



Dean K. Matsuura
Manager
Regulatory Affairs

May 14, 2013

The Honorable Chair and Members of
the Hawaii Public Utilities Commission
Kekuanaoa Building, 1st Floor
465 South King Street
Honolulu, Hawaii 96813

Dear Commissioners:

Subject: Transmittal No. 13-01
MECO Decoupling RBA Rate Adjustment Tariff Filing
MECO's Response to the Division of Consumer Advocacy's
Statement of Position and Revised RBA Rate Adjustment

Enclosed for filing is Maui Electric Company, Limited's ("MECO" or "Company") Response to the Consumer Advocate's Statement of Position ("Response") to the Division of Consumer Advocacy's Statement of Position ("Consumer Advocate's SOP") filed on May 6, 2013, on Transmittal No. 13-01.

This Response includes the following attachments:

1. Response to the Consumer Advocate's SOP;
2. Revised tariff sheet (in clean and blacklined versions) with the Company's revised proposed RBA Rate Adjustment rate;
3. Revised 2013 Decoupling Calculation Workbook (revised pages are noted and changes highlighted, but for convenience, all support has been provided in its entirety); and
4. Company's response to informal MECO-CA-IR-1 and support.

The Company's Revised 2013 Decoupling Calculation Workbook reflects corrections for errors that were pointed out in the Consumer Advocate's SOP. The Company agreed to these changes in its Response. The Company's Revised 2013 Decoupling Calculation Workbook also reflects the agreements set forth in the Letter Agreement of the Company and the Consumer Advocate ("Parties' Letter Agreement"), filed May 14, 2013 in this proceeding. The agreements in the Parties' Letter Agreement address substantive differences between the Parties and, as a result, these agreements are included in a separate letter. As a result of the agreements set forth in the Parties' Letter Agreement and the changes the Company agreed to make in its Response, there are no remaining issues between the Parties concerning the Company's RBA Rate Adjustment Tariff filing.

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COMMISSION

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Based on the revised calculations, MECO's 2013 RBA Rate Adjustment rate decreased to .8071¢ per kilowatt-hour ("kWh") from .8684¢ per kWh in the March 28, 2013 Transmittal No. 13-01 filing. The overall impact to a typical customer's monthly bill would be \$4.84 for Maui Division (based on an average usage of 600 kWh) and \$3.23 for Lanai and Molokai Divisions (based on an average usage of 400 kWh), down from \$5.21 and \$3.47 a month for Maui and Lanai/Molokai Divisions in the March 28, 2013 filing.

If you have any questions, please call me at 543-4622.

Very truly yours,



Dean K. Matsuura
Manager, Regulatory Affairs

Attachments
cc: Division of Consumer Advocacy



ATTACHMENT 1

TRANSMITTAL NO. 13-01
MAUI ELECTRIC COMPANY, LIMITED
RESPONSE TO CONSUMER ADVOCATE'S STATEMENT OF POSITION

A. REVIEW OF THE REVENUE BALANCING ACCOUNT ("RBA") ACTIVITY

1. Termination of Rate Schedules H and K

a. The Consumer Advocate's Position

Decision and Order No. 30365 in Docket No. 2009-0163 terminated Rate Schedules H and K effective May 4, 2012. Because of this, Maui Electric Company, Limited ("MECO" or "Company") removed the revenue and kilowatt-hour ("kWh") sales related to these rate schedules and then applied a "28/31" prorate factor to the remaining amounts to determine recorded adjusted revenues for the month. However, the Consumer Advocate's Statement of Position ("Consumer Advocate's SOP") argued that, "(e)ven though Rate Schedules H and K were terminated pursuant to Commission order, the Company did not lose the related revenues or sales per se, as the customers previously served under those rate schedules were simply migrated to other rate schedules offered by MECO." (Consumer Advocate's SOP at 4) Based on this, the Consumer Advocate recommended two revisions to the Company's calculations: 1) the revenues and sales eliminated by the Company for Schedules H and K should be reversed, increasing recorded adjusted revenues by \$85,776; and 2) the "28/31" prorate factor should then be applied to the revised net unbilled base revenues for the month. These corrections and revisions decrease recorded adjusted revenues and increase the RBA balance by \$42,950. (Consumer Advocate's SOP at 4-5)

b. MECO's Response

The Company agrees with the Consumer Advocate's adjustment to increase the May 2012 RBA balance by \$42,950, which consists of two adjustments: (1) \$53,287 to reflect corrections in the proration of the Rate Schedules H and K revenues in May 2012 and (2) -\$10,337 to reflect corrections in the proration of 2010 interim increase revenue and Purchased Power Adjustment Clause ("PPAC") revenues in May 2012. Also, the \$42,950 increase to the May 2012 RBA balance has a related adjustment to increase RBA interest by \$1,416 for 2012. The impact of the RBA and interest adjustments results in a December 31, 2012 RBA balance of \$5,314,537, as shown on Attachment 1, page 3, line 12, column h of the Consumer Advocate's SOP and Attachment 3, Revised Decoupling Calculation Workbook, Revised Schedule B, included herein.

2. ECAC Revenue Reconciliation Inconsistencies

a. The Consumer Advocate's Position

During its review of Schedule B2, the Consumer Advocate compared the amounts of the Energy Cost Adjustment Clause ("ECAC"), PPAC, Demand-Side Management ("DSM") and Public Benefits Fund ("PBF") revenues that are being removed on Schedule B2 to the corresponding amounts of such revenues that the Company has separately reported to the Commission. Specific quantification of differences between the amounts of recorded ECAC revenues and Schedule B2 for Hawaiian Electric Company, Inc. ("Hawaiian Electric") was calculated because its RBA mechanism and Schedule B2 reflect a full year of transactions that are reconciled in the calendar year ECAC reconciliation filings. The difference between Hawaiian

Electric's Schedule B2 and its ECAC reconciliation filings amount to approximately \$88,100.

For Hawaii Electric Light Company, Inc. ("HELCO") and MECO, the comparison of the revenues removed from Schedule B2 and the ECAC reconciliation filings was not possible since HELCO and MECO's RBA accounting was effective for only part of calendar year 2012. HELCO and MECO have advised the Consumer Advocate that there are differences between the ECAC revenues reported in their respective Schedule B2 and the ECAC reconciliation filings.

b. MECO's Response

The Companies¹ acknowledge that the ECAC revenues from lines 23 and 36 of Hawaiian Electric's Schedule B2 or the comparable lines of HELCO's and MECO's Schedule B2s should match the respective company's ECAC reconciliation filings². HELCO and MECO are currently reviewing their Schedule B2 and ECAC reconciliation files. Although the RBA filing is for a partial year for both HELCO and MECO, the ECAC review would encompass the entire calendar year because the ECAC is reconciled on a calendar year basis. Once this review is completed, any corrections, if any, will be reflected in the next quarterly ECAC reconciliation filing as a prior year adjustment.

3. Other RBA Balance Corrections

a. The Consumer Advocate's Position

¹ "The Companies" include Hawaiian Electric, HELCO and MECO.

² For Hawaiian Electric, a detailed explanation regarding the difference of \$88,100 is provided in Hawaiian Electric's Response to the Consumer Advocate's Statement of Position (Tariff Transmittal 13-03), dated May 14, 2013.

The Consumer Advocate's SOP stated that the Company informed the Consumer Advocate of the need for additional adjustments impacting recorded adjusted revenues in 2012 that were recorded in 2013. Due to the relatively small magnitude of these revisions, the effects of these changes will remain subject to reconciliation in the next annual RBA Rate Adjustment submission. The Consumer Advocate will conduct its review of recorded 2013 entries to the RBA balance in the context of the next decoupling review cycle and has not attempted to account for such changes as part of its proposed RBA Rate Adjustments at this time. (Consumer Advocate's SOP at 7-8)

b. MECO's Response

As shown on Schedule B, line 11 and supported by MECO-WP-B-006³, the Company advised the Consumer Advocate of one adjustment in the amount of \$1,806 that was recorded in 2013 that impacted recorded adjusted revenues in 2012. The Company is not aware of any other adjustments, other than those discussed in A.1. above, that were recorded in 2013 that impacted the recorded adjusted revenues in 2012. This adjustment is properly reflected in the Company's March 28, 2013 filing, and MECO has no other known adjustments to the 2012 RBA balance at this time. The Company agrees with the Consumer Advocate that any further adjustments to the recorded 2013 RBA balance will be done in the next annual RBA Rate Adjustment filing.

B. REVIEW OF THE RATE ADJUSTMENT MECHANISM ("RAM") CALCULATION FOR THE 2013 RAM YEAR

1. Tax Loss Carryforward Balances in Rate Base

³ See Transmittal No. 13-01 (Decoupling) filed on March 28, 2013.

a. The Consumer Advocate's Position

MECO has included recorded accumulated deferred income tax ("ADIT") balances as of December 31, 2012 in its RAM rate base calculation, including a new element of ADIT that is captioned "2011 NOL Benefit not Utilized."⁴ This item has not been previously submitted for consideration in utility rate base.

The Consumer Advocate's position is that this item should not be included in the RAM Rate Base for several reasons, including the following:

- 1) No Deferred Tax Asset ("DTA") related to an NOL has been included in MECO's rate base in prior case. This is a complex ratemaking issue that should not be approved in an expedited decoupling tariff transmittal with no opportunity for needed discovery, analysis and testimony that could occur in a rate case;
- 2) Hawaiian Electric Industries, Inc. ("HEI") consolidated did not have an NOL carry-forward for which a DTA would have been provided and the tax deductions being claimed by the HEI-owned utilities will be fully utilized to reduce income taxes actually paid by HEI on a consolidated income tax return;
- 3) MECO makes further adjustments to account for tax deductions that are not allowed for ratemaking purposes, but that were included in projecting the Company's federal DTA for tax loss carry-forwards. The Consumer Advocate quotes from the revised response to Informal MECO-CA-IR-1, at Attachment 1, "HECO acknowledges that, 'These adjustments essentially

⁴ "NOL" is defined as "net operating loss".

offset the tax basis NOL used to calculated [sic] the financial statement DTA related to the NOL. The primary driver is the deductions related to that portion of the CIS costs written off under the Settlement. In this light, the standalone adjustment for HELCO's taxable income is moot, and HECO asserts that the \$641,000 DTA should not be included in rate base RAM;” and

- 4) On an as adjusted basis of accounting, after eliminating tax deductions for charitable contributions, disallowed Customer Information System (“CIS”) Project Costs, non-utility operating losses and other costs not allowed for ratemaking purposes, there is no cumulative carryforward of tax losses for the Hawaiian Electric utilities on a combined basis. This is because HELCO's large positive taxable income in relevant carryback tax years is more than adequate to allow full realization of all tax deductions and any resulting estimated negative taxable incomes that may be experienced at MECO or Hawaiian Electric on a standalone basis.

For these reasons, the Consumer Advocate has removed the \$5,771,709 NOL Carryforward DTA from the Federal DTA balance included in MECO's rate base. (Consumer Advocate's SOP at 10-12)

b. MECO's Response

The Company agrees that the specific item of ADIT (in this case, negative deferred taxes or DTA) has not been previously considered in its rate case. However, this item is a temporary difference that is identical to other temporary differences that occur as a result of different book versus tax recognition periods. In general, MECO asserts

that all temporary book-tax differences related to allowable expenses should result in an ADIT that is includable in rate base for this decoupling filing.

- 1) The fact that HEI consolidated did not have an NOL carryforward for which a DTA would have been provided is irrelevant in the consideration of MECO's allowable DTA since this jurisdiction has followed a standalone methodology, which treats each utility as if it were filing separate income tax returns.
- 2) The Company agrees with the Consumer Advocate's position regarding the NOL adjustments to exclude the tax deductions related to the comparable book expenses that have been disallowed by the Commission in prior rate case decisions. Consequently, the adjustment to exclude these items resulted in a reduction of the DTA amount from \$5,771,709 to \$4,846,738. This is shown in Attachment 1 to the response to Informal MECO-CA-IR-1 (revised 4/30/13), provided in this filing as Attachment 4.⁵
- 3) It should be noted that the quotation (Consumer Advocate's SOP at 11-12) used by the Consumer Advocate was taken from the response to Informal HECO-CA-IR-1, not Informal MECO-CA-IR-1. The response to Informal HECO-CA-IR-1 addressed Hawaiian Electric's NOL situation, which is entirely different from MECO's. Hawaiian Electric's adjustments, for tax deductions not allowed for ratemaking, eliminated its standalone NOL, warranting the exclusion of Hawaiian Electric's \$641,000 DTA. On the other hand, MECO's adjustments to its NOL,

⁵In its SOP, the Consumer Advocate stated that it provided the Company's response to the informal MECO-CA-IR-1 as Attachment 3 in the Consumer Advocate's SOP. (Consumer Advocate's SOP at page 11). However, it was not provided in the Consumer Advocate's SOP, and so the Company is submitting it as Attachment 4 to its response. The response to informal MECO-CA-IR-1, part c (revised 4/30/13), refers to informal HECO-CA-IR-1, Attachment 1 for the calculation of the adjustment, which is also being provided in Attachment 4.

for tax deductions not allowed for ratemaking, reduced its DTA from \$5,771,709 to \$4,846,738. MECO's circumstances should not be compared to Hawaiian Electric's situation since MECO continued to have a substantial regulated NOL while Hawaiian Electric's adjustments eliminated its regulated NOL. Hawaiian Electric agrees that after adjustments, the Company did not have an unutilized regulated NOL on which a DTA could be provided. On the other hand, after adjustments MECO continues to have a significant NOL on which a DTA should be provided.

- 4) The fact that Hawaiian Electric is able to utilize MECO's NOL on a Hawaiian Electric consolidated basis should not affect the ability of MECO to include its standalone DTA in rate base. MECO has not realized this benefit (in cash) and does not expect to realize it within the subsequent year on a standalone basis. As discussed in 2) above, this jurisdiction has consistently followed a standalone methodology for Hawaiian Electric, MECO and HELCO. This policy produces a fair and equitable result because each entity's customers pay electric rates for the cost of the provider's service based on its own independent facts and circumstances. If MECO were to be attributed the realization of its DTA (reduce rate base), MECO would not be earning on its true rate base since the DTA, representing funds not yet received, would not be included.

However, in order to expedite the resolution of the 2013 decoupling transmittal, MECO agrees to remove from rate base an amount equivalent to the recorded DTA at issue as of December 31, 2012. This is shown and further explained on line 7 on Revised Schedule D4, Attachment 3 of this filing, This agreement should not be

construed as a change in the Company's policy and position that revenue requirement should be based on a separate standalone methodology. The Consumer Advocate and MECO agree that the actual resolution of a DTA generated by an NOL should be accomplished in a general rate case, considering all factors including whether removing the DTA might be a violation of tax normalization. Consequently, if applicable in its next general rate case, MECO will seek resolution at such time in the future.

2. Plant Additions Subject to Bonus Depreciation

a. The Consumer Advocate's Position

For the 2013 RAM year, MECO estimated the growth in ADIT balances at Schedule F1, applying an assumption that 94% of new plant in service project costs would be eligible for 50% "bonus" tax depreciation. When asked about this 94% assumption, MECO determined that the projects identified as excluded from bonus should have been included and qualified, and that the 94% estimated for project costs qualifying for bonus depreciation is incorrect and should be revised to 100%. (Consumer Advocate's SOP at 13)

b. MECO's Response

The Company agrees with the Consumer Advocate. The assumption that 100% of projects qualify for bonus depreciation is used in Revised Schedules F and F1, and Revised Schedule D1, which results in a reduction in average rate base of \$89,772.

See Attachment 3 of this filing.

3. Deferred Regulatory Asset Balances in Rate Base

a. The Consumer Advocate's Position

In determining the average regulatory asset balances included in rate base, the Company employed a beginning balance of the two point average as the balance at May 31, 2013. The only difference identified by the Consumer Advocate with respect to the inclusion of these regulatory assets in the Rate Base RAM component relates to the Company's use of the regulatory asset values at May 31, 2013 rather than December 31, 2012. (Consumer Advocate's SOP at 14-15)

b. MECO's Response

The Company disagrees with the Consumer Advocate's position that the regulatory asset value with respect to the CIS regulatory asset balance should be at its December 31, 2012 recorded amount, rather than the estimated May 31, 2013 balance which would also include carrying charges up to that date. *Order No. 31126. Approving, with Clarifications, Stipulated Settlement Agreement, Filed on January 28, 2013*, in Docket No. 2008-0083 approved the Stipulated Settlement which calls for the Hawaiian Electric Companies to include the net recoverable costs of the CIS project not already included in rates, as reflected in Exhibit 3 [of the Stipulated Settlement], page 2, in their 2013 RAM Revenue Adjustments (Stipulated Settlement at 2) and in the Updated Exhibit 3 in HECO-WP-D1-001B, page 3 included in Attachment 2 of Transmittal No. 13-03. In the referenced Exhibit 3 and in the Updated Exhibit 3, the additional annual amortization and the amortization expense (7/12 of annual amount) include the carrying charges for the CIS project costs through May 31, 2013.

In accordance with the terms of the *Parties' Letter Agreement*, concurrently filed in this proceeding, the Company agrees (1) to use the regulatory asset value with

respect to the CIS regulatory asset balances at December 31, 2012 as proposed by the Consumer Advocate, and (2) to forgo an adjustment to ADIT related to the carrying charges incurred in 2013 and included in the Company's ADIT balance at December 31, 2012.

The Company's agreement with the Consumer Advocate's position creates an inconsistency between the December 31, 2012 Deferred Regulatory Asset balance and the ADIT balance. In adjusting the December 31, 2012 deferred regulatory asset balance (excluding the 2013 carrying charges to be incurred), the Consumer Advocate did not adjust ADIT for the lower carrying charges, which is a book / tax difference. See the Consumer Advocate's SOP at Attachment 1, pages 6 and 7 of 8 (Schedules D1 and D4). The adjustment would have resulted in a decrease in the December 31, 2012 ADIT balance of \$9,592 and a corresponding increase in the 2013 projected ADIT change. However, MECO has agreed to no change in the ADIT for deferred regulatory assets as a concession towards the resolution of this issue.

