your complaint. Thank you.

If you have any questions, please call me at 586-2139 or e-mail me at Nicholas.M.Ching@hawaii.gov.

Sincerely,

Nicholas Ching
Compliance Section

NC:ps

Enclosure

c: Hawaii Water Service Company



HAWAII WATER SERVICE COMPANY

P.O. BOX 384809 • WAIKOLOA, HI 96738

TEL: (808) 883-9355 • FAX: (808) 883-9768

April 14, 2009

FILED

2009 APR 15 P 12: 57

PUBLIC UTILITIES
COMMISSION

Mr. Nicholas Ching – Compliance Section
State of Hawaii
Public Utilities Commission
Department of Budget and Finance
465 S. King Street #103
Honolulu, Hawaii 96813

RE: Complaint Against Hawaii Water Service Company
Informal Complaint No. IC-2009-0037

Dear Mr. Ching:

Hawaii Water Service Company (HWSCO) is in receipt of your letter dated March 31, 2009 regarding Mr. Walter Funasaki's complaint of late fees assessed to his water bill for the period of 8/19/08 to 10/20/08 with due date of 12/1/08.

Per your requested, the following information is to assist the Commission in resolving Mr. Funasaki's complaint.

Subject #1 – Please explain Rule VI, regarding Meter Reading and Rendering of Bills -

- Meters are read within the period of 18th through 20th of every other month.
Example: October 20, 2008
- Processing of Billing - Data entry, printing and mailing of bills are processed before end of the current billing month.
Example: October 31, 2008
- All bills deposited in the United States mail by the 1st of the following month.
Example: November 1, 2008
Note: We have delivered bills to the Kamuela Post Office as early as the 25th of the month, allowing customer to have more than 30 days to remit payment to our office.
- RULE VI – All bills shall be due and payable upon deposit in the United States mail, receipt by the customer, or other presentation to the customer. HWSCO allows 30 to 35 days from date of mail out of bills.
Example: December 1, 2008

Subject #2 – Please describe the current procedure used by your company in charging customers late fees and indicate when the current procedure was first implemented -

- All balances not paid within 30 days from the date bills were mailed to customers are assessed late fees:
- Current balances not paid by the due date are assessed – 5% Penalty & 1% Interest
- All balances not paid 30, 60, & 90 day from the due date are assessed 1% thereafter.
- Current procedure first implemented in 1996.

Subject #3 – Please explain how your current procedure is not in violation of Rule VI -

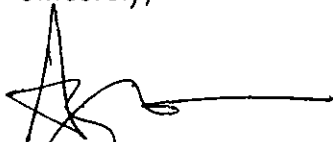
- Due date printed on the bills helps customers be aware when payment are due in our office.
- Customer's bill also include amount due plus late fees if remitting payment after the due date. See attached sample bill card hi-lighted in yellow.

Subject #4 – Any action that can be taken or any other information to assist the Commission in resolving this complaint -

- Since Mr. Funasaki resides in the mainland, it is advisable that Mr. Funasaki mail his payment 10 days before the bill card's due date to avoid our office receiving payment late. In the future, any disputes regarding the charges appearing on the bill should be submitted to our office in writing.

Should you need further assistance or information, please feel free to call me at (808) 886-1800 or e-mail me at acarlos@hawaiiwaterservice.com.

Sincerely,



Agnes Carlos

Customer Service Supervisor

Attachment

C: Robert Spetich - Local Manager

ACCOUNT # SERVICE FROM SERVICE TO # DAYS DUE DATE

PREVIOUS <READINGS> PRESENT USAGE CHARGES

SAMPLE BILL
CARD

LAST PAYMENT LAST BILLING <USAGE> LAST YEAR

METER NUMBER REFERENCE NUMBER GROSS DUE IF LATE

SERVICE ADDRESS NET DUE NOW

FIRST-CLASS MAIL
U.S. POSTAGE PAID

PERMIT NO.

RETURN THIS STUB WITH YOUR PAYMENT

DUE DATE GROSS DUE IF LATE

ACCOUNT # NET DUE NOW

SERVICE ADDRESS

NET DUE NOW

LINDA LINGLE
GOVERNOR



CARLITO P. CALIBOSO
CHAIRMAN

JOHN E. COLE
COMMISSIONER

LESLIE H. KONDO
COMMISSIONER

STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
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465 S. KING STREET, #103
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Telephone: (808) 586-2020
Facsimile: (808) 586-2086

e-mail: Hawaii.PUC@hawaii.gov

March 31, 2009

Agnes F. Carlos
Customer Service Supervisor
Hawaii Water Service Company
150 Waikoloa Beach Drive
Waikoloa, Hawaii 96738

Re: Complaint Against Hawaii Water Service Company
Informal Complaint No. IC-2009-0037

Dear Ms. Carlos:

Mr. Walter Funasaki filed a complaint with the Public Utilities Commission ("Commission") on March 16, 2009. In his complaint (copy enclosed), Mr. Funasaki alleges that Hawaii Water Service Company has erroneously charged him for being over 30 days past due during the two-month period of 8/19/2008 to 10/20/2008.

Please assist the Commission in resolving Mr. Funasaki's complaint by providing the following information: (1) please explain Rule VI, regarding Meter Reading and Rendering of Bills; (2) please describe the current procedure used by your company in charging customers late fees and indicate when the current procedure was first implemented; (3) please explain how your current procedure is not in violation of Rule VI.; and (4) any action that can be taken or any other information to assist the Commission in resolving this complaint. Please reference Informal Complaint No. IC-2009-0037 in responding to Mr. Funasaki's complaint. Thank you.

If you have any questions regarding Mr. Funasaki's complaint, please call me at (808) 586-2139 or e-mail me at Nicholas.M.Ching@hawaii.gov.

Sincerely,

Nicholas Ching
Compliance Section

Enclosure

c: Mr. Walter Funasaki (w/o encl)

CERTIFICATE OF SERVICE

The foregoing order was served on the date of filing by mail, postage prepaid, and properly addressed to the following parties:

CATHERINE P. AWAKUNI
EXECUTIVE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, HI 96809

WALTER N. FUNASAKI
64 Saint Timothy Court
Danville, CA 94526

WALTER N. FUNASAKI
P.O. Box 384677
Waikoloa, HI 96738

J. DOUGLAS ING, ESQ.
PAMELA J. LARSON, ESQ.
DUSTIN MONROY, ESQ.
WATANABE ING LLP
999 Bishop Street, 23rd Floor
Honolulu, HI 96813

Attorneys for WAIKOLOA WATER COMPANY, INC.,
dba WEST HAWAII WATER COMPANY

WAIKOLOA WATER COMPANY, INC.,
dba WEST HAWAII WATER COMPANY
P.O. Box 384809
Waikoloa, HI 96738