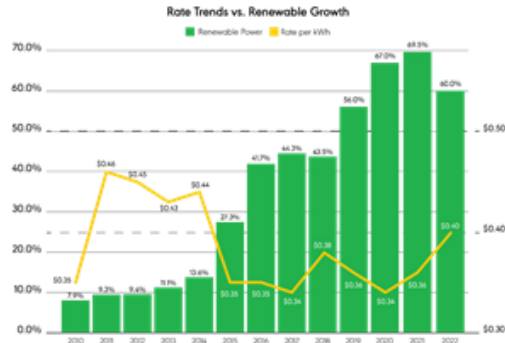


KIUC ADDRESSES MISINFORMATION CIRCULATING ABOUT PENDING RATE CASE

Let's start with the good news: KIUC's residential rates are the lowest of any island in the State of Hawaii, and have been so for the past 12 months.

This accomplishment is largely due to replacing oil-fired generation with lower-cost, fixed-price renewables. This graph gives you a picture of the stabilizing effect renewables have had on our rates.



While we've been successful in stabilizing rates, for only the second time in our 20-year history KIUC has filed for an increase in our base rates. This is necessary because, since our last rate adjustment in 2010, inflation in Hawaii has increased cumulatively 37%, while our energy sales have grown by only 5%. This is an unsustainable model for any business.

KIUC has requested a 9.4% overall revenue increase. KIUC does not take a rate increase request lightly. We know there is no "good time" for a rate increase. This request, if taken over the 13-year period since the last increase, equates to less than 1% per year: far below the rate of inflation. We realize that any increase will be difficult for some of our members to absorb, and we've dedicated a [page](#) on our website to providing information and answering question you may have.

Even with these readily available resources, there is **FALSE** information circulating that the proposed increase will have a far greater impact on residential members than commercial members. The **TRUTH** is that our residential and commercial classes would each be generating an additional 9.4% in revenues, and are being treated equally under the KIUC proposal.

This does not mean, however, that every member of KIUC can expect a 9.4% increase in their monthly bills. There are many factors that contribute to how much your bill would be impacted. For residential members, the increase will range from 10.8% for members using 250 kWh per month, to 8.9% for members using 1,000 kWh per month. Our average member uses 500 kWh per month, for which the increase is projected to be 9.4% per month. More information on projected increases by rate class and energy usage can be found [here](#).

The final decision on an appropriate rate increase for KIUC rests with the Hawaii Public Utilities Commission (PUC), which conducts a rigorous review process that includes input from the State's Consumer Advocate (broadly representing the interests of KIUC members), KIUC, and other parties as determined by the PUC. The general public may also provide feedback to the PUC.

Anyone interested in following the rate case proceedings can do so at the PUC's website [docket management system](#), under Docket No. 2022-0208.

Please feel free to [contact us](#) with your questions about the rate case. Mahalo!