C. EARNINGS SHARING REVENUE CREDITS

1. Rate Base Working Cash Allowance

a. The Consumer Advocate's Position

In calculating the 2012 "Earnings Sharing Revenue Credits" on Schedule H, MECO used a rate base value of \$402,972,000. As supported by MECO-WP-H-001, this rate base amount includes average working cash of \$11,350,000. In the settlement of the Company's preceding (2012) test year rate case, the amount of working cash

included in rate base and fixed for Rate Base RAM purposes was \$10,657,000.

(Consumer Advocate's SOP at 16)

The Consumer Advocate asserts that working cash should not be included in rate base for purposes of calculating "Earning Sharing Credits" at a value different from the fixed amount included in the Rate Base RAM for the reasons cited in the Consumer Advocate's SOP 16-17. The Consumer Advocate's proposed adjustment to working cash reduces the average rate base used in Schedule H for earnings sharing purposes by about \$693,000 to fix working cash at the amount last approved by the Commission in Docket No. 2011-0092 (MECO's 2012 test year rate case) and the amount consistent with Schedule D1 which calculates the 2013 average rate base for purposes of determining the Rate Base RAM. The Consumer Advocate also added that, for purposes of this RBA/RAM filing, no earnings sharing revenue credits were determined to apply whether this adjustment to working cash is or is not recognized. (Consumer Advocate's SOP at 17)

b. MECO's Response

The Company disagrees with the Consumer Advocate's position that working cash used in rate base for purposes of calculated Earnings Sharing Credits should be fixed at the amount of the 2012 test year rate case as it is for the Rate Base RAM calculation. The treatment of working cash for purposes of the Rate Base RAM is separate from and irrelevant to the treatment of working cash for the purposes of the Earnings Sharing Revenue Credits calculation. The Company's use of actual average amounts in its calculation of working cash in the 2012 Earnings Sharing Credit is in accordance with the MECO RAM Provision tariff, Sheet Nos. 96D

(Maui Division), 107D (Lanai Division) and 151D (Molokai Division), which states the following with respect to the Evaluation Period Earnings Sharing:

The schedules will include the following:

- a) Company's recorded actual average net plant in service, accumulated deferred income taxes, inventory, working capital, and other rate base components. The schedules shall also show the utility's depreciation expense, operating and maintenance expense, income taxes, taxes other than income taxes, and other components of income for return, revenues, and capital structure, cost of debt, overall cost of capital, and return on common equity in the format set forth in the final order establishing the Company's latest effective rates. . . .

The Company calculated its 2012 average actual working cash amount of \$11,350,000 used in the rate base value on Schedule H by taking the average of 2012 beginning and ending working cash. The 2012 beginning and ending working cash was calculated by multiplying the actual working cash components by their respective lead/lag rates as approved in the 2012 test year rate case. The average working cash amount used in the rate base value on Schedule H is consistent with the amount included in the quarterly filing of ratemaking rate of return on rate base and return on common equity submitted to the Commission for the 12-month period ended December 31, 2012. As the RAM tariffs provide for the use of actual average working cash in the Earning Sharing calculation, the Company asserts that its working cash calculation for purposes of the Earnings Sharing Revenue Credit determination is proper.

In accordance with the terms of the *Parties' Letter Agreement*, concurrently filed in this proceeding, the Consumer Advocate agrees to withdraw its proposed adjustment to working cash used in rate base in the Earnings Sharing Credits calculation.

ATTACHMENT 2

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Continued)

Maui, Lanai, and Molokai Divisions

The RBA Rate Adjustment shall remain unchanged during the recovery period unless further modification is required by order or approval of the Commission, except as specifically provided above.

Effective June 1, 2013 to May 31, 2014

RBA Rate Adjustment

All Rate Schedules 0.8071 ¢/kWh

F. NOTICE

Notice of the annual Revenue Balancing Account Rate Adjustment filing shall be provided to all affected customers of the Utility in accordance with the provisions of this section by publication in newspapers of general circulation within 14 days and by including notification with its billing statements within 60 days after the Company makes its annual filing pursuant to this tariff. The notice to customers shall include the following information:

- a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;
- b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and
- c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

G. SETTLEMENT AGREEMENT

This section recognizes that provisions of the *Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters*, filed in Docket No. 2008-0083, which the Commission approved in Order No. 31126, issued on March 19, 2013 apply to the RBA Provision where appropriate.

H: COMMISSION'S AUTHORITY

The Commission may suspend any or all parts of this Revenue Balancing Account Provision. Such suspension shall remain in place until removed by Commission Order.

MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated May 14, 2013.

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

The RBA Rate Adjustment shall remain unchanged during the recovery period unless further modification is required by order or approval of the Commission, except as specifically provided above.

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MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated May 14, 2013.

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

The RBA Rate Adjustment shall remain unchanged during the recovery period unless further modification is required by order or approval of the Commission, except as specifically provided above.

Effective June 1, 2013 to May 31, 2014

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All Rate Schedules 0.8071 ¢/kWh

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The Commission may suspend any or all parts of this Revenue Balancing Account Provision. Such suspension shall remain in place until removed by Commission Order.

MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated May 14, 2013.

ATTACHMENT 2A

Effective May 4, 2012
~~2013~~~~May 4, 2012~~

Effective June 1,

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

As described in Sections 6-61-61 and 6-61-111 of the Hawaii Administrative Rules, Title 6, Chapter 61, based upon the Company's filed schedules and in the absence of any protests submitted by the Consumer Advocate, Other Rate Case Parties, or other interested persons, not later than 15 days before June 1st, the RBA Rate Adjustment shall go into effect on June 1st, and the Commission shall confirm the commencement of the RBA Rate Adjustment in its monthly Tariff Order.

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

The RBA ~~R~~ate ~~A~~adjustment is comprised of the calculated values from Section D above, adjusted to include amounts for applicable revenue taxes, and calculated. ~~The RBA rate adjustment is calculated based on the Company's forecast of mWh sales over the RBA Rate Aadjustment recovery period.~~

The RBA Rate Adjustment shall remain unchanged during the recovery period unless further modification is required by order or approval of the Commission, except as specifically provided above.

Effective June 1, ~~2012-2013~~ to May 31, ~~2013~~2014

RBA Rate Adjustment

All Rate Schedules 00.8071 ¢/kWh

~~F: COMMISSION'S AUTHORITY~~

~~The Commission may suspend any or all parts of this Revenue Balancing Account Provision. Such suspension shall remain in place until removed by Commission Order.~~

FG. NOTICE

Notice of the annual Revenue Balancing Account Rate Adjustment filing shall be provided to all affected customers of the Utility in accordance with the provisions of this section by publication in newspapers of general circulation within 14 days and by including notification with its billing statements within 60 days after the Company makes its annual filing pursuant to this tariff. The notice to customers shall include the following information:

MAUI ELECTRIC COMPANY, INC.

~~Decket No. 2009-0163; Decision and Order No. 30365, Filed May 2, 2012.~~

Transmittal Letter dated May 3, ~~2012~~May 14, 2013.

Effective May 4, 2012
~~2013~~ May 4, 2012

Effective June 1,

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

As described in Sections 6-61-61 and 6-61-111 of the Hawaii Administrative Rules, Title 6, Chapter 61, based upon the Company's filed schedules and in the absence of any protests submitted by the Consumer Advocate, Other Rate Case Parties, or other interested persons, not later than 15 days before June 1st, the RBA Rate Adjustment shall go into effect on June 1st, and the Commission shall confirm the commencement of the RBA Rate Adjustment in its monthly Tariff Order.

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The RBA ~~R~~ate ~~A~~adjustment is comprised of the calculated values from Section ~~D~~ above, adjusted to include amounts for applicable revenue taxes, and ~~calculated~~. ~~The RBA rate adjustment is calculated based on the Company's forecast of mWh sales over the RBA R~~ate ~~A~~adjustment recovery period.

The RBA Rate Adjustment shall remain unchanged during the recovery period unless further modification is required by order or approval of the Commission, except as specifically provided above.

Effective June 1, ~~2012-2013~~ to May 31, ~~2013~~2014

RBA Rate Adjustment

All Rate Schedules 00.8071 ¢/kWh

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MAUI ELECTRIC COMPANY, INC.

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Transmittal Letter dated ~~May 3, 2012~~ May 14, 2013.

Effective May 4, 2012
~~2013~~~~May 4, 2012~~

Effective June 1,

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

As described in Sections 6-61-61 and 6-61-111 of the Hawaii Administrative Rules, Title 6, Chapter 61, based upon the Company's filed schedules and in the absence of any protests submitted by the Consumer Advocate, Other Rate Case Parties, or other interested persons, not later than 15 days before June 1st, the RBA Rate Adjustment shall go into effect on June 1st, and the Commission shall confirm the commencement of the RBA Rate Adjustment in its monthly Tariff Order.

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

The RBA ~~R~~ate ~~A~~adjustment is comprised of the calculated values from Section ~~D~~ above, adjusted to include amounts for applicable revenue taxes, and ~~calculated~~. ~~The RBA rate adjustment is calculated based on the Company's forecast of mWh sales over the RBA Rate Aadjustment recovery period.~~

The RBA Rate Adjustment shall remain unchanged during the recovery period unless further modification is required by order or approval of the Commission, except as specifically provided above.

Effective June 1, ~~2012-2013~~ to May 31, ~~2013~~2014

RBA Rate Adjustment

All Rate Schedules 0.8071 ¢/kWh

~~F: COMMISSION'S AUTHORITY~~

~~The Commission may suspend any or all parts of this Revenue Balancing Account Provision. Such suspension shall remain in place until removed by Commission Order.~~

FG. NOTICE

Notice of the annual Revenue Balancing Account Rate Adjustment filing shall be provided to all affected customers of the Utility in accordance with the provisions of this section by publication in newspapers of general circulation within 14 days and by including notification with its billing statements within 60 days after the Company makes its annual filing pursuant to this tariff. The notice to customers shall include the following information:

MAUI ELECTRIC COMPANY, INC.

~~Docket No. 2009-0163, Decision and Order No. 30365, Filed May 2, 2012.~~

Transmittal Letter dated ~~May 3, 2012~~May 14, 2013.

Attachment 3 – List of Schedules and Workpapers

Schedule A (REVISED)	MECO-WP-A-001
Schedule B (REVISED)	MECO-WP-B-001
Schedule B1	MECO-WP-B-002
Schedule B2	MECO-WP-B-003
Schedule C	MECO-WP-B-004
Schedule C1	MECO-WP-B-005
Schedule C2	MECO-WP-B-006
Schedule D (REVISED)	MECO-WP-C-001
Schedule D1 (REVISED)	MECO-WP-C-002
Schedule D2	MECO-WP-D1-001
Schedule D3	MECO-WP-D1-002
Schedule D4 (REVISED)	MECO-WP-D3-001
Schedule E	MECO-WP-D4-001
Schedule F (REVISED)	MECO-WP-F-001
Schedule F1 (REVISED)	MECO-WP-F1-001
Schedule F2	MECO-WP-F1-002
Schedule G	MECO-WP-H-001
Schedule G1	MECO-WP-H-002
Schedule G2	MECO-WP-H-003
Schedule G3	MECO-WP-H-004
Schedule H	
Schedule I	

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF 2013 REVENUE BALANCING ACCOUNT RATE ADJUSTMENT

Line No.	Description (a)	Reference (b)	Amount (c)	Rate Amount (d)
RECONCILIATION OF RBA BALANCE:				
1	RBA Prior calendar year-end balance	Schedule B	\$ 5,314,537	
2	Revenue Tax Factor	Schedule C	1.0975	
3	Revenue for RBA Balance			\$ 5,832,704
RATE ADJUSTMENT MECHANISM "RAM" AMOUNT:				
4	O&M RAM	Schedule C	\$ 1,019,952	
5	Rate Base RAM - Return on Investment	Schedule D	\$ 1,721,413	
6	Depreciation & Amortization RAM Expense	Schedule E, p. 3	\$ 676,567	
7	Total RAM Revenue Adjustment			\$ 3,417,932
8	<u>EARNINGS SHARING REVENUE CREDITS - 2012 ROE:</u>	Schedule H		\$ -
9	<u>PUC-ORDERED MAJOR OR BASELINE CAPITAL PROJECTS CREDITS:</u>	Schedule I		\$ -
10	TOTAL RBA REVENUE ADJUSTMENT	Sum Col. (d)		\$ 9,250,636
11	GWH SALES VOLUME ESTIMATE JUNE 1, 2013 - MAY 31, 2014 (see MECO-WP-A-001)			1,146,121
12	RBA RATE ADJUSTMENT - ¢ per kWh	Note (1)		0.8071
13	MONTHLY BILL IMPACT @ 600 KWH - Maui Division			\$ 4.84
14	MONTHLY BILL IMPACT @ 400 KWH - Molokai and Lanai Divisions			\$ 3.23

Note (1): 2013 RBA Rate Adjustment Breakdown

	Col. (d)	Rate Adjustment cents per kWh	Percentage Share
RBA Balance	\$ 5,832,704	0.50890828	63.05%
RAM Amount	\$ 3,417,932	0.29821737	36.95%
Earnings Sharing Revenue Credits	\$ -	0.00000000	0.00%
Major or Baseline Capital Projects Credits	\$ -	0.00000000	0.00%
	\$ 9,250,636	0.80712563	100.00%

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
SUMMARY OF ACCUMULATED REVENUE BALANCING ACCOUNT

Line No.	Month	Beginning Balance	Target Revenues	Recorded Adjusted Revenue	Variance to RBA	Interest at 6%/year	Adjustment	Ending Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Monthly RBA Balance and Activity (Monthly PUC Rpt., Pg. 9A)								
1	2012 March	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	April	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	May	\$ -	\$ 8,890,252	\$ 8,652,750	\$ 237,502	\$ 594	\$ -	\$ 238,095
4	June	\$ 238,095	\$ 11,012,872	\$ 10,010,824	\$ 1,002,048	\$ 26,204	\$ (2,641)	\$ 1,263,705
5	July	\$ 1,263,705	\$ 11,478,752	\$ 10,559,619	\$ 919,133	\$ 8,504	\$ (22,522)	\$ 2,168,819
6	August	\$ 2,168,819	\$ 11,646,986	\$ 10,721,765	\$ 925,221	\$ 13,157	\$ -	\$ 3,107,197
7	September	\$ 3,107,197	\$ 10,792,874	\$ 9,965,379	\$ 827,495	\$ 17,594	\$ (2,198)	\$ 3,950,087
8	October	\$ 3,950,087	\$ 11,362,282	\$ 10,746,704	\$ 615,578	\$ 21,289	\$ -	\$ 4,586,955
9	November	\$ 4,586,955	\$ 10,598,757	\$ 10,037,724	\$ 561,033	\$ 24,332	\$ (1,007)	\$ 5,171,313
10	December	\$ 5,171,313	\$ 10,521,111	\$ 10,446,078	\$ 75,033	\$ 26,024	\$ (4,005)	\$ 5,268,365
11	January 2013 Adjustment - Note (2)							\$ 1,806
	March 2013 Adjustment - Note (3)							\$ (10,730)
	May 2013 Adjustment - Note (4)							\$ 55,066
	REVISED 2012 December							\$ 5,314,537
12								
13								
14	2013 January	\$ -	\$ 10,728,188	\$ -	\$ -	\$ -	\$ -	\$ -
15	February	\$ -	\$ 9,511,705	\$ -	\$ -	\$ -	\$ -	\$ -
16	March	\$ -	\$ 10,715,227	\$ -	\$ -	\$ -	\$ -	\$ -
17	April	\$ -	\$ 10,197,593	\$ -	\$ -	\$ -	\$ -	\$ -
18	May	\$ -	\$ 10,844,838	\$ -	\$ -	\$ -	\$ -	\$ -
19	June	\$ -	\$ 11,277,895	\$ -	\$ -	\$ -	\$ -	\$ -
20	July	\$ -	\$ 11,754,986	\$ -	\$ -	\$ -	\$ -	\$ -
21	August	\$ -	\$ 11,927,268	\$ -	\$ -	\$ -	\$ -	\$ -
22	September	\$ -	\$ 11,052,602	\$ -	\$ -	\$ -	\$ -	\$ -
23	October	\$ -	\$ 11,635,713	\$ -	\$ -	\$ -	\$ -	\$ -
24	November	\$ -	\$ 10,853,814	\$ -	\$ -	\$ -	\$ -	\$ -
25	December	\$ -	\$ 10,774,299	\$ -	\$ -	\$ -	\$ -	\$ -

Sources of Data: Sch. B1 Sch. B2 Col (c) - (d) Note 1 Cols b+e+f+g

Note (1): Adjustment Summary:

Month	Workpaper Reference	RBA True-up Adjustment Sch B2, Line 18	RBA Interest Adjustments	Total Adjustment	Adjustment Description
June	MECO-WP-B-001	(2,634)	(7)	(2,641)	Error in May RBA calculation
July	MECO-WP-B-002	-	(22,522)	(22,522)	Calculation error for June interest
September	MECO-WP-B-003	(2,171)	(27)	(2,198)	Correction for misapplication of surcharge factors to June RBA
November	MECO-WP-B-004	(999)	(8)	(1,007)	Out of period billing adjustments
December	MECO-WP-B-005	(3,894)	(111)	(4,005)	Out of period billing adjustments

Note (2):

In January 2013, the Company recorded an adjustment to the RBA related to an out of period customer billing adjustment that was processed in January 2013 for revenue related to the period of January - October 2012. The Company recalculated the RBA as of December 31, 2012, including interest, based on reflecting the billing adjustment in the proper month. See MECO-WP-B-006.

Note (3):

In March 2013, the Company recorded an adjustment to the RBA balance related to a correction to the May 2012 RBA calculation. The amounts of revenue related to the Purchased Power Adjustment Clause (PPAC) and 2010 interim increase were not correctly removed when determining recorded adjusted revenue due to an error in the Company's proration of these amounts. The Company recalculated the RBA balance as of May 31, 2012 and related interest from May 2012, which resulted in a total decrease to the RBA balance of \$10,730 (\$10,337 RBA and related interest of \$393).

