

04/25/2024 18:56:00 [BFW] Bloomberg First Word

Hawaii Unlikely to Pass Bill to Help Utility With Fire Costs

By Mark Chediak

(Bloomberg) -- Hawaii lawmakers deferred a bill that would have helped Hawaiian Electric Industries Inc. recover costs tied to the Maui wildfires, making the measure unlikely to pass in this session, according to a report by research group Capstone.

- Key state legislative committee signaled on Thursday that it is unlikely to pass legislation that would permit Hawaiian Electric to securitize wildfire costs, Capstone analysts Josh Price and Alyssa Lu wrote.
- "We believe today's development was a significant blow to Hawaiian Electric Industries Inc., which was hoping for help from lawmakers with both forward-looking insurance for future wildfires and permission to sell bonds to help it recover the cost of its recovery efforts after the Maui fire and potentially pass costs of this plan on to ratepayers," the analysts said.
- Hawaiian Electric says it is disappointed with the outcome in the conference committee
- Lack of legislative action increases risk of bankruptcy filing later this year ahead, analysts said
- EARLIER: Hawaiian Electric Said to Weigh Sale of American Savings

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