

May 21, 2018

Dear Valued Customer:

RE: Opportunity for Public Comments Regarding Young Brothers' General Rate Increase Application (Docket No. 2017-0363)

On March 16, 2018, Young Brothers, Limited ("Young Brothers") re-filed its Application for a General Rate Increase with the Hawaii Public Utilities Commission (the "Commission") requesting a rate increase of 11.05% over current effective rates. The Commission and the Division of Consumer Advocacy will conduct an investigation into Young Brothers' request, which includes an opportunity for the general public to submit written comments or provide in-person testimony to the Commission.

Members of the general public, including customers of Young Brothers, may attend one or more public meetings to express their views on Young Brothers' request, orally, in writing, or both. Written statements may be submitted prior to or at the public meetings by either postal or electronic mail, addressed as follows:

Postal Mail:

Public Utilities Commission
465 South King Street #103
Honolulu, HI 96813

Electronic Mail:

Hawaii.PUC@hawaii.gov

Please reference Docket No. 2017-0363 and include your name, as well as the entity or organization represented, if any.

A copy of the Notice of Public Meetings for the County of Hawaii is included with this letter and is posted at Young Brothers' port locations statewide.

If you have any questions, please call your local Young Brothers' office or your account representative. Thank you for your continued patronage.

Sincerely,

/s/ Sandra W. Larsen
Sandra W. Larsen
Vice President, Legal and Government Affairs

NOTICE OF PUBLIC MEETINGS

APPLICATION OF YOUNG BROTHERS, LIMITED FOR APPROVAL OF A GENERAL RATE INCREASE AND CERTAIN TARIFF CHANGES

Docket No. 2017-0363

The PUBLIC UTILITIES COMMISSION of the STATE OF HAWAII ("Commission")
HEREBY GIVES NOTICE that it will hold public meetings relating to the Application of
YOUNG BROTHERS, LIMITED ("Young Brothers"), filed on March 16, 2018, for approval
of a general rate increase and certain tariff changes.

The Commission will hold public meetings as follows:

Tuesday, May 29, 2018, 5:30 p.m.

Mokupapapa Discovery Center
76 Kamehameha Ave.
Hilo, Hawaii 96720

Thursday, May 31, 2018, 5:30 p.m.

West Hawaii Civic Center
Community Meeting Hale
74-5044 Ane Keohokalole Hwy
Kailua-Kona, Hawaii 96740

The Commission will investigate whether the proposed revenue increases,
changes in rate schedules and rules, and other matters proposed in the Application are
just and reasonable.

Young Brothers is a water carrier authorized to transport property by barge
between the islands of Oahu, Hawaii, Kauai, Maui, Molokai, and Lanai. Young Brothers
seeks approval of a 11.05% rate increase, or an increase in revenues of \$7,842,000,
based on a proposed intrastate revenue requirement of \$78,830,233 and a rate of return
of 11.09% (which incorporates a return on equity of 14.00%), for the 2018 Test Year.

Young Brothers states that it does not propose a uniform “across the board” rate increase for all cargo categories. Young Brothers states that although it seeks “an overall rate increase of 11.05%[,]” the specific amount of its proposed rate increases will vary depending on the cargo type, with proposed rate increases of between 5.00% and 17.00%, “regardless of the destination port.”

Young Brothers states that the “proposed rate increase is reflected in revisions to rates, fees, and charges” as set forth in the “proposed changes to Tariff 5-A[,]” which is attached as Exhibit A to the Application. Young Brothers states that its proposed rate design and a “complete list of all cargo types including the proposed revenue increase, percentage rate increases and the overall revenue to be generated[,]” are set forth in the Application as Exhibit YB-904.

At the public meetings, the Commission will receive in-person testimony from the general public regarding the Application and the proposed rate increases and revised rate schedules and rules.

The purpose of these public meetings is to listen to the views expressed by the general public. All interested persons are invited to attend the public meetings to state their views on the Application, orally, in writing, or both. So that all in attendance will have the opportunity to speak at the public meetings, the Commission may impose time limits for each person's testimony.

In addition, written comments may be mailed to the Commission at 465 South King Street, Room 103, Honolulu, Hawaii, 96813, or sent by electronic mail to puc.comments@hawaii.gov. Written comments should reference Docket No. 2017-0363, and include the author's name and the entity or organization that the author represents.

The foregoing is a summary of the proposals in Young Brothers' Application. The Application is available for public review through the Commission's electronic Document Management System, at <http://dms.puc.hawaii.gov/dms/>. Copies of the Application are also available for review by contacting Young Brothers, the Commission's Hawaii District Office [(808) 974-4533] or its Honolulu Office [(808) 586-2020], or the Consumer Advocate [(808) 586-2800].

Special accommodations for persons with disabilities can be made if requested reasonably in advance by contacting the Commission's Honolulu Office.

A handwritten signature in black ink, appearing to read 'Randy Iwase', is written over a horizontal line.

Randy Iwase
Chair

Hawaii Tribune-Herald: May 8, 15, 22, and 27, 2018
West Hawaii Today: May 10, 17, 24, and 29, 2018