Note (4):

In May 2013, the Company identified an adjustment to the RBA balance related to a correction to the May 2012 RBA calculation. The revenue from rate Schedule H and K (rate schedules terminated on May 31, 2012) was inappropriately prorated in the determination of recorded adjusted revenue. The Company recalculated the RBA balance as of May 31, 2012 and related interest from May 2012, which resulted in a total increase to the RBA balance of \$55,066 (\$53,287 RBA and related interest of \$1,809).

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF TARGET REVENUES

Line No.	Description (a)	Reference (b)	Docket No. 2009-0163 Amounts (c)	Docket No. 2011-0092 Amounts (d)	Docket No. 2011-0092 Amounts (e)	Docket No. 2011-0092 Amounts (f)	Docket No. 2011-0092 Amounts (g)
1	<u>Last Rate Case Annual Electric Revenue at Approved Rate Levels</u>	Note (1)	\$ 318,240	\$ 424,570	\$ 424,570	\$ 424,570	\$ 424,570
2	Less: Fuel Expense	Note (1)	\$ (147,026)	\$ (212,580)	\$ (212,580)	\$ (212,580)	\$ (212,580)
3	Purchased Power Expense	Note (1)	\$ (25,763)	\$ (44,856)	\$ (44,856)	\$ (44,856)	\$ (44,856)
4	Revenue Taxes on Line 1 (8.885% statutory rates)		\$ (28,276)	\$ (37,723)	\$ (37,723)	\$ (37,723)	\$ (37,723)
5	Last Rate Order Target Annual Revenues	Sum Lines 1...4	\$ 117,176	\$ 129,411	\$ 129,411	\$ 129,411	\$ 129,411
6	Add: Authorized RAM Revenues	Tariff Transmittal	\$ -	\$ -	\$ -	\$ -	\$ -
7	Less: Revenue Taxes on Line 6 at 8.885%		\$ -	\$ -	\$ -	\$ -	\$ -
8	Net RAM Adjustment - Test Year +1	Lines 6+7	\$ -	\$ -	\$ -	\$ -	\$ -
9	Authorized RAM Revenues - Transmittal No. 13-01	Sch. A, line 7	\$ -	\$ -	\$ -	\$ 3,418	\$ 3,418
10	Less: Revenue Taxes on Line 9 at 8.885%		\$ -	\$ -	\$ -	\$ (304)	\$ (304)
11	Net RAM Adjustment - Test Year +1	Lines 9+10	\$ -	\$ -	\$ -	\$ 3,114	\$ 3,114
12	Less: EARNINGS SHARING REVENUE CREDITS - 2012 ROE	Schedule H	\$ -	\$ -	\$ -	\$ -	\$ -
13	PUC-ORDERED MAJOR OR BASELINE CAPITAL CREDITS	Schedule I	\$ -	\$ -	\$ -	\$ -	\$ -
14	Total Annual Target Revenues						
15	May 4 - 31, 2012 Annualized Revenues	Line 5	\$ 117,176				
16	June 1, 2012 Annualized Revenues w/interim Increase	Lines 5 + 8		\$ 129,411	\$ 129,411	\$ -	\$ -
17	June 1, 2013 Annualized Revenues + 2013 RAM Revenues	Lines 5 + 11		\$ -	\$ -	\$ 132,525	\$ 132,525
18	<u>Distribution of Target Revenues by Month:</u>	Note (2)		2012	2013	2013	2014
19	January	Note (3)		-	\$10,728,168	-	\$10,988,339
20	February			-	\$9,511,705	-	\$9,740,603
21	March			-	\$10,715,227	-	\$10,973,087
22	April			-	\$10,197,583	-	\$10,442,986
23	May - prorated 28/31 for 2012		\$8,890,252	-	\$10,844,638	-	\$11,105,612
24	June - June 1st is assumed effective date of RAM			\$11,012,872	-	\$11,277,895	-
25	July			\$11,478,752	-	\$11,754,986	-
26	August			\$11,646,986	-	\$11,927,268	-
27	September			\$10,782,874	-	\$11,052,602	-
28	October			\$11,382,282	-	\$11,635,713	-
29	November			\$10,598,757	-	\$10,853,814	-
30	December			\$10,521,111	-	\$10,774,299	-
31	Total Distributed Target Revenues	100.00%	\$8,890,252	\$77,413,634	\$51,997,321	\$79,276,577	\$53,248,627

Footnotes:

- Docket No. 2009-0163 amounts derived from Final Decision & Order, Results of Operations.
Docket No. 2011-0092 amounts derived from Interim Decision & Order, Exhibit A, page 1
- RBA Tariff effective May 4, 2012 based on 2010 test year
- RBA Tariff effective June 1, 2012 based on 2012 test year

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RECORDED ADJUSTED REVENUES

Note: MECO's implementation of decoupling began on May 4, 2012, pursuant to Decision and Order No. 30365, issued in Docket No. 2008-0163, on May 2, 2012, which approved the effective date of the final rates that reflected the approved ROE of 10.00 percent which reflects the Commissions approval of decoupling and other cost-recovery mechanisms.

Line No.	Description (a)	May									
		May 2012 (b)	Prorated ⁽¹⁾ (c)	Jun-12 (d)	Jul-12 (e)	Aug-12 (f)	Sep-12 (g)	Oct-12 (h)	Nov-12 (i)	Dec-12 (j)	
BILLED REVENUES:											
1	Current month's billed revenues	32,925,366	29,378,697	37,002,379	39,304,924	39,398,231	32,791,245	35,976,680	37,672,364	38,071,123	
2	Remove non-electric revenues adjustments ⁽²⁾	(115,061)	(103,926)	-	-	-	-	-	-	-	
3	Remove PBF revenues	(363,062)	(325,037)	(404,067)	(425,949)	(446,478)	(386,672)	(415,880)	(412,996)	(398,640)	
4	Remove Solar Saver non-revenues	32,820	29,644	6	(2)	-	0	0	-	(1)	
5	Other entries	(4,779)	(4,317)	38,222	(6,741)	(6,588)	(3,445)	(2,385)	(5,256)	(7,398)	
6 =											
sum 1-5	BILLED REVENUES	32,475,284	28,975,062	36,636,540	38,872,232	38,945,165	32,401,128	35,558,414	37,254,112	37,665,084	
UNBILLED REVENUES											
7	Current month's unbilled revenue	20,284,721	18,329,950	20,324,362	18,890,965	16,257,151	16,811,956	17,933,869	18,422,839	19,320,158	
8	Reverse prior month's unbilled revenues	(18,561,486)	(14,727,141)	(20,284,721)	(20,324,362)	(18,890,965)	(16,257,151)	(16,811,956)	(17,933,869)	(18,422,839)	
9 =											
7+8	Unbilled revenues per Unbilled Sales and Revenue Estimate	3,723,226	3,602,809	39,642	(1,433,397)	(2,633,814)	554,804	1,121,913	488,970	897,319	
10	Adjustment for ECAC accrual	(511,700)	(462,181)	(810,800)	(287,000)	(504,300)	166,200	732,500	(1,149,400)	(183,100)	
11	Reversal of ECAC accrual	333,866	301,556	333,866	333,868	484,565	464,565	464,570	208,367	208,367	
12	Adjustment for PPAC accrual	(62,700)	(62,700)	12,500	(43,800)	(28,300)	(68,400)	(79,900)	(75,100)	(74,900)	
13	Reversal of PPAC accrual	-	-	-	-	16,734	16,734	16,732	46,833	46,833	
14	IRP Non-Labor Adjustment	-	-	-	(83,545)	5,349	(2,455)	(9,095)	(4,916)	(26,528)	
15	Accrual of customer refund	-	-	-	-	-	-	-	-	(82,587)	
16	RBA gross up for revenue taxes	-	-	120,617	89,628	90,222	80,692	60,028	54,709	7,317	
17	Accrual of current month's RBA (PUC Monthly Financial Report pg. 9A)	237,500	237,500	1,002,048	919,132	925,221	827,494	615,579	561,034	75,033	
18	Adjust prior month RBA	-	-	(2,534)	-	-	(2,171)	-	(999)	(3,894)	
19	Revenue taxes on prior month adjustment	-	-	-	-	-	(212)	-	(97)	(380)	
20 =											
sum 10-19	Miscellaneous unbilled accruals	(3,034)	14,176	655,597	928,283	969,491	1,482,447	1,800,414	(359,569)	(33,839)	
21 =											
9+20	UNBILLED REVENUES	3,720,192	3,616,985	695,239	(505,114)	(1,664,323)	2,037,251	2,822,327	129,401	863,480	
22 =											
6+21	TOTAL REVENUES PER G/L (PUC Monthly Financial Report pg. 3)	36,195,476	32,592,047	37,331,779	38,367,117	37,280,843	34,438,380	38,480,741	37,383,513	38,528,564	
Billed Adjustments to Determine Adjusted Revenues for RBA:											
23	Remove 2010 interim increase	(378,180)	(371,180)	(6,762)	3	(29)	(2)	(1)	-	-	
24	Remove ECAC revenues	(7,882,894)	(7,038,159)	(11,166,223)	(11,244,136)	(9,996,446)	(7,388,064)	(8,440,160)	(10,576,845)	(11,757,114)	
25	ECAC surcharge adjustment	-	-	7,271,580	7,773,549	8,193,547	7,005,829	7,633,127	7,508,777	7,273,567	
26	Remove PPAC revenues	(53,304)	(53,304)	(154,531)	(165,141)	(165,946)	(134,751)	(146,612)	(127,671)	(108,485)	
27	Remove DSM/IRP/SS revenues	(10,851)	(9,629)	(11,715)	(12,708)	(13,704)	(11,246)	(12,694)	(12,119)	(11,952)	
28	Remove billing adjustments (net of revenue taxes)	-	-	-	-	7,111	-	-	9,136	(3,894)	
29	Remove revenue taxes of PBF revenues	(24,763)	(22,170)	(27,559)	(29,052)	(30,452)	(26,373)	(28,365)	(28,168)	(27,189)	
30	Remove revenue earned prior to decoupling (net of revenue taxes)	-	-	(13,934)	13,055	-	-	131	-	-	
31	Remove revenue taxes on billed revenues	(2,143,728)	(1,908,553)	(2,891,297)	(3,127,053)	(3,281,420)	(2,829,563)	(3,070,986)	(3,022,507)	(2,935,063)	
32	Remove base fuel (adjusted for revenue taxes)	(10,310,053)	(9,312,306)	(16,591,823)	(17,756,090)	(18,688,850)	(16,006,777)	(17,415,675)	(17,157,120)	(16,595,350)	
33	Remove power purchase energy (adjusted for revenue taxes)	(1,683,328)	(1,520,425)	(3,366,074)	(3,579,440)	(3,789,837)	(3,227,964)	(3,531,520)	(3,457,892)	(3,361,635)	
Unbilled Adjustments to Determine Adjusted Revenues for RBA:											
34	Remove 2010 interim increase	312,287	307,259	5,491	27	-	-	-	-	-	
35	Remove ECAC revenues	(2,994,013)	(2,745,397)	128,089	908,741	1,408,671	36,016	(704,696)	(1,302,241)	(229,565)	
36	ECAC surcharge adjustment	-	-	3,976,095	(156,849)	(355,571)	195,092	94,984	(201,752)	157,909	
37 =											
10+11	Remove ECAC accrual	177,834	180,624	476,834	(46,888)	39,735	(630,765)	(1,197,070)	941,033	(25,267)	
38	Remove PPAC revenues	(85,442)	(85,442)	1,311	2,577	14,881	(3,370)	(1,798)	19,351	(2,316)	
39	Remove PPAC accrual	62,700	62,700	(12,500)	43,800	11,566	51,666	63,168	28,267	28,067	
40	Remove DSM revenues	(1,053)	(1,065)	(43)	348	788	(646)	21	182	83	
41 = 14	Remove IRP Non-labor adjustment	-	-	-	83,545	(5,349)	2,455	9,095	4,916	26,528	
42 = 15	Remove accrual of customer refund	-	-	-	-	-	-	-	-	82,587	
43 = 17-											
19	Remove RBA accruals	(237,500)	(237,500)	(999,414)	(919,132)	(925,221)	(825,111)	(615,579)	(559,938)	(70,759)	
44 = 16	Remove RBA gross up for revenue taxes	-	-	(120,617)	(89,628)	(90,222)	(80,692)	(60,028)	(54,709)	(7,317)	
45	Remove revenue taxes on unbilled revenues	(84,852)	(95,795)	(368,502)	50,289	139,054	(69,471)	(45,351)	88,450	(73,162)	
46	Remove base fuel (adjusted for revenue taxes)	(1,025,513)	(926,270)	(2,661,241)	369,677	799,230	(435,068)	(227,415)	465,933	(378,375)	
47	Remove power purchase energy (adjusted for revenue taxes)	(157,975)	(142,687)	(785,120)	62,986	169,387	(94,195)	(36,615)	89,139	(65,744)	
48 =											
sum 23-47	Total billed and unbilled adjustments to determine adjusted revenues for RBA	(26,518,428)	(23,939,299)	(27,320,955)	(27,807,500)	(26,559,077)	(24,473,001)	(27,734,039)	(27,345,789)	(28,082,486)	
49 =	RECORDED ADJUSTED REVENUES FOR RBA DETERMINATION⁽¹⁾										
22+48	(PUC Monthly Financial Report pg. 9A.1)	9,677,048	6,652,750	10,010,824	10,559,619	10,721,765	9,965,379	10,746,704	10,037,724	10,446,078	

(1) Amounts may not add due to rounding

(2) Revenue decoupling became effective for Maui Electric Company, Ltd. on May 4, 2012. The May balances were prorated for May 4 -31, 2012, as considered necessary based on the nature of the adjustment.

(3) June 2012 was the first full month in which the new SAP Monthly Electric Report was used. The new report does not include non-electric revenues, therefore adjustments are no longer necessary.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF O&M RAM ADJUSTMENT

Line No.	Description (a)	Reference (b)	Docket No. 2011-0092 Approved \$000 (c)	Previously Approved RAM \$000 (d)	O&M Subject to Escalation Col (c) + (d) (e)	Net Inflation Indices Note (2) (f)	2013 O&M RAM Adjustment \$000 Col (e) * (f) (g)	
1	Base BU Labor Expenses	Schedule C1	\$ 14,330	\$ -	\$ 14,330	2.12%	\$ 304	
2	Base Non-Labor Expense	Schedule C2	35,349	-	35,349	1.70%	601	
3	Payroll Taxes	Note (1)	1,161	-	1,161	2.12%	25	
4	Subtotal Expense Increase - RAM Adjustment before revenue taxes						\$	929
5	Revenue Tax Factor (Note 3)							1.0975
6	O&M RAM (Subtotal Expenses x Rev Tax Factor)						\$	<u>1,020</u>

* Amounts may not add due to rounding

Footnotes:

(1) Payroll Taxes per Interim D&O, dated May 21, 2012 in
Docket No. 2011-0092, Exhibit A, page 4

	\$	1,849
Less: Portion of payroll taxes related to non-BU labor ^A (37.22% * 1,849)	\$	(688)
Payroll Taxes related to Bargaining Unit labor	\$	1,161

^A See Schedule C1 for calculation of percentage related to non-BU labor.

(2) Escalation Rates

Labor:

	2013	
Bargaining Unit Wage Increase	2.88%	MECO-WP-C-001
Less: Labor Productivity Offset	0.76%	Approved in Final D&O in Docket No. 2008-0274, page 51, filed on August 31, 2010
Labor Cost Escalation Rate	<u>2.12%</u>	

Non-Labor:

	2013	
GDP Price Index	1.70%	See MECO-WP-C-002, page 2

(3) Computation of Revenue Tax Factor

Public Service Tax Rate	0.05885
PUC Fees Rate	0.00500
Franchise Tax Rate	<u>0.02500</u>
Total Revenue Tax Rate	0.08885

Revenue Tax Factor

= 1 / (1 - Total Revenue Tax Rate) 1.0975

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
SUMMARY OF
OPERATIONS AND MAINTENANCE LABOR AND NON-LABOR EXPENSE
Interim D&O - Docket No. 2011-0092
('000)

(a)	(b)	(c)	(d)	(e)	(f)	
Line No.	DESCRIPTION	BU LABOR (Note 1)	Non-BU LABOR (Note 1)	TOTAL LABOR	NON-LABOR (Note 2)	TOTAL (Note 3)
1	Operation and Maintenance	14,330	8,496	22,826	41,954	64,780
2	Percentage of Total O&M Labor	62.78%	37.22%	100%		

* amounts may not add due to rounding

Footnotes:

- (1) See Parties' Stipulated Settlement Letter, filed April, 20, 2012 in Docket No. 2011-0092, MECO T-11, Attachment 8, page 2. Only the breakdown of 2012 test year labor expense between BU and non-BU is required.
- (2) See MECO O&M Expense Breakdown for RAM Calculation, filed April 26, 2012 in Docket No. 2011-0092, Attachment 2, page 11.
- (3) See MECO O&M Expense Breakdown for RAM Calculation, filed April 26, 2012 in Docket No. 2011-0092, Attachment 2, page 3.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
Non-Labor Exclusion
Adjustment for O&M RAM
(\$ thousands)

<u>Line No.</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Reference</u> (c)
1	Pension Expense	8,969	See Final Settlement filed April 20, 2012 MECO T-12, Attachment 1, page 1 Docket No. 2011-0092
2			
3			
4			
5	OPEB Expense	507	See Final Settlement filed April 20, 2012 MECO T-12, Attachment 1, page 1 Docket No. 2011-0092
6			
7			
8	Total before amounts transferred	9,476	
9			
10	O&M %	69.70%	See Interim Decision & Order No. 30396 page 24, Docket No. 2011-0092
11	(1- transfer rate of 30.3%)		
12			
13			
14	Adjustment to Non-Labor O&M Expense		
15	for O&M RAM base	6,605	
16			
17			
18	Non-Labor O&M Expense per Interim D&O	41,954	Schedule C1
19			
20			
21	Non-Labor O&M Expense Base for		
22	O&M RAM base	<u>35,349</u>	

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RATE BASE RAM ADJUSTMENT - RETURN ON INVESTMENT

Line No.	Description (a)	AMOUNTS (IN THOUSANDS) (b)	PERCENT OF TOTAL (c)	COST RATE (d)	POST TAX WEIGHTED EARNINGS REQMTS (e)	INCOME TAX FACTOR Note (1) (f)	PRETAX WEIGHTED EARNINGS REQMTS (g)
1	PUC APPROVED CAPITAL STRUCTURE & COSTS (Revised Updated Joint Statement of Probable Entitlement, Docket No. 2011-0092, May 14, 2012, Att. 1A, page 2):						
2	Short-Term Debt	\$ 5,003	1.23%	1.25%	0.02%	1.000000	0.02%
3	Long-Term Debt	156,370	38.44%	5.06%	1.95%	1.000000	1.95%
4	Hybrid Securities	9,373	2.30%	7.32%	0.17%	1.000000	0.17%
5	Preferred Stock	4,744	1.17%	8.25%	0.10%	1.636929	0.16%
6	Common Equity	231,310	56.86%	10.00%	5.69%	1.636929	9.31%
7	Total Capitalization	<u>\$ 406,800</u>	<u>100.00%</u>		<u>7.91%</u>		<u>11.59%</u>
8	RAM CHANGE IN RATE BASE \$000 (From Schedule D1)						<u>\$ 13,533</u>
9	PRETAX RATE OF RETURN (Line 7, Col g)						<u>11.59%</u>
10	PRETAX RETURN REQUIREMENT						<u>\$ 1,568.5</u>
11	REVENUE TAX FACTOR (1/(1-8.885%))						<u>1.0975</u>
12	RATE BASE RAM - RETURN ON INVESTMENT \$000						<u>\$ 1,721.4</u>

* Amounts may not add due to rounding.

Footnote:

(1) Composite Federal & State Income Tax Rate	38.91%
Income Tax Factor (1 / 1-tax rate)	1.636929121

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RATE BASE RAM ADJUSTMENT - CHANGE IN RATE BASE
(000's)

Line No.	Description (a)	MECO 2012 Test Year Rate Base		MECO 2013 RAM Rate Base		
		Beg. Balance 12/31/2011 (b)	Budgeted Balance 12/31/2012 (c)	Adjusted Recorded at 12/31/2012 (d)	RAM Projected Amounts (e)	Estimated at 12/31/2013 (f)
1	Net Cost of Plant in Service	\$ 465,783	\$ 493,298	\$ 497,613	\$ 16,200	\$ 513,812
2	Property Held for Future Use	1,303	1,303			
3	Fuel Inventory	18,577	18,577			
4	Materials & Supplies Inventories	13,387	13,387			
5	Unamort Net SFAS 109 Reg Asset	8,405	8,642			
6	Pension Asset	3,453	4,377			
7	Unamort OPEB Reg Asset	344	261			
8	Unamort Sys Dev Costs	1,240	1,487			
9	Contrib in Excess of NPPC	3,101	8,400			
10	CIS Deferred Cost			2,708	(47)	2,661
11	not used					
12	Total Additions	\$ 515,593	\$ 549,732	\$ 553,442	\$ 16,153	\$ 569,595
13	Unamortized CIAC	\$ (74,766)	\$ (83,821)	\$ (82,211)	\$ (5,110)	\$ (87,321)
14	Customer Advances	(4,649)	(4,599)			
15	Customer Deposits	(4,346)	(4,812)			
16	Accumulated Def Income Taxes	(42,143)	(55,718)	(55,920)	(5,721)	(61,641)
17	Unamortized State ITC (Gross)	(12,150)	(12,752)			
18	Unearned Interest Income	-	-			
19	Unamortized Gain on Sale	-	-			
20	Total Deductions	\$ (138,054)	\$ (161,702)	\$ (159,785)	\$ (10,832)	\$ (170,618)
21	Working Cash	10,657	10,657	10,657	Not Updated	10,657
22	Rate Base at Proposed Rates	\$ 388,196	\$ 398,687	\$ 404,315		\$ 409,638
23	Average Rate Base		\$ 393,442			\$ 406,975
24	Change in Rate Base					\$ 13,633

These Elements
of Rate Base are
Not Updated for
RAM Purposes

MECO-WP-D1-002, Page 3

	Reference	Amount
25	Column (e) Projected Changes to Rate Base:	
26	Plant - Baseline Capital Project Additions	Schedule D2 36,040
27	Major CIP Project Additions	Schedule D3 2,156
28	Accumulated Depreciation/Amortization Change	Schedule E (21,996)
29	Net Plant	Sum Lines 26-28 16,200
30	Accum. Deferred Income Taxes - Baseline and Major Capital Projects	Schedule F (5,721)
31	Projected CIAC Additions - Baseline	Schedule G1 (6,844)
32	Projected CIAC Additions - Major CIP	Schedule D3 -
33	Less: Amortization of CIAC	Schedule G 1,734
34	Total Change in CIAC in Rate Base	Sum: Lines 31-33 (5,110)

* Amounts may not add due to rounding

Notes:

(1) Amounts are recorded, except for the following adjustments:

	Plant in Service	Acc. Depr.	CIAC Net	Schedule D4 ADIT
(A) Unadjusted Balance - recorded	\$ 954,203	\$ (423,762)	\$ (82,211)	\$ (50,182)
(A) Add: Asset Retirement Obligation		\$ (256)		
(A) Reg Liab-Cost of Removal (net salvage)		\$ (35,750)		
Adjustment:				
Lanai CHP*	MECO WP-D1-001, p 1 3,500	(322)		
Total Adjustment	\$ 3,500	\$ (322)	\$ -	\$ -
CIS Adjustment (Note 3)				\$ 35
ADIT Relating to NOL Carryforward				\$ (5,772)
Adjusted Balance	\$ 957,703	\$ (460,090)	\$ (82,211)	\$ (55,920)

* Lanai CHP: As discussed in the Stipulated Settlement Letter in Docket No. 2009-0163, filed on 06/21/2010, MECO accepted the Consumer Advocate's recommendation that the ratemaking treatment for the Lanai CHP Agreement follow traditional utility plant asset accounting rather than direct financing lease treatment as required for public financial reporting. MECO agreed to permanently adjust the original cost of the CHP system to \$3.5 million.

(A) Source: Maui Electric Company, Limited Monthly Financial Report - December 2012, filed February 19, 2013.

(2) Column (b) & (c) from Docket No. 2011-0092, Interim D&O No. 30396, Exhibit B, filed May 21, 2012.

(3) See Hawaiian Electric 2009 Test Year Rate Case Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed January 28, 2013 in Docket No. 2008-0083.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF BASELINE CAPITAL PROJECTS ADDITIONS

Source: Docket No. 03-0257 General Order No. 7 Plant Additions Annual Reports filed with the PUC dated:

Line No.	Description (a)			5/28/2009	5/28/2010	3/31/2011	3/30/2012	3/22/2013
				2008 (b)	2009 (c)	2010 (d)	2011 (e)	2012 (f)
1	Total Plant Additions (Sum of Exhs. 1, 2, and 3 of Reports)			40,091,987	37,477,811	30,311,101	36,439,290	48,276,242
2								
3	Less Major Projects: (+\$2.5 Million)	Dkt No.	Item No.					
4								
5	2008 In-service:							
6	Maalaea Dual-Train Combined Cycle No. 2-Unit No. 18	7744	PN-314 M3141001	(196,573) ⁽¹⁾	5,473 ⁽¹⁾	20,513 ⁽¹⁾		
7								
8								
9								
10	2007 In-service:							
11	None							
12								
13								
14	2008 In-service:							
15	None							
16								
17								
18	2009 In-service: (3)							
19	CHP Manele Bay Hotel	2006-0186	M0000540		(4,664,190)	(101,942) ⁽¹⁾	564 ⁽¹⁾	
20								
21								
22								
23	2010 In-Service:							
24	6th Increment Distribution Rebuild	01-0148	M0000266			(904,737)	(2,867,104)	
25								
26								
27								
28	2011 In-Service:							
29	M14 Capital Overhaul	(2)	M0001275				(3,688,795)	
30								
31								
32	2012 In-service:							
33	None							
34								
35	Total Net Plant Additions (excluding major projects)			39,895,414	32,819,094	29,324,935	29,883,955	48,276,242
36								
37	Last Five-Year Average							\$ 36,039,928

NOTE (1):

Amounts were included in the "Cost of Less Than \$1 Million" plant addition section of the respective year's GO7 plant addition annual report. Included amounts for the purposes of this baseline five-year average calculation.

NOTE (2):

A separate application was not filed with the Hawaii Public Utilities Commission for the M14 Capital Overhaul. This project was reported in the 2011 Third Quarter Capital Project Status Report filed on January 4, 2012. In the report, MECO identified that project costs had unexpectedly exceeded \$2.5M and provided an explanation for the higher costs. See Attachment 12, pages 1-2, of the Third Quarter 2011 Capital Project Status Report.

NOTE (3):

Maui Lani & Kula Underground Distribution System Extension (M0000917) and Maui Lani VMX (M0001126) are listed as completed projects with total costs of \$2.5M or greater on the G.O.7 plant addition annual reports for 2009 and 2010, respectively. However, separate applications were not filed with the Hawaii Public Utilities Commission for these projects as the amount of CIAC received for each project reduced its project costs to below the \$2.5M threshold. As such, these capital projects are not considered Major Capital Projects for the purpose of decoupling.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF MAJOR CAPITAL PROJECT ADDITIONS

<u>Line No.</u>	<u>Description</u> (a)	<u>PUC Docket Reference</u> (b)	<u>Estimated In Service Date</u> (c)	<u>Amount</u> (d)
1	<u>2013 Major Capital Project Plant Additions by Project:</u>			
2	Major Overhaul of M16 (Note 1)	Docket No. 2012-0038, MECO-WP-D3-001	May-13	\$ 2,155,700
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	Total Major Capital Projects Qualifying for 2013 RAM			<u>\$ 2,155,700</u>

See Schedule G2 for related CIAC (if applicable)

Note 1

Application was filed with the Hawaii Public Utilities Commission under Docket No. 2012-0038 as project costs were estimated to exceed \$2.5 million. Decision and Order No. 30874 was issued on December 5, 2012 approving \$3,640,000 in funds to overhaul the M16 unit. The amount included above reflects the most recent estimate received in early March 2013 from the vendor.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF ADJUSTED RECORDED DEFERRED INCOME TAXES

Line No.	NARUC Account (a)	Reference (b)	Federal ADIT (c)	State ADIT (d)	Total ADIT (e)
1	Recorded Deferred Income Tax Balances December 31, 2012 Recorded Balances				
2	Depreciation Related Account 282	MECO-WP-D4-001	(33,215,171)	(2,079,626)	(35,294,797)
3	Other Deferred Income Taxes	MECO-WP-D4-001	(12,047,682)	(2,839,943)	(14,887,625)
4	Total Recorded Deferred Income Taxes - Utility		(45,262,853)	(4,919,569)	<u>\$ (50,182,422)</u>
5	Less: Adjustments to Recorded Balances:				
6	ADIT Relating to CIS adjustments for carrying costs	Note (1)	29,217	5,342	34,559
7	ADIT Relating to NOL Carryforward (Note 2)	MECO-CA-IR-1	(5,771,709)	-	(5,771,709)
8	Total Adjustments to Recorded ADIT Balances		(5,742,492)	5,342	(5,737,150)
9	Adjusted Recorded Deferred Income Taxes - 12/31/12		(51,005,345)	(4,914,227)	<u>\$ (55,919,572)</u>

To Schedule D1

Footnotes:

(1)	ADIT Computation:	AFUDC Debt	32.8947% FED	6.0150% STATE	TOTAL
A	Reversal of 2012 Carrying Charge at Incremental Full Debt	(113,472)	37,326	6,825	44,151
B	AFUDC Debt (Jan-May 2013)	24,651	(8,109)	(1,483)	(9,592)
	Total	(88,821)	29,217	5,342	34,559
	Adjustments from recorded to regulatory bases:	AFUDC Equity (C)	AFUDC Debt	TOTAL	
A	CIS Reg Asset Reserve	270,172	(113,472)	156,700	
B	CIS carrying charge (Jan. - May 2013)	64,283	24,651	88,934	
	Total	334,455	(88,821)	245,634	

SOURCE:

- A See MECO-WP-D1-002 CIS, page 5
B See MECO-WP-D1-002 CIS, page 4

NOTES:

- A Differential between regular AFUDC debt incurred or allowed for regulatory purposes and AFUDC using full debt rate on allowed base (required for financial accounting, per PwC). Represents incremental AFUDC at full debt rate.

2012	
AFUDC Debt - full debt	214,458
Less: AFUDC Debt	100,986
Base on which ADIT is calculated	<u>113,472</u>

- B Cumulative AFUDC debt for 1/1/13 - 5/31/13; NOT full debt differential since 2013 full debt was not recorded as of 12/31/12.
- C Adjustments to AFUDC Equity did not impact ADIT. Settlement did not provide for the tax gross up of AFUDC Equity, which would have increased Reg Asset with an offsetting increase in ADIT. This gross up adjustment, although generally recorded for financial purposes, has no impact on rate base.

- (2) Per Transmittal No. 13-01, page 12, the CA proposed removal of the DTA on the NOL carryforward. MECO agrees to an adjustment to increase ADIT in consideration of the need for a quick resolution of this proceeding and the precedential nature of this ADIT item. However, the adjustment is a general concession to the ADIT balance and the specific issues raised by the CA are not conceded and MECO will pursue these issues in its general rate case filing, if applicable.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF DEPRECIATION & AMORTIZATION RAMP ADJUSTMENT

Line No	NARUC Account	Recorded Depreciable/Amort. Balance	Adjustments	Adjusted Depreciable/Amort. Balance	PUC Approved Accrual Rate Dkt. 2009-0286	Annual Accrual
	(a)	(b) Footnote (1)	(c) Footnote (2)	(d)	(e)	(f)
1	Plant Accounts					
2	310.00	-	-	-	0.0000	-
3	311.00	6,062,183	-	6,062,183	0.0289	175,197
4	312.00	50,600,361	-	50,600,361	0.0375	1,897,514
5	314.00	48,255,972	-	48,255,972	0.0589	2,842,277
6	315.00	8,641,838	-	8,641,838	0.0419	362,093
7	MAUI STEAM PRODUCTION	113,560,355	-	113,560,355	0.0465	5,277,080
8						
9	340.00	-	-	-	0.0000	-
10	341.00	33,775,081	-	33,775,081	0.0117	395,168
11	342.00	3,845,994	-	3,845,994	0.0097	37,306
12	343.00	35,822,764	-	35,822,764	0.0080	286,582
13	344.00	105,983,123	-	105,983,123	0.0164	1,738,123
14	345.00	24,244,125	-	24,244,125	0.0157	380,633
15	MAUI OTHER PRODUCTION	203,671,087	-	203,671,087	0.0139	2,837,813
16						
17	MAUI TOTAL PRODUCTION	317,231,442	-	317,231,442	0.0256	8,114,893
18						
19	350.20	-	-	-	0.0000	-
20	350.00	2,445,989	-	2,445,989	0.0158	38,647
21	352.00	7,255,043	-	7,255,043	0.0202	148,552
22	353.00	47,384,473	-	47,384,473	0.0158	748,675
23	355.00	30,702,064	-	30,702,064	0.0167	512,724
24	356.00	26,450,604	-	26,450,604	0.0175	462,886
25	357.00	714,085	-	714,085	0.0159	11,354
26	358.00	892,692	-	892,692	0.0198	17,675
27	MAUI TRANSMISSION	115,844,949	-	115,844,949	0.0167	1,938,512
28						
29	360.20	-	-	-	0.0000	-
30	360.00	1,189,681	-	1,189,681	0.0203	24,151
31	361.00	1,463,312	-	1,463,312	0.0120	17,560
32	362.00	40,203,809	-	40,203,809	0.0134	538,731
33	364.00	31,161,954	-	31,161,954	0.0170	529,753
34	365.00	45,814,957	-	45,814,957	0.0165	755,947
35	366.00	57,045,311	-	57,045,311	0.0203	1,158,020
36	367.00	56,083,531	-	56,083,531	0.0117	656,177
37	368.00	52,198,561	-	52,198,561	0.0222	1,158,808
38	369.10	20,772,295	-	20,772,295	0.0378	785,193
39	369.20	48,720,121	-	48,720,121	0.0232	1,130,307
40	370.00	14,058,906	-	14,058,906	0.0192	269,931
41	373.00	11,298,720	-	11,298,720	0.0187	211,286
42	MAUI DISTRIBUTION	380,011,156	-	380,011,156	0.0190	7,235,863
43						
44	389.20	-	-	-	0.0000	-
45	390.00	10,819,762	-	10,819,762	0.0106	114,689
46	MAUI GENERAL	10,819,762	-	10,819,762	0.0106	114,689
47						
48	392.10	5,025,422	-	5,025,422	0.0536	269,363
49	392.20	4,127,433	-	4,127,433	0.0305	125,887
50	MAUI TRANSPORTATION	9,152,855	-	9,152,855	0.0432	395,249
51						
52	TOTAL MAUI DIVISION	833,060,166	-	833,060,166	0.0214	17,799,207
53						

Line No.	NARUC Account (a)	Recorded Depreciable/Amort. Balance (b) Footnote (1)	Adjustments (c) Footnote (2)	Adjusted Depreciable/Amort. Balance (d)	PUC Approved Accrual Rate Dkt. 2009-0286 (e)	Annual Accrual (f)
54	LANAI					
55	340.0L	-		-	0.0000	-
56	341.0L	4,020,333		4,020,333	0.0454	182,523
57	342.0L	1,852,076		1,852,076	0.0304	56,303
58	343.0L	1,057,680		1,057,680	0.0360	38,078
59	344.0L	8,060,068		8,060,068	0.0234	188,606
60	345.0L	3,332,016		3,332,016	0.0253	84,300
61	LANAI OTHER PRODUCTION	18,322,173	-	18,322,173	0.0300	549,808
62						
63	360.1L	152,538		152,538	0.0203	3,097
64	362.0L	1,995,649		1,995,649	0.0165	32,928
65	364.0L	2,055,948		2,055,948	0.0185	38,035
66	365.0L	2,729,872		2,729,872	0.0165	45,043
67	366.0L	1,280,128		1,280,128	0.0211	27,011
68	367.0L	2,315,459		2,315,459	0.0122	28,249
69	368.0L	796,849		796,849	0.0208	16,574
70	369.1L	437,896		437,896	0.0380	16,640
71	369.2L	990,196		990,196	0.0256	25,349
72	370.0L	382,877		382,877	0.0195	7,466
73	373.0L	264,349		264,349	0.0166	4,388
74	LANAI DISTRIBUTION	13,401,762	-	13,401,762	0.0183	244,780
75						
76	389.2L	-		-	0.0000	-
77	390.0L	695,501		695,501	0.0138	9,598
78	LANAI GENERAL	695,501	-	695,501	0.0138	9,598
79						
80	392.1L	635,940		635,940	0.0088	5,489
81	392.2L	173,157		173,157	0.0875	15,151
82	LANAI TRANSPORTATION	809,097	-	809,097	0.0255	20,620
83						
84	Lanai CHP - Production	-	3,010,000	3,010,000	0.0300	90,324
85	Lanai CHP - Distribution	-	490,000	490,000	0.0183	8,950
86	LANAI RATEMAKING ADJUSTMENT	-	3,500,000	3,500,000	0.0284	99,273
87						
88	TOTAL LANAI DIVISION	33,228,532	3,500,000	36,728,532	0.0252	924,080
89						
90	MOLOKAI					
91	302.0M	-		-	0.0000	-
92	INTANGIBLE PLANT	-	-	-	0.0000	-
93						
94	340.0M	-		-	0.0000	-
95	341.0M	2,576,437		2,576,437	0.0447	115,187
96	342.0M	1,824,310		1,824,310	0.0452	82,459
97	343.0M	1,253,690		1,253,690	0.0256	32,094
98	344.0M	11,039,473		11,039,473	0.0354	390,797
99	345.0M	3,883,115		3,883,115	0.0266	102,759
100	MOLOKAI OTHER PRODUCTION	20,557,025	-	20,557,025	0.0352	723,276
101						
102	350.1M	-		-	0.0000	-
103	353.0M	602,975		602,975	0.0232	13,989
104	354.0M	38,669		38,669	0.0233	901
105	355.0M	117,065		117,065	0.0077	901
106	356.0M	260,337		260,337	0.0097	2,525
107	MOLOKAI TRANSMISSION	1,019,046	-	1,019,046	0.0180	18,317
108						
109	360.1M	25,883		25,883	0.0202	523
110	361.1M	59,259		59,259	0.0066	391
111	362.0M	1,265,254		1,265,254	0.0183	20,624
112	364.0M	2,603,918		2,603,918	0.0224	58,328
113	365.0M	2,639,368		2,639,368	0.0177	46,717
114	366.0M	136,064		136,064	0.0227	3,089
115	367.0M	2,784,882		2,784,882	0.0174	48,457
116	368.0M	1,366,616		1,366,616	0.0225	30,749
117	369.1M	1,420,680		1,420,680	0.0406	57,680
118	369.2M	1,027,483		1,027,483	0.0261	26,817
119	370.0M	591,509		591,509	0.0121	7,157
120	373.0M	330,608		330,608	0.0152	5,025
121	MOLOKAI DISTRIBUTION	14,251,526	-	14,251,526	0.0214	305,558
122						
123	389.2M	56,383		56,383	0.0003	17
124	390.0M	582,074		582,074	0.0085	5,033
125	MOLOKAI TOTAL GENERAL	648,457	-	648,457	0.0078	5,050
126						
127	392.1M	613,274		613,274	0.0000	-
128	392.2M	340,754		340,754	0.0000	-
129	MOLOKAI TRANSPORTATION	954,029	-	954,029	0.0000	-
130						
131	TOTAL MOLOKAI DIVISION	37,430,083	-	37,430,083	0.0281	1,052,189
132						
133						
134	UTILITY TOTAL DEPRECIATION	903,718,780	3,500,000	907,218,780	0.0219	19,775,486
135						

Line No.	NARUC Account (a)	Recorded Depreciable/Amort. Balance (b)	Adjustments (c)	Adjusted Depreciable/Amort. Balance (d)	PUC Approved Accrual Rate Dkt. 2009-0286 (e)	Annual Accrual (f)
136	Amortization Amounts					
137						
138	MAUI					
139	318.00	3,783,113		\$ 3,783,113	0.0500	\$ 189,156
140	346.00	14,523,883		14,523,883.03	0.0500	726,194.15
141	MAUI PRODUCTION	18,306,996	-	18,306,996	0.0500	915,350
142						
143	391.10	1,206,369		1,206,369.45	0.2000	241,273.89
144	391.20	496,657		496,657.34	0.1000	49,665.73
145	391.30	1,109,271		1,109,271.44	0.0667	73,988.41
146	393.00	551,033		551,032.70	0.0400	22,041.31
147	394.00	5,132,162		5,132,161.93	0.0400	205,286.48
148	395.00	336,021		336,020.80	0.0667	22,412.59
149	396.00	120,136		120,136.04	0.0556	6,679.56
150	397.00	15,571,810		15,571,609.62	0.0667	1,038,626.36
151	398.00	955,779		955,778.81	0.0667	63,750.45
152	MAUI GENERAL	25,479,038	-	25,479,038	0.0677	1,723,725
153						
154	TOTAL MAUI DIVISION	43,786,034	-	43,786,034	0.0603	2,639,075
155						
156	LANAI					
157	346.0L	1,343,171		1,343,171.28	0.0500	67,158.56
158	LANAI OTHER PRODUCTION	1,343,171	-	1,343,171	0.0500	67,159
159						
160	391.1L	-		-	0.2000	-
161	391.2L	123		123.27	0.1000	12.33
162	391.3L	1,091		1,091.26	0.0667	72.79
163	394.0L	31,314		31,314.41	0.0400	1,252.58
164	397.0L	694,567		694,566.79	0.0667	46,327.60
165	398.0L	20,102		20,101.53	0.0667	1,340.77
166	LANAI GENERAL	747,197	-	747,197	0.0656	49,006
167						
168	TOTAL LANAI DIVISION	2,090,369	-	2,090,369	0.0556	116,165
169						
170						
171	MOLOKAI					
172	346.0M	1,947,726		1,947,726.18	0.0500	97,386.31
173	MOLOKAI OTHER PRODUCTION	1,947,726	-	1,947,726	0.0500	97,386
174						
175	391.1M	-		-	0.2000	-
176	391.2M	123		123.26	0.1000	12.33
177	391.3M	10,387		10,386.67	0.0667	692.79
178	394.0M	78,699		78,699.45	0.0400	3,067.98
179	397.0M	825,824		825,824.30	0.0667	55,082.48
180	398.0M	32,143		32,142.52	0.0667	2,143.91
181	MOLOKAI GENERAL	945,176	-	945,176	0.0645	60,999
182						
183	TOTAL MOLOKAI DIVISION	2,892,902	-	2,892,902	0.0547	158,386
184						
185	Net Unrecovered Amortization - Footnote (3)					(893,021)
186						
187	UTILITY TOTAL AMORTIZATION	48,769,305	-	48,769,305	0.0455	2,220,604
188						
189	TOTAL RAM DEPRECIATION / AMORTIZATION					\$ 21,996,090
190	LESS: Vehicle Depreciation (A/C 392 above)					\$ (415,870)
191	LESS: Depreciation & Amortization in Current Revenues				Footnote (4)	\$ (20,933,000)
192						
193	RAM Adjustment for Depreciation & Amortization					\$ 647,220
194	RAM Adjustment for CIAC Amortization				Sch. G	\$ (166,766)
195	RAM Adjustment for CIS Amortization				MECO-WP-D1-002, page 1	\$ 136,000
196	Total RAM Adjustment for Depreciation & Amortization					\$ 616,454
197	Times: Factor for Revenue Taxes					1.0975
198						
199	RAM DEPRECIATION & AMORTIZATION					\$ 676,567

Footnotes:

(1) Depreciable Balance	\$	903,718,780	Line 134
Amortizable Balance		48,769,305	Line 187
Total Utility Plant per Schedule	\$	952,488,085	

Add: Land, Land Rights, Franchises & Consents as of 12/31/12 not included in Schedule

Total Utility Plant per G/L	\$	1,714,890	
	\$	954,202,976	December 2012 Monthly Financial Report filed 2/19/13

(2) Amounts are recorded, except for the following adjustment.

Lanae CHP		3,500,000	MECO-RWP-1401 (Revised 3/28/12), Dkt. No. 2011-0092, page 10
Total Adjustment	\$	3,500,000	

(3) Net Unrecovered Amortization:

Account	Net Unrecovered Amortization (c)*	Annual Recovery (c) / 5 years *
316.00	297,187	59,437
346.00	(1,793,299)	(358,660)
391.10	243,160	48,632
391.20	281,487	56,297
391.30	163,845	32,769
393.00	(100,913)	(20,183)
394.20	331,090	66,218
394.30	90,755	18,151
395.10	201,529	40,306
395.20	-	-
395.40	(2,856)	(571)
396.00	(6,091)	(1,218)
397.00	(3,100,803)	(620,161)
398.00	(70,196)	(14,039)
Over-recovered Amortization	(3,465,105)	
Annual Recovery (increases amortization expense annually for five years)		(693,021)

* Source: MECO 2012 Test Year Rate Case, Docket No. 2011-0092, CA-IR-181, Attachment 1, columns (E) & (F)

(4) Depreciation & Amortization in Current Revenues*:

	Depr/Amort Expense
Total Depreciation	\$ 21,347,000
LESS: Vehicle Depreciation (A/C 392)	(414,000)
Net Depreciation in Current Revenues	<u>\$ 20,933,000</u>

*Amounts are per MECO Revised Workpaper MECO-RWP-1401, page 1 dated March 28, 2012 in MECO's 2012 test year rate case (Docket No. 2011-0092).

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF CHANGE IN DEFERRED INCOME TAXES

Line No.	NARUC Account (a)	Reference (b)	Projected ADIT Change (c)
1	State Tax Depreciation	Schedule F1	1,332,315
2	Effective Federal Tax Rate	MECO-WP-F-001	32.8947368%
3	Federal Deferred Tax on State Tax Depreciation		<u>438,262</u>
4	Add back State Tax Depreciation		(1,332,315)
5	Federal Tax Depreciation	Schedule F1	<u>16,197,978</u>
6	Federal/State Difference		<u>14,865,663</u>
7	Tax Rate on Federal Only Adjustment	MECO-WP-F-001	35%
8	Federal Deferred Tax Adjustment		<u>5,202,982</u>
9	Total Federal Deferred Taxes		<u>5,641,244</u>
	STATE DEFERRED TAXES		
10	State Tax Depreciation	Schedule F1	1,332,315
11	Effective State Tax Rate	MECO-WP-F-001	6.0150376%
12	Total State Deferred Taxes		<u>80,139</u>
13	TOTAL FED AND STATE DEFERRED TAXES		<u>5,721,383</u>

To Schedule D1

NOTE: In accordance with the tariff, the change in ADIT in the RAM year is based on the temporary book/tax depreciation differences associated with the RAM year plant additions (major capital projects and baseline plant additions). It does not include any estimated ADIT related to the repairs deduction or CIAC on RAM year plant additions.

MAUI ELECTRIC COMPANY, LTD.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF TAX DEPRECIATION

Line No.	LIFE	MECO-WP-F1-002			PROJECTS	PROGRAMS	TOTAL	
		PROJECTS	PROGRAMS	TOTAL				
1	Computer Data	5	386,273	82,852	469,125	1.07%	0.23%	1.30%
2	Comp/Dtr/Furn/Tools	7	10,170	6,196	16,366	0.03%	0.02%	0.05%
3	Street Lights	7	123,727	92,080	215,807	0.34%	0.26%	0.60%
4	Non-Steam Production	15	3,882,965	99,620	3,982,585	10.77%	0.28%	11.05%
5	Communication	20	693,488	31,207	724,695	1.92%	0.09%	2.01%
6	Steam Production	20	785,587	54,673	840,260	2.18%	0.15%	2.33%
7	General	20	2,030,807	352,421	2,383,228	5.64%	0.98%	6.61%
8	Transmission	20	2,533,893	1,035,313	3,569,206	7.03%	2.87%	9.90%
9	Distribution	20	10,487,621	11,148,907	21,636,528	29.10%	30.94%	60.04%
10	Structural	39	992,329	208,849	1,200,975	2.75%	0.58%	3.33%
11	ROW	50	4,464	42,506	46,970	0.01%	0.12%	0.13%
12	Land	-	-	-	-	0.00%	0.00%	0.00%
13	Vehicles	-	73,507	880,676	954,183	0.20%	2.44%	2.65%
14	TOTAL		22,004,828	14,035,100	36,039,928	61.06%	38.94%	100.00%

Project and Program % Totals by Depreciable Life:

5 yr	1.07%	0.23%	1.30%
7 yr	0.37%	0.27%	0.64%
15 yr	10.77%	0.28%	11.05%
20 yr	45.87%	35.03%	80.90%
39 yr	2.75%	0.58%	3.33%
50 yr	0.01%	0.12%	0.13%
Land	0.00%	0.00%	0.00%
Vehicles	0.20%	2.44%	2.65%
Total	61.06%	38.94%	100.00%

	FED YR 1	FED YR 1	STATE YR 1	STATE YR 1
BASIS	TAX RATE	TAX DEPR	TAX RATE	TAX DEPR

NOTE (1)

Basis subject to 50% bonus		100%		Vintage 2013 - 50% bonus					
5 yr	1.07%	0.23%	1.30%	5 yr	400,702	60.00%	240,421	20.00%	80,140
7 yr	0.37%	0.27%	0.64%	7 yr	197,889	57.145%	113,084	14.29%	28,278
15 yr	10.77%	0.28%	11.05%	15 yr	3,400,734	52.500%	1,785,365	5.00%	170,037
20 yr	45.87%	35.03%	80.90%	20 yr	24,896,144	51.875%	12,914,875	3.75%	933,605
39 yr	n/a	n/a	n/a						
50 yr	n/a	n/a	n/a						
Land	n/a	n/a	n/a						
Vehicles	n/a	n/a	n/a						
Total	58.09%	35.80%	93.89%						

Vintage 2013 - regular

Basis subject to regular depr.		(Total less amounts subject to 50% bonus)							
5 yr	0.00%	0.00%	0.00%	5 yr		20.00%		20.00%	
7 yr	0.00%	0.00%	0.00%	7 yr		14.29%		14.29%	
15 yr	0.00%	0.00%	0.00%	15 yr		5.00%		5.00%	
20 yr	0.00%	0.00%	0.00%	20 yr		3.75%		3.75%	
39 yr	2.75%	0.58%	3.33%	39 yr	1,025,452	1.177%	12,070	1.177%	12,070
50 yr	0.01%	0.12%	0.13%	50 yr	40,009	1.000%	400	1.000%	400
Land	n/a	n/a	n/a						
Vehicles	n/a	n/a	n/a						
Total	2.77%	0.70%	3.46%						

TOTAL ASSETS

60.85% 36.50% 97.35%

Net Depreciable Baseline Plant Adds	28,960,930	15,066,235	1,224,530
Major Capital Projects from Schedule F2	2,155,700	1,131,743	107,785
Total Depreciable Plant Adds	32,116,630	16,197,978	1,332,315
Reconciliation from Baseline Plant Adds to Net Depreciable Plant Adds:			
Baseline Capital Projects Plant Adds	36,039,928		
Less: Repairs deduction	5,264,053		
Net plant add basis	30,775,875		
Less: Land and Vehicles (2.65% x 30,775,875)	814,944		
	29,960,931		

NOTE (1) The American Taxpayer Relief Act of 2012 allows 50% bonus depreciation for assets placed in service in 2013. 100% bonus depreciation is no longer available for property placed in service after 12/31/12. This schedule was modified from the template that was previously provided to the Commission to eliminate the section related to 100% bonus depreciation.

In response to CA Informal IR-3, MECO is revising its assumption to 100 percent of "Projects" basis additions as subject to 50% bonus depreciation in 2013.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
TAX DEPRECIATION ON MAJOR CAPITAL PROJECTS ADDITIONS

Line No.	Description	PUC Docket	Estimated In Service Date	Amount		
	(a)	(b)	(c)	(d)		
	MECO Note: There were no Major Capital Projects in 2012.					
1	Assumed Value of 2013 Major Capital Projects Plant Items	Sch. D3		\$ 2,155,700		
2	Assumed Value of 2013 Major Capital Projects - CIAC nontaxable	Sch. G2		\$ -		
3	Assumed Value of 2013 Major Capital Projects - Total			<u>\$ 2,155,700</u>		
			FED YR 1	FED YR 1	STATE YR 1	STATE YR 1
4	Tax Classification of Major Capital Project Additions	Tax Basis Distribution	TAX RATE	TAX DEPR	TAX RATE	TAX DEPR
5	7 yr	-	57.145%	-	14.28%	-
6	15 yr	2,155,700	52.500%	1,131,743	5.00%	107,785
7	20 yr	-	51.875%	-	3.75%	-
8	39 yr	n/a				
9	Land	n/a				
10	Vehicles	n/a				
11	Total	<u>\$ 2,155,700</u>		<u>\$ 1,131,743</u>		<u>\$ 107,785</u>
			<i>To Schedule F1</i>			<i>To Schedule F1</i>

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
CIAC SUMMARY

Line No.	Description (a)	Reference (b)	Unamortized CIAC (c)	CIAC Amortization (d)
1	12/31/12 Beginning Balance	Sch. G1	\$ (82,211,127)	
2	Less: Adjustments		-	
3	Less: Adjustments		-	
4	Adjusted Balance at 12/31/12		<u>(82,211,127)</u>	
5				
6	<u>2013 CIAC Additions:</u>			
7	Average Baseline	Sch. G1	(6,844,098)	
8	Major Projects	Sch. G2	-	
9	Net Additions		<u>(6,844,098)</u>	
10				
11	<u>2013 CIAC Amortization:</u>			
12	Estimated Amortization (Sch. G3)	Sch. G3	1,733,766	\$ (1,733,766)
13	Less: Adjustments		-	
14	Less: Adjustments		-	
15	Net Amortization		<u>1,733,766</u>	<u>(1,733,766)</u>
16				
17	12/31/13 Ending Balance		<u>\$ (87,321,459)</u>	(1,733,766)
18				
19	LESS: CIAC Amortization in Current Revenues - NOTE (1)			<u>(1,567,000)</u>
20				
21	RAM Adjustment for CIAC Amortization			<u>\$ (166,766)</u>

Note (1):

Per Attachment 1A, page 62, of MECO-DCA Revised Updated Joint Statement of Probable Entitlement, dated May 14, 2012 in MECO's 2012 Test Year Rate Case (Docket No. 2011-0092).

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
BASELINE CAPITAL PROJECTS CIAC ADDITIONS

Source of CIAC balance and amort.: December Monthly Reports filed (non-confidential basis) with the PUC dated:

Note (A)

Line No.	Description (a)	2/27/2009	3/1/2010	2/22/2011	2/21/2012	2/19/2013
		2008 (c)	2009 (d)	2010 (e)	2011 (f)	2012 (g)
1	CIAC Balance, January 1 (Dec Rpt. pg. 10) - Note (B)	(60,310,281)	(66,961,264)	(72,393,407)	(73,969,015)	(74,765,860)
2	Less: CIAC Amortization (Dec Rpt. pg. 2)	2,754,699	3,063,868	2,743,432	2,018,844	1,738,802
3	Less: CIAC Balance, December 31 (Dec Rpt. pg. 10) - Note (B)	66,961,264	72,393,407	73,969,015	74,765,880	82,211,127
4						
5	Total CIAC Additions	9,405,682	8,496,011	4,319,040	2,815,689	9,184,069
6						
7	Less Major Projects:					
8						
9	<u>2006 In-service:</u>					
10	Maalaea Dual-Train Combined Cycle No. 2-Unit No. 18	7744	PN-314			
11						
12						
13						
14	<u>2007 In-service:</u>					
15	None					
16						
17						
18	<u>2008 In-service:</u>					
19	None					
20						
21						
22	<u>2009 In-service:</u>					
23	CHP Manele Bay Hotel	2006-0186	M0000540			
24						
25						
26						
27	<u>2010 In-service:</u>					
28	6th Increment Distribution Rebuild	01-0148	M0000266			
29						
30						
31						
32						
33						
34						
35	<u>2011 In-Service:</u>					
36	M14 Capital Overhaul	(C)	M0001275			
37						
38						
39	<u>2012 In-Service:</u>					
40	None					
41						
42	Total Net CIAC Additions	9,405,682	8,496,011	4,319,040	2,815,689	9,184,069
43						
44	Last Five-Year Average					6,844,098

NOTE (A):

The CIAC amounts of the major projects are from the respective year's GO7 plant addition annual reports. Refer to the Baseline Plant Additions Calculation workpaper for the dates of the report filings. The total CIAC additions reflect actual contributions received in the year, and therefore may not include the total major project CIAC from the GO 7 report to the extent that the CIAC was received in advance, or in multiple payments over a span of more than one year.

NOTE (B):

The CIAC balances are shown on page 9 of the December Monthly Reports for years 2007 and 2008.

NOTE (C):

A separate application was not filed with the Hawaii Public Utilities Commission for the M14 Capital Overhaul. This project was reported in the 2011 Third Quarter Capital Project Status Report filed on January 4, 2012. In the report, MECO identified that project costs had unexpectedly exceeded \$2.5M and provided an explanation for the higher costs. See Attachment 12, pages 1-2, of the Third Quarter 2011 Capital Project Status Report.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
MAJOR CAPITAL PROJECT CIAC ADDITIONS

Line No.	Description (a)	PUC Docket Reference (b)	Estimated In Service Date (c)	Amount (d)
1	<u>2013 Major Capital Project CIAC Additions by Project:</u>			
2	M16 Capital Overhaul	Docket No. 2012-0038 (D&O dated 12/05/2012)	May-13	\$ -
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	Total Major Project CIAC Additions for 2013 RAM			<u>\$ -</u>

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
CIAC AMORTIZATION

Line No.	Description (a)	2011 Balance (b)	2012		2013 Amortization (e)
			Amortization (c) Note (1)	Balance (d)	
1	<u>CIAC by Vintage:</u>				
2	1980	\$ 3,304	\$ (320)	\$ 2,984	(138)
3	1981	\$ 32,589	\$ (1,964)	\$ 30,625	(1,304)
4	1981 L	\$ 87	\$ (5)	\$ 82	(3)
5	1982	\$ 48,482	\$ (2,559)	\$ 45,923	(1,865)
6	1982	\$ 113,940	\$ (6,015)	\$ 107,925	(4,382)
7	1982 L	\$ 25	\$ (1)	\$ 24	(1)
8	1983	\$ 17,998	\$ (874)	\$ 17,124	(667)
9	1983 L	\$ 7	\$ (0)	\$ 6	(0)
10	1984	\$ 55,612	\$ (2,530)	\$ 53,081	(1,986)
11	1984 L	\$ 6	\$ (0)	\$ 6	(0)
12	1985	\$ 133,576	\$ (5,747)	\$ 127,829	(4,606)
13	1986	\$ 178,534	\$ (7,305)	\$ 171,230	(5,951)
14	1986 L	\$ 100	\$ (4)	\$ 96	(3)
15	1987	\$ 172,462	\$ (6,738)	\$ 165,724	(5,563)
16	1987 L	\$ 2,503	\$ (98)	\$ 2,405	(81)
17	1988	\$ 235,317	\$ (8,806)	\$ 226,511	(7,354)
18	1988 L	\$ 35,043	\$ (1,311)	\$ 33,732	(1,095)
19	1989	\$ 422,935	\$ (15,204)	\$ 407,731	(12,816)
20	1989 L	\$ 66,518	\$ (2,391)	\$ 64,128	(2,016)
21	1989 MO	\$ 89,026	\$ (3,373)	\$ 85,653	(2,698)
22	1990	\$ 538,323	\$ (18,617)	\$ 519,706	(15,833)
23	1990 L	\$ 30,824	\$ (1,066)	\$ 29,758	(907)
24	1990 MO	\$ 5,589	\$ (193)	\$ 5,396	(164)
25	1991	\$ 720,421	\$ (24,020)	\$ 696,401	(20,583)
26	1991 L	\$ 29,229	\$ (975)	\$ 28,254	(835)
27	1991 MO	\$ 10,054	\$ (335)	\$ 9,718	(287)
28	1992	\$ 552,992	\$ (17,804)	\$ 535,188	(15,361)
29	1992 L	\$ 65,361	\$ (2,104)	\$ 63,256	(1,816)
30	1992 MO	\$ 28,962	\$ (932)	\$ 28,030	(805)
31	1993 IK	\$ 2,433,038	\$ (76,121)	\$ 2,356,917	(65,758)
32	1993	\$ 475,444	\$ (14,802)	\$ 460,642	(12,850)
33	1993 L	\$ 69,487	\$ (2,163)	\$ 67,324	(1,878)
34	1993 MO	\$ 19,812	\$ (617)	\$ 19,195	(535)
35	1994	\$ 473,810	\$ (14,282)	\$ 459,528	(12,469)
36	1994 L	\$ (12,190)	\$ 367	\$ (11,823)	321
37	1994 MO	\$ 8,608	\$ (259)	\$ 8,349	(227)
38	1993 IK	\$ 295,825	\$ (9,210)	\$ 286,615	(7,995)
39	1995	\$ 493,208	\$ (14,411)	\$ 478,797	(12,646)
40	1995 L	\$ 3,775	\$ (110)	\$ 3,665	(97)
41	1995 MO	\$ 71,829	\$ (2,099)	\$ 69,730	(1,842)
42	1996	\$ 565,170	\$ (16,025)	\$ 549,145	(14,129)
43	1996 L	\$ 11,439	\$ (324)	\$ 11,115	(286)
44	1996 MO	\$ 78,898	\$ (2,237)	\$ 76,661	(1,972)
45	1996 IK	\$ 104,265	\$ (2,956)	\$ 101,309	(2,607)
46	1997	\$ 447,122	\$ (12,315)	\$ 434,807	(10,905)
47	1997 L	\$ 67,568	\$ (1,861)	\$ 65,707	(1,648)
48	1997 MO	\$ 58,381	\$ (1,608)	\$ 56,773	(1,424)
49	1998	\$ 796,123	\$ (21,318)	\$ 774,805	(18,955)
50	1998 L	\$ 24,758	\$ (663)	\$ 24,095	(589)
51	1998 MO	\$ 18,007	\$ (482)	\$ 17,524	(429)
52	1999	\$ 1,039,905	\$ (27,095)	\$ 1,012,810	(24,184)
53	1999 L	\$ 6,092	\$ (159)	\$ 5,933	(142)
54	1999 MO	\$ (826)	\$ 22	\$ (804)	19
55	2000	\$ 936,443	\$ (23,760)	\$ 912,683	(21,283)
56	2000 L	\$ 4,272	\$ (108)	\$ 4,164	(97)
57	2000 MO	\$ 23,429	\$ (594)	\$ 22,834	(532)
58	2001	\$ 1,459,768	\$ (36,096)	\$ 1,423,672	(32,439)
59	2001 L	\$ 101,947	\$ (2,521)	\$ 99,426	(2,265)
60	2001 MO	\$ 38,562	\$ (954)	\$ 37,609	(857)

SCHEDULE G3
(WITH SETTLEMENT)
(PAGE 2 OF 2)

Line No.	Description (a)	2011		2012		2013	
		Balance (b)		Amortization (c)	Balance (d)	Amortization (e)	
				Note (1)			
61	2002	\$ 1,042,483	\$	(25,139)	\$ 1,017,344		(22,663)
62	2002 L	\$ 12,081	\$	(291)	\$ 11,789		(263)
63	2002 MO	\$ 9,388	\$	(226)	\$ 9,162		(204)
64	2003	\$ 6,733,424	\$	(158,451)	\$ 6,574,973		(143,264)
65	2003 L	\$ 535,004	\$	(12,590)	\$ 522,414		(11,383)
66	2003 MO	\$ 19,417	\$	(457)	\$ 18,960		(413)
67	2004	\$ 2,144,715	\$	(49,282)	\$ 2,095,433		(44,682)
68	2004 L	\$ 108,522	\$	(2,494)	\$ 106,028		(2,261)
69	2004 MO	\$ 35,111	\$	(807)	\$ 34,304		(731)
70	2005	\$ 6,312,049	\$	(141,709)	\$ 6,170,340		(128,817)
71	2005 L	\$ 366,959	\$	(8,238)	\$ 358,721		(7,489)
72	2005 MO	\$ 1,511,701	\$	(33,938)	\$ 1,477,763		(30,851)
73	2006	\$ 9,140,857	\$	(200,616)	\$ 8,940,241		(182,817)
74	2006 L	\$ 87,125	\$	(1,912)	\$ 85,213		(1,743)
75	2006 MO	\$ 418,691	\$	(9,189)	\$ 409,502		(8,374)
76	2007	\$ 8,509,770	\$	(182,674)	\$ 8,327,095		(166,858)
77	2007 L	\$ 36,493	\$	(783)	\$ 35,710		(716)
78	2007 MO	\$ 112,504	\$	(2,415)	\$ 110,089		(2,206)
79	2008	\$ 8,279,000	\$	(173,915)	\$ 8,105,084		(159,212)
80	2008 L	\$ 513,956	\$	(10,797)	\$ 503,159		(9,884)
81	2008 MO	\$ 38,986	\$	(819)	\$ 38,167		(750)
82	2009	\$ 7,614,969	\$	(156,616)	\$ 7,458,352		(143,679)
83	2009 L	\$ 376,376	\$	(7,741)	\$ 368,636		(7,101)
84	2009 MO	\$ 65,924	\$	(1,356)	\$ 64,569		(1,244)
85	2010	\$ 4,209,895	\$	(84,609)	\$ 4,125,286		(77,961)
86	2010 L	\$ (5,094)	\$	102	\$ (4,991)		94
87	2010 MO	\$ 16,077	\$	(323)	\$ 15,753		(298)
88	2011	\$ 2,756,325	\$	(54,291)	\$ 2,702,033		(50,115)
89	2011 L	\$ 10,696	\$	(211)	\$ 10,485		(194)
90	2011 MO	\$ 48,667	\$	(959)	\$ 47,709		(885)
91	2012		\$	-	\$ 9,096,222		(165,386)
92	2012 L		\$	-	\$ 56,215		(1,022)
93	2012 MO		\$	-	\$ 31,632		(575)
94	Total CIAC Amortization for 2013 RAM	74,765,860		(1,738,802)	82,211,127		(1,733,766)

Legend:

L - Lanai
MO - Motokai
IK - In-kind

Note (1):

A CIAC amortization period of 55 years was approved by the Commission in MECO's 2010 TY Rate Case, Docket No. 2009-0163, Final Decision and Order, May 2, 2012. As such, MECO's 2012 CIAC Amortization is calculated based on 4 months (Jan. - Apr.) at an amortization period of 44 years and 8 months (May - Dec.) at an amortization period of 55 years.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
EARNINGS SHARING CALCULATIONS
All Amounts \$000 (Except %)

Line No.	Description (a)	Reference (b)	Ratemaking Basis Return on Equity		
			Operating Income (c)	Rate Base (d)	Rate of Return (e)
1	Reported Operating Income b/4 ratemaking adj.	PUC Report, p. 2A and MECO-WP-H-001	\$ 24,150	\$ 402,974	
2	Ratemaking Adjustments to Line 1:				
2a	Incentive Compensation Expenses (net of tax)	MECO-WP-H-002	144		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)	MECO-WP-H-002	58		
2c	Amortization of investment income differential	MECO-WP-H-003	9		
2d	Income tax on items to be replaced by synchronized interest	MECO-WP-H-003	(3,303)		
3	Ratemaking Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 21,058	\$ 402,974	
4	Ratemaking Capitalization				
		Balances MECO-WP-H-004	Ratios MECO-WP-H-004	Cost Rate ^(f)	Weighted Cost
5	Short-Term Debt (12 mo. Avg)	\$ 3,307	0.81%	1.25%	0.01%
6	Long-Term Debt (Simple Avg)	\$ 156,364	38.49%	5.06%	1.95%
7	Hybrid Securities (Simple Avg)	\$ 9,373	2.31%	7.32%	0.17%
8	Preferred Stock (Simple Avg)	\$ 4,744	1.17%	8.25%	0.10%
9	Common Equity (Simple Avg)	\$ 232,430	57.22%	10.00%	5.72%
10	Total Capitalization	\$ 406,217	100.00%		7.94%
11	Line 3 Rate Base Amount			\$ 402,974	
12	Weighted Cost of Debt			2.13%	
13	Synchronized Interest Expense			\$ 8,570	
	Income Tax Factor			1.636929121	
13a	Synchronized Interest Expense, net of tax			\$ 5,236	
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)				\$ 15,822
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)				388
18	Income Available for Common Stock				\$ 15,434
19	Ratemaking Equity Investment (Line 9 Ratio times Rate Base)				230,574
20	Return on Equity for Decoupling Earnings Sharing				6.69%
21	Earnings Sharing Revenue Credits:				
		Basis Points			
22	Achieved ROE (basis points)	669			
23	Authorized Return (basis points)	1,000			
24	ROE for sharing (basis points)	-			
25	Sharing Grid per RAM Provision	First 100 bp	Next 200 bp	All over 300 bp	Ratepayer Total
26	Distribution of Excess ROE (basis points)	0	0	0	
27	Ratepayer Share of Excess Earnings	25%	50%	90%	
28	Ratepayer Earnings Share - Basis Points	-	-	-	-
29	Revenue Credit per Basis Point (Note 2)				\$ 41
30	Earnings Sharing Revenue Credits (thousands)				\$ -

Footnotes:

1	Composite Federal & State Income Tax Rate	38.91%
	Income Tax Factor (1 / 1-tax rate)	1.636929121
2	Ratemaking Equity Investment (line 19)	\$ 230,574
	Basis Point = 1/100 of a percent	0.01%
	Earnings Required per Basis Point (thousands)	\$ 23.06
	Times: Income Tax Conversion Factor	1.636929121
	Pretax Income Required per Basis Point (thousands)	\$ 38
	Times: Revenue Tax Conversion Factor	1.0975
	Revenue Requirement per Basis Point (thousands)	\$ 41

3 Revised Updated Joint Statement of Probable Entitlement, Docket No. 2011-0092, Attachment 1A, page 2 (revised 5/14/12)

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
PUC-ORDERED ADJUSTMENTS

Line No.	Description	Reference	(c)	(d)
	(a)	(b)		

This Schedule has not been developed yet and will be developed only when/as needed.

Maui Electric Company, Ltd. - Maui Division
2013 -2014 Revenue and Expense Forecast
MWH SALES

	2013							2014					Total
	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
Maui	93.241	97.218	97.775	90.709	95.416	88.507	87.404	91.085	80.788	90.450	86.789	92.179	1,091.560
Lanai	2.076	2.133	2.155	2.085	2.039	2.002	1.999	2.143	1.836	2.095	2.032	2.092	24.687
Molokai	2.513	2.562	2.656	2.556	2.587	2.436	2.486	2.435	2.217	2.453	2.423	2.550	29.874
	97.830	101.913	102.586	95.350	100.041	92.945	91.888	95.663	84.841	94.998	91.243	96.821	1,146.121

Source:
MECO June 2012 Sales Update

MECO-WP-B-001
 MAUI ELECTRIC COMPANY, Ltd.
 June 2012 - Correction to May RBA calculation

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Corrected		Difference
	May-12	May-12	
L1 Monthly Target Revenue	\$8,890,250	\$8,890,250	
L2 Recorded Adjusted Revenue	\$8,652,750	\$8,655,384	
L3 L1 - L2 Target vs. Actual Revenue	\$237,500	\$234,866	(\$2,634) adjustment
L4 Reversal of Previous Year Accrual	\$0	\$0	
L5 L4 + L3 Net RBA Change	\$237,500	\$234,866	
L6 Beginning RBA Balance	\$0	\$0	
L7 L6 + L5 End Balance Before Interest	\$237,500	\$234,866	
L8 (L6 + L7) + 2 Balance Subject to Interest	\$118,750	\$117,433	
L9 L8 x 6% + 12 Interest income/(expense)	\$594	\$587	(\$7) adjustment
L10 L7 + L9 Ending RBA Balance	\$238,094	\$235,453	

Note (1):

Amounts may not add due to rounding.

Note (2):

The May RBA calculation was revised to remove Solar Saver revenue from the calculation of May's recorded adjusted revenue. The error was identified subsequent to recording and RBA entries. The amount was not material to the financial statements and recorded in June 2012.

MECO-WP-B-002
 MAUI ELECTRIC COMPANY, Ltd.
 July 2012 - Correction to June Interest Calculation

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Jun-12	Recorded	Difference
L1	Monthly Target Revenue	\$11,012,872	
L2	Recorded Adjusted Revenue	\$10,010,824	
L3	L1 - L2	\$1,002,048	\$1,002,048
L4	Reversal of Previous Year Accrual	\$0	\$0
L5	L4 + L3	\$1,002,048	
L6	Net RBA Change	\$235,453	
L7	Beginning RBA Balance	\$1,237,501	
L8	(L6 + L7) + 2	\$736,477	
L9	L8 x 6% + 12	\$3,682	
L10	L7 + L9	\$1,241,183	
		\$26,204	(\$22,522) adjustment

Note (1):
 Amounts may not add due to rounding.

Note (2):
 An adjustment was recorded in July to correct the interest income for June 2012. The error in the calculation was identified prior to the June close, but as the amount was not significant to June 2012, the correction was made in July. The overstatement of the interest in June was due to an input error in calculation of interest income.

MECO-WP-B-005
 MAUI ELECTRIC COMPANY, Ltd.
 December 2012 - Adjustment to prior periods due to corrections to prior period billings (Note 2)

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	May-12		Jun-12		Jul-12		Aug-12		Sep-12		Oct-12		Nov-12		Dec-12		Difference YTD
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	
L1	\$8,890,250	\$8,890,250	\$11,012,872	\$11,012,872	\$11,478,752	\$11,478,752	\$11,646,986	\$11,646,986	\$10,792,874	\$10,792,874	\$11,362,282	\$11,362,282	\$10,588,757	\$10,588,757	\$10,588,757	\$10,588,757	
L2	\$8,655,384	\$8,657,208	\$10,014,819	\$10,014,819	\$10,561,443	\$10,561,443	\$10,722,103	\$10,721,862	\$9,965,727	\$9,965,727	\$10,747,017	\$10,746,651	\$10,037,724	\$10,037,720	\$10,037,720	\$10,037,720	
L3	\$234,866	\$233,042	\$998,877	\$998,053	\$919,132	\$917,308	\$924,883	\$925,324	\$827,147	\$827,915	\$615,265	\$615,631	\$561,033	\$561,037	\$561,037	\$561,037	
L4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
L5	\$234,866	\$233,042	\$998,877	\$998,053	\$919,132	\$917,308	\$924,883	\$925,324	\$827,147	\$827,915	\$615,265	\$615,631	\$561,033	\$561,037	\$561,037	\$561,037	
L6	\$0	\$0	\$235,453	\$233,626	\$1,239,007	\$1,235,342	\$2,166,632	\$2,161,120	\$3,104,660	\$3,099,398	\$3,949,388	\$3,945,046	\$4,585,948	\$4,581,941	\$4,581,941	\$4,581,941	
L7	\$234,866	\$233,043	\$1,235,330	\$1,231,679	\$2,158,139	\$2,152,690	\$3,091,515	\$3,086,444	\$3,931,807	\$3,927,478	\$4,564,663	\$4,560,677	\$5,146,981	\$5,142,978	\$5,142,978	\$5,142,978	
L8	\$(L6 + L7) + 2	\$117,433	\$735,382	\$732,653	\$1,698,573	\$1,693,996	\$2,629,074	\$2,623,782	\$3,518,234	\$3,513,521	\$4,257,031	\$4,252,862	\$4,896,465	\$4,892,460	\$4,892,460	\$4,892,460	
L9	L8 x 6% + 12	\$587	\$3,877	\$3,653	\$4,493	\$8,470	\$13,145	\$13,119	\$17,591	\$17,568	\$21,285	\$21,264	\$24,332	\$24,312	\$24,312	\$24,312	
L10	L7 + L9	\$235,453	\$233,626	\$1,239,007	\$1,235,342	\$2,166,632	\$2,161,120	\$3,104,660	\$3,099,398	\$3,949,398	\$3,945,048	\$4,581,941	\$5,171,313	\$5,167,290	\$5,167,290	\$5,167,290	
																	\$20
																	(\$4,005)

Note (1):
 Amounts may not add due to rounding.

Note (2):
 In December, customer billing adjustments to the periods of May - November 2012 were recorded due to the failure to remove a meter and for the improper exclusion of fixture charges for streetlight customers. The RBA balance was adjusted to reflect the revenue in the period that it was earned.

Maui Electric Company, Ltd.
Bargaining Unit Wage Increase per Collective Bargaining Agreement - Effective January 1, 2011
Tentative Settlement Agreement- Effective January 1, 2014

Wage Increases:	1/1/2011	1.75%	(Note 1)
(non-compounded)	1/1/2012	2.50%	(Note 1)
	1/1/2013	3.00%	(Note 1)

<u>Increase effective</u>	<u>Increase Amount</u>	<u>Wage Rate With Increase</u>	<u>Labor Cost Escalation Rate</u>	
	(a)	(b)	(c)	
		prev (b) + (a)	(b) / prev (b) -1	
1.00	1.75% 1/1/2011	1.0175		
	2.50% 1/1/2012	1.0425	0.0246	2.46%
	3.00% 1/1/2013	1.0725	0.0288	2.88%

(1) Agreement ratified by the IBEW, Local 1260 on March 11, 2011, reflects a 1.75% increase effective 1/1/2011, 2.50% increase effective 1/1/2012, and 3.00% increase effective 1/1/2013.
See HECO's Form 8-K dated March 11, 2011 filed with Securities and Exchange Commission at www.hei.com, under SEC filings.

Blue Chip Economic Indicators[®]

Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead
Vol. 38, No. 2, February 10, 2013

2013 Real GDP Forecast Slips Back To 1.9%

FEBRUARY 2013 Forecast For 2013 SOURCE:	Percent Change 2013 From 2012 (Full Year-Over-Prior Year)										Average For 2013			Total Units-2013		2013
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	Real GDP (Chained 2005 \$)	GDP Price Index	Nominal GDP (Cur. \$)	Consumer Price Index	Indust. Prod. (Total)	Dis. Pers. Income (2005 \$)	Personal Cons. Exp. (2005 \$)	Non-Res. Fix. Inv. (2005 \$)	Corp. Profits (Cur. \$)	Treas. Bills 3-mo.	Treas. Notes 10-Year	Unempl. Rate (Civ.)	Housing Starts (Mil.)	Auto&Light Truck Sales (M)	Net Exports (2005 \$)	
Standard & Poors Corp.*	3.0 H	1.6	4.6	1.5	3.6 H	1.4	2.7	9.0 H	na	0.1	2.1	7.3 L	1.11	15.6	-450.4	
Naroff Economic Advisors*	2.7	2.4 H	5.2 H	2.9	3.0	1.1	2.8 H	5.9	6.0	0.2	2.3	7.5	0.96	15.8	-455.0 L	
RBS	2.5	2.0	4.6	2.0	1.8	1.4	1.8	5.9	5.0	0.1	2.0	7.5	1.09	15.1	-400.0	
Swiss Re	2.4	1.7	4.1	2.0	2.5	1.6	2.1	6.4	5.7	0.1	2.0	7.4	1.07	15.2	-414.5	
Oxford Economics	2.3	1.8	4.1	2.0	2.5	1.0	2.3	5.5	3.2	0.1	2.1	7.9	0.94	15.0	-421.5	
UBS	2.3	1.8	4.1	1.6	3.4	1.8	2.2	5.6	na	0.1	2.1	7.7	1.00	na	-405.0	
AIG	2.2	1.5	3.5	1.4	2.7	1.3	2.0	4.1	3.6	0.1	2.1	7.6	1.03	15.4	-391.4	
Turning Points (Micrometries)	2.2	1.6	3.8	1.8	2.2	na	2.2	3.0	7.0 H	0.1	1.9	7.5	1.06	15.7	-405.5	
BMO Capital Markets*	2.2	1.6	3.8	1.9	2.6	1.6	2.1	5.2	4.4	0.1	2.0	7.6	0.97	15.8	-404.0	
National Assn. of Realtors	2.2	2.1	4.3	2.5	na	1.2	2.0	5.1	5.0	0.1	2.2	7.8	1.11	15.1	-401.0	
Ford Motor Company*	2.2	1.6	3.8	1.6	2.5	0.5	1.8	4.2	na	0.1	2.0	7.7	1.05	na	-373.0	
Societe Generale	2.2	1.7	4.0	1.4	2.1	1.9	1.6	6.1	2.2	na	2.4 H	7.8	0.96	16.5	-372.9 H	
Moody's Analytics	2.1	2.2	4.1	2.1	1.2 L	0.1	1.9	2.4	2.4	0.2 H	2.3	7.7	1.17 H	15.4	-414.9	
Russell Investments	2.1	1.9	4.0	1.7	2.3	1.5	1.9	2.6	6.0	0.1	2.0	7.6	0.94	15.0	-405.0	
Economist Intelligence Unit	2.1	2.0	4.1	2.2	2.8	1.5	1.7	5.8	na	0.1	2.0	7.6	0.95	15.2	-386.0	
DuPont***	2.0	1.5	3.6	2.1	2.2	1.6	1.9	4.7	5.0	0.1	2.3	7.6	1.00	15.3	-402.0	
Macroeconomic Advisers, LLC**	2.0	1.4	3.4	1.6	2.6	0.2	1.9	4.2	-0.8	0.1	na	7.8	1.05	15.7	-398.3	
National Assn. of Home Builders	2.0	1.6	3.6	1.9	2.0	1.0	2.0	1.9	7.0 H	0.1	2.2	7.8	0.98	15.1	-398.0	
General Motors Corporation	2.0	1.4	3.4	2.0	2.2	2.0 H	1.8	4.6	3.5	0.2	2.2	7.7	1.05	na	-397.5	
Credit Suisse	2.0	1.7	3.8	1.4	2.4	na	1.7	5.5	4.7	na	2.0	7.6	0.94	15.3	-396.0	
RDQ Economics	2.0	2.1	4.1	2.2	2.3	1.8	1.7	5.2	5.0	0.1	2.3	7.7	1.00	14.5	-394.4	
Mesirow Financial	2.0	1.4	3.4	1.6	2.6	0.1	1.8	4.6	-0.6	0.1	2.0	7.8	1.05	15.7	-392.3	
Kellner Economic Advisers	2.0	1.8	3.8	2.0	2.2	1.1	1.6	3.9	4.1	0.1	2.0	7.8	0.98	15.3	-390.0	
J.W. Coons Advisors	1.9	2.0	4.0	2.1	1.6	1.4	2.3	3.7	4.8	0.2 H	2.1	7.7	0.95	15.0	-440.0	
Citigroup U.S. Economics	1.9	na	3.5	1.6	2.4	na	1.9	2.7	na	na	2.1	7.7	na	na	-424.0	
Daiwa Capital Markets America	1.9	1.8	3.7	2.1	2.4	0.0 L	2.2	4.5	6.0	0.1	2.2	7.7	0.87	15.3	-420.0	
U.S. Chamber of Commerce	1.9	1.7	3.6	2.1	1.6	1.9	2.0	4.8	4.4	0.1	1.8	8.1 H	0.93	na	-414.7	
Inforum - Univ. of Maryland	1.9	1.9	3.8	2.3	2.7	1.2	1.9	4.3	2.6	0.1	2.2	7.8	1.02	15.0	-409.0	
Wells Capital Management	1.9	1.7	3.4	1.8	1.9	1.9	1.9	4.6	2.7	0.2	2.3	7.6	0.89	14.9	-408.0	
Pierpont Securities	1.9	2.0	3.9	2.2	1.6	1.8	1.7	4.6	5.0	0.1	2.0	7.7	1.07	15.4	-406.0	
Moody's Capital Markets	1.9	1.8	3.8	1.9	3.4	0.8	2.0	3.2	4.2	0.1	2.0	7.7	0.94	15.2	-405.0	
Econoclast	1.9	1.7	3.6	2.0	2.5	1.0	1.8	4.1	4.5	0.1	2.2	7.7	0.98	15.1	-396.0	
Fannie Mae	1.9	1.6	3.5	1.6	2.5	0.3	1.7	3.8	2.4	0.1	2.1	7.7	0.95	15.9	-393.7	
Eaton Corporation	1.9	1.7	3.6	1.9	2.1	1.1	1.7	4.0	5.6	0.1	2.1	8.0	1.01	15.0	-379.9	
Bank of Tokyo-Mitsubishi UFJ	1.8	2.1	3.9	1.7	2.4	na	2.1	9.0 H	7.0 H	0.1	2.2	7.4	1.00	15.5	-430.0	
Comerica	1.8	1.7	3.5	1.9	3.1	0.2	1.7	4.7	na	0.1	2.0	7.5	0.95	15.3	-410.0	
MacroFin Analytics	1.8	1.4	3.2	1.3 L	2.3	1.4	1.8	4.5	5.1	0.1	2.0	7.7	0.85	15.3	-407.8	
FedEx Corporation	1.8	1.8	3.6	1.9	2.8	0.9	1.9	4.5	4.8	0.1	2.1	7.8	0.99	15.0	-406.3	
Goldman Sachs & Co.**	1.8	1.5	4.3	1.7	1.4	0.8	1.6	5.7	na	0.1	2.0	7.7	1.01	na	-399.5	
Wintrust Wealth Management*	1.8	1.9	3.8	3.0 H	3.0	1.2	1.9	4.2	4.7	0.1	2.0	7.7	0.99	15.1	-391.1	
UCLA Business Forecasting Proj.*	1.7	1.5	3.2	1.5	1.8	na	2.0	5.2	0.0	0.1	2.1	7.8	0.99	14.9	-437.3	
PNC Financial Services Group	1.7	1.8	3.5	2.3	2.5	1.3	1.7	4.4	na	0.1	1.7 L	7.6	0.95	15.0	-417.9	
Nomura Securities	1.7	1.7	3.4	1.6	2.1	0.5	1.8	3.3	2.5	0.1	2.3	7.7	1.03	15.1	-413.5	
Wells Fargo	1.7	1.9	3.6	1.7	2.4	1.5	1.6	3.7	5.3	0.2	2.1	7.6	0.99	14.8	-366.3	
ClearView Economics*	1.6	1.2 L	2.8 L	1.6	1.7	0.5	1.9	3.0	1.3	0.1	1.9	7.7	0.97	15.3	-422.0	
Northern Trust Company*	1.6	1.6	3.3	1.6	na	na	1.7	5.0	na	0.1	1.9	7.5	0.97	15.5	-421.2	
Conference Board*	1.6	1.6	3.2	2.0	1.3	1.9	1.8	4.9	4.6	0.1	2.1	7.6	1.00	15.4	-415.8	
Barclays Capital	1.6	1.7	3.3	1.8	3.0	0.5	1.8	5.7	5.1	0.1	1.7 L	7.4	1.04	na	-402.3	
J.P. Morgan Chase	1.5	1.6	3.1	1.6	2.0	0.5	1.3 L	4.5	3.9	0.1	1.8	7.8	1.10	15.0	-417.3	
RBC Capital Markets	1.5	1.6	3.1	1.6	na	na	1.6	3.6	na	0.1	2.3	7.7	0.94	15.1	-399.0	
Action Economics	1.4	1.6	3.0	1.9	2.5	1.9	2.6	4.2	3.4	0.1	2.3	7.8	0.98	15.8	-398.4	
Bank of America Merrill Lynch	1.4	1.5	3.0	1.6	2.1	na	1.4	4.4	na	0.0 L	2.0	7.6	0.98	15.0	-403.8	
Morgan Stanley*	1.4	1.7	3.1	1.8	1.7	0.9	1.4	1.1 L	-1.4 L	0.1	2.0	8.0	0.98	14.4	-370.9	
Georgia State University*	1.2 L	1.5	2.8 L	1.4	1.7	0.9	1.7	1.6	3.1	0.1	2.2	7.7	0.84 L	14.7	-365.3 H	
2013 Consensus: February Avg.	1.9	1.7	3.7	1.9	2.3	1.1	1.9	4.5	4.0	0.1	2.1	7.7	0.99	15.2	-404.8	
Top 10 Avg.	2.4	2.1	4.4	2.4	3.1	1.8	2.3	6.5	6.1	0.2	2.3	7.9	1.09	15.8	-378.8	
Bottom 10 Avg.	1.5	1.4	3.1	1.5	1.6	0.3	1.6	2.5	1.1	0.1	1.9	7.5	0.91	14.8	-432.1	
January Avg.	2.0	1.8	3.9	1.9	2.3	1.1	1.9	4.0	4.7	0.1	2.0	7.7	0.95	15.0	-397.8	
Historical data: 2009	-3.1	0.9	-2.2	-0.4	-11.4	-2.8	-1.9	-18.1	7.5	0.2	3.2	9.3	0.55	10.4	-355.2	
2010	2.4	1.3	3.8	1.6	5.4	1.8	1.8	0.7	26.8	0.1	3.2	9.6	0.59	11.6	-419.7	
2011	1.8	2.1	4.0	3.2	4.1	1.3	2.5	8.6	7.3	0.1	2.8	9.0	0.61	12.7	-408.0	
2012	2.2	1.8	4.0	2.1	3.6	1.5	1.9	7.7	na	0.1	1.8	8.1	0.78	14.4	-405.6	
Number Of Forecasts Changed From A Month Ago:																
Down	33	37	37	21	14	18	24	12	22	7	5	12	3	6	35	
Same	10	11	10	21	11	10	15	8	13	44	20	24	17	11	6	
Up	11	5	7	12	26	18	15	34	8	0	28	18	33	29	13	
February Median	1.9	1.7	3.6	1.9	2.4	1.2	1.9	4.5	4.5	0.1	2.1	7.7	0.99	15.2	-404.5	
February Diffusion Index	30 %	20 %	22 %	42 %	62 %	50 %	42 %	70 %	34 %	43 %	72 %	56 %	78 %	75 %	30 %	

*Former winner of annual Lawrence R. Klein Award for Blue Chip Forecast Accuracy. **Denotes two-time winner. ***Denotes three-time winner.

Mau Electric Company, Ltd.
CHP Investment
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
1	Sept	2009	3,500,000	3,010,000	490,000	3.19%	2.30%	-	-	3,500,000
2	Oct	2009	3,500,000	3,010,000	490,000	3.19%	2.30%	-	-	3,500,000
3	Nov	2009	3,500,000	3,010,000	490,000	3.19%	2.30%	-	-	3,500,000
4	Dec	2009	3,500,000	3,010,000	490,000	3.19%	2.30%	-	-	3,500,000
5	Jan	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	8,941	3,491,059
6	Feb	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	17,882	3,482,118
7	Mar	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	26,823	3,473,177
8	Apr	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	35,764	3,464,236
9	May	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	44,705	3,455,295
10	Jun	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	53,646	3,446,354
11	Jul	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	62,587	3,437,413
12	Aug	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	71,528	3,428,472
13	Sep	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	80,469	3,419,531
14	Oct	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	89,410	3,410,590
15	Nov	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	98,351	3,401,649
16	Dec	2010	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	107,292	3,392,708
17	Jan	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	116,233	3,383,767
18	Feb	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	125,174	3,374,826
19	Mar	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	134,115	3,365,885
20	Apr	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	143,056	3,356,944
21	May	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	151,997	3,348,003
22	Jun	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	160,938	3,339,062
23	Jul	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	169,879	3,330,121
24	Aug	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	178,820	3,321,180
25	Sep	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	187,761	3,312,239
26	Oct	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	196,702	3,303,298
27	Nov	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	205,643	3,294,357
28	Dec	2011	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	214,584	3,285,416
29	Jan	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	223,525	3,276,475
30	Feb	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	232,466	3,267,534
31	Mar	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	241,407	3,258,593
32	Apr	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	250,348	3,249,652
33	May	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	259,289	3,240,711
34	Jun	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	268,230	3,231,770
35	Jul	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	277,171	3,222,829
36	Aug	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	286,112	3,213,888
37	Sep	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	295,053	3,204,947
38	Oct	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	303,994	3,196,006
39	Nov	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	312,935	3,187,065
40	Dec	2012	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	321,876	3,178,124
41	Jan	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	330,817	3,169,183
42	Feb	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	339,758	3,160,242
43	Mar	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	348,699	3,151,301
44	Apr	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	357,640	3,142,360
45	May	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	366,581	3,133,419
46	Jun	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	375,522	3,124,478
47	Jul	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	384,463	3,115,537
48	Aug	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	393,404	3,106,596
49	Sep	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	402,345	3,097,655
50	Oct	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	411,286	3,088,714
51	Nov	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	420,227	3,079,773
52	Dec	2013	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	429,168	3,070,832
53	Jan	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	438,109	3,061,891
54	Feb	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	447,050	3,052,950
55	Mar	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	455,991	3,044,009
56	Apr	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	464,932	3,035,068
57	May	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	473,873	3,026,127
58	Jun	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	482,814	3,017,186
59	Jul	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	491,755	3,008,245
60	Aug	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	500,696	2,999,304
61	Sep	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	509,637	2,990,363
62	Oct	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	518,578	2,981,422
63	Nov	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	527,519	2,972,481
64	Dec	2014	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	536,460	2,963,540
65	Jan	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	545,401	2,954,599

Maui Electric Company, Ltd.
CHP Investment
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
66	Feb	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	554,342	2,945,658
67	Mar	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	563,283	2,936,717
68	Apr	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	572,224	2,927,776
69	May	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	581,165	2,918,835
70	Jun	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	590,106	2,909,894
71	Jul	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	599,047	2,900,953
72	Aug	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	607,988	2,892,012
73	Sep	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	616,929	2,883,071
74	Oct	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	625,870	2,874,130
75	Nov	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	634,811	2,865,189
76	Dec	2015	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	643,752	2,856,248
77	Jan	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	652,693	2,847,307
78	Feb	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	661,634	2,838,366
79	Mar	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	670,575	2,829,425
80	Apr	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	679,516	2,820,484
81	May	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	688,457	2,811,543
82	Jun	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	697,398	2,802,602
83	Jul	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	706,339	2,793,661
84	Aug	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	715,280	2,784,720
85	Sep	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	724,221	2,775,779
86	Oct	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	733,162	2,766,838
87	Nov	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	742,103	2,757,897
88	Dec	2016	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	751,044	2,748,956
89	Jan	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	759,985	2,740,015
90	Feb	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	768,926	2,731,074
91	Mar	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	777,867	2,722,133
92	Apr	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	786,808	2,713,192
93	May	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	795,749	2,704,251
94	Jun	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	804,690	2,695,310
95	Jul	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	813,631	2,686,369
96	Aug	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	822,572	2,677,428
97	Sep	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	831,513	2,668,487
98	Oct	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	840,454	2,659,546
99	Nov	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	849,395	2,650,605
100	Dec	2017	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	858,336	2,641,664
101	Jan	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	867,277	2,632,723
102	Feb	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	876,218	2,623,782
103	Mar	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	885,159	2,614,841
104	Apr	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	894,100	2,605,900
105	May	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	903,041	2,596,959
106	Jun	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	911,982	2,588,018
107	Jul	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	920,923	2,579,077
108	Aug	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	929,864	2,570,136
109	Sep	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	938,805	2,561,195
110	Oct	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	947,746	2,552,254
111	Nov	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	956,687	2,543,313
112	Dec	2018	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	965,628	2,534,372
113	Jan	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	974,569	2,525,431
114	Feb	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	983,510	2,516,490
115	Mar	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	992,451	2,507,549
116	Apr	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,001,392	2,498,608
117	May	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,010,333	2,489,667
118	Jun	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,019,274	2,480,726
119	Jul	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,028,215	2,471,785
120	Aug	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,037,156	2,462,844
121	Sep	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,046,097	2,453,903
122	Oct	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,055,038	2,444,962
123	Nov	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,063,979	2,436,021
124	Dec	2019	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,072,920	2,427,080
125	Jan	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,081,861	2,418,139
126	Feb	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,090,802	2,409,198
127	Mar	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,099,743	2,400,257
128	Apr	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,108,684	2,391,316
129	May	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,117,625	2,382,375
130	Jun	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,126,566	2,373,434

Maui Electric Company, Ltd.
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			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
131	Jul	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,135,507	2,364,493
132	Aug	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,144,448	2,355,552
133	Sep	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,153,389	2,346,611
134	Oct	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,162,330	2,337,670
135	Nov	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,171,271	2,328,729
136	Dec	2020	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,180,212	2,319,788
137	Jan	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,189,153	2,310,847
138	Feb	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,198,094	2,301,906
139	Mar	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,207,035	2,292,965
140	Apr	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,215,976	2,284,024
141	May	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,224,917	2,275,083
142	Jun	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,233,858	2,266,142
143	Jul	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,242,799	2,257,201
144	Aug	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,251,740	2,248,260
145	Sep	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,260,681	2,239,319
146	Oct	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,269,622	2,230,378
147	Nov	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,278,563	2,221,437
148	Dec	2021	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,287,504	2,212,496
149	Jan	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,296,445	2,203,555
150	Feb	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,305,386	2,194,614
151	Mar	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,314,327	2,185,673
152	Apr	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,323,268	2,176,732
153	May	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,332,209	2,167,791
154	Jun	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,341,150	2,158,850
155	Jul	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,350,091	2,149,909
156	Aug	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,359,032	2,140,968
157	Sep	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,367,973	2,132,027
158	Oct	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,376,914	2,123,086
159	Nov	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,385,855	2,114,145
160	Dec	2022	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,394,796	2,105,204
161	Jan	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,403,737	2,096,263
162	Feb	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,412,678	2,087,322
163	Mar	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,421,619	2,078,381
164	Apr	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,430,560	2,069,440
165	May	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,439,501	2,060,499
166	Jun	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,448,442	2,051,558
167	Jul	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,457,383	2,042,617
168	Aug	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,466,324	2,033,676
169	Sep	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,475,265	2,024,735
170	Oct	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,484,206	2,015,794
171	Nov	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,493,147	2,006,853
172	Dec	2023	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,502,088	1,997,912
173	Jan	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,511,029	1,988,971
174	Feb	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,519,970	1,980,030
175	Mar	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,528,911	1,971,089
176	Apr	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,537,852	1,962,148
177	May	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,546,793	1,953,207
178	Jun	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,555,734	1,944,266
179	Jul	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,564,675	1,935,325
180	Aug	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,573,616	1,926,384
181	Sep	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,582,557	1,917,443
182	Oct	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,591,498	1,908,502
183	Nov	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,600,439	1,899,561
184	Dec	2024	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,609,380	1,890,620
185	Jan	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,618,321	1,881,679
186	Feb	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,627,262	1,872,738
187	Mar	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,636,203	1,863,797
188	Apr	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,645,144	1,854,856
189	May	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,654,085	1,845,915
190	Jun	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,663,026	1,836,974
191	Jul	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,671,967	1,828,033
192	Aug	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,680,908	1,819,092
193	Sep	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,689,849	1,810,151
194	Oct	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,698,790	1,801,210
195	Nov	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,707,731	1,792,269

Maui Electric Company, Ltd.
CHP Investment
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			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
196	Dec	2025	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,716,672	1,783,328
197	Jan	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,725,613	1,774,387
198	Feb	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,734,554	1,765,446
199	Mar	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,743,495	1,756,505
200	Apr	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,752,436	1,747,564
201	May	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,761,377	1,738,623
202	Jun	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,770,318	1,729,682
203	Jul	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,779,259	1,720,741
204	Aug	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,788,200	1,711,800
205	Sep	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,797,141	1,702,859
206	Oct	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,806,082	1,693,918
207	Nov	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,815,023	1,684,977
208	Dec	2026	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,823,964	1,676,036
209	Jan	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,832,905	1,667,095
210	Feb	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,841,846	1,658,154
211	Mar	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,850,787	1,649,213
212	Apr	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,859,728	1,640,272
213	May	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,868,669	1,631,331
214	Jun	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,877,610	1,622,390
215	Jul	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,886,551	1,613,449
216	Aug	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,895,492	1,604,508
217	Sep	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,904,433	1,595,567
218	Oct	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,913,374	1,586,626
219	Nov	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,922,315	1,577,685
220	Dec	2027	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,931,256	1,568,744
221	Jan	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,940,197	1,559,803
222	Feb	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,949,138	1,550,862
223	Mar	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,958,079	1,541,921
224	Apr	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,967,020	1,532,980
225	May	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,975,961	1,524,039
226	Jun	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,984,902	1,515,098
227	Jul	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	1,993,843	1,506,157
228	Aug	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,002,784	1,497,216
229	Sep	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,011,725	1,488,275
230	Oct	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,020,666	1,479,334
231	Nov	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,029,607	1,470,393
232	Dec	2028	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,038,548	1,461,452
233	Jan	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,047,489	1,452,511
234	Feb	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,056,430	1,443,570
235	Mar	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,065,371	1,434,629
236	Apr	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,074,312	1,425,688
237	May	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,083,253	1,416,747
238	Jun	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,092,194	1,407,806
239	Jul	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,101,135	1,398,865
240	Aug	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,110,076	1,389,924
241	Sep	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,119,017	1,380,983
242	Oct	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,127,958	1,372,042
243	Nov	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,136,899	1,363,101
244	Dec	2029	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,145,840	1,354,160
245	Jan	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,154,781	1,345,219
246	Feb	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,163,722	1,336,278
247	Mar	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,172,663	1,327,337
248	Apr	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,181,604	1,318,396
249	May	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,190,545	1,309,455
250	Jun	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,199,486	1,300,514
251	Jul	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,208,427	1,291,573
252	Aug	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,217,368	1,282,632
253	Sep	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,226,309	1,273,691
254	Oct	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,235,250	1,264,750
255	Nov	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,244,191	1,255,809
256	Dec	2030	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,253,132	1,246,868
257	Jan	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,262,073	1,237,927
258	Feb	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,271,014	1,228,986
259	Mar	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,279,955	1,220,045
260	Apr	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,288,896	1,211,104

Maui Electric Company, Ltd.
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			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
261	May	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,297,837	1,202,163
262	Jun	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,306,778	1,193,222
263	Jul	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,315,719	1,184,281
264	Aug	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,324,660	1,175,340
265	Sep	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,333,601	1,166,399
266	Oct	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,342,542	1,157,458
267	Nov	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,351,483	1,148,517
268	Dec	2031	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,360,424	1,139,576
269	Jan	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,369,365	1,130,635
270	Feb	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,378,306	1,121,694
271	Mar	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,387,247	1,112,753
272	Apr	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,396,188	1,103,812
273	May	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,405,129	1,094,871
274	Jun	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,414,070	1,085,930
275	Jul	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,423,011	1,076,989
276	Aug	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,431,952	1,068,048
277	Sep	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,440,893	1,059,107
278	Oct	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,449,834	1,050,166
279	Nov	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,458,775	1,041,225
280	Dec	2032	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,467,716	1,032,284
281	Jan	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,476,657	1,023,343
282	Feb	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,485,598	1,014,402
283	Mar	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,494,539	1,005,461
284	Apr	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,503,480	996,520
285	May	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,512,421	987,579
286	Jun	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,521,362	978,638
287	Jul	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,530,303	969,697
288	Aug	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,539,244	960,756
289	Sep	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,548,185	951,815
290	Oct	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,557,126	942,874
291	Nov	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,566,067	933,933
292	Dec	2033	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,575,008	924,992
293	Jan	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,583,949	916,051
294	Feb	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,592,890	907,110
295	Mar	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,601,831	898,169
296	Apr	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,610,772	889,228
297	May	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,619,713	880,287
298	Jun	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,628,654	871,346
299	Jul	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,637,595	862,405
300	Aug	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,646,536	853,464
301	Sep	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,655,477	844,523
302	Oct	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,664,418	835,582
303	Nov	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,673,359	826,641
304	Dec	2034	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,682,300	817,700
305	Jan	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,691,241	808,759
306	Feb	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,700,182	799,818
307	Mar	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,709,123	790,877
308	Apr	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,718,064	781,936
309	May	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,727,005	772,995
310	Jun	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,735,946	764,054
311	Jul	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,744,887	755,113
312	Aug	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,753,828	746,172
313	Sep	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,762,769	737,231
314	Oct	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,771,710	728,290
315	Nov	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,780,651	719,349
316	Dec	2035	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,789,592	710,408
317	Jan	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,798,533	701,467
318	Feb	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,807,474	692,526
319	Mar	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,816,415	683,585
320	Apr	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,825,356	674,644
321	May	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,834,297	665,703
322	Jun	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,843,238	656,762
323	Jul	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,852,179	647,821
324	Aug	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,861,120	638,880
325	Sep	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,870,061	629,939

Maui Electric Company, Ltd.
CHP Investment
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
326	Oct	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,879,002	620,998
327	Nov	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,887,943	612,057
328	Dec	2036	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,896,884	603,116
329	Jan	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,905,825	594,175
330	Feb	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,914,766	585,234
331	Mar	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,923,707	576,293
332	Apr	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,932,648	567,352
333	May	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,941,589	558,411
334	Jun	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,950,530	549,470
335	Jul	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,959,471	540,529
336	Aug	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,968,412	531,588
337	Sep	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,977,353	522,647
338	Oct	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,986,294	513,706
339	Nov	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	2,995,235	504,765
340	Dec	2037	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,004,176	495,824
341	Jan	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,013,117	486,883
342	Feb	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,022,058	477,942
343	Mar	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,030,999	469,001
344	Apr	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,039,940	460,060
345	May	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,048,881	451,119
346	Jun	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,057,822	442,178
347	Jul	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,066,763	433,237
348	Aug	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,075,704	424,296
349	Sep	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,084,645	415,355
350	Oct	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,093,586	406,414
351	Nov	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,102,527	397,473
352	Dec	2038	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,111,468	388,532
353	Jan	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,120,409	379,591
354	Feb	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,129,350	370,650
355	Mar	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,138,291	361,709
356	Apr	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,147,232	352,768
357	May	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,156,173	343,827
358	Jun	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,165,114	334,886
359	Jul	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,174,055	325,945
360	Aug	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,182,996	317,004
361	Sep	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,191,937	308,063
362	Oct	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,200,878	299,122
363	Nov	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,209,819	290,181
364	Dec	2039	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,218,760	281,240
365	Jan	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,227,701	272,299
366	Feb	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,236,642	263,358
367	Mar	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,245,583	254,417
368	Apr	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,254,524	245,476
369	May	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,263,465	236,535
370	Jun	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,272,406	227,594
371	Jul	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,281,347	218,653
372	Aug	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,290,288	209,712
373	Sep	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,299,229	200,771
374	Oct	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,308,170	191,830
375	Nov	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,317,111	182,889
376	Dec	2040	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,326,052	173,948
377	Jan	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,334,993	165,007
378	Feb	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,343,934	156,066
379	Mar	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,352,875	147,125
380	Apr	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	8,941	3,361,816	138,184
381	May	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	2,187	3,364,003	135,997
382	Jun	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,364,942	135,058
383	Jul	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,365,881	134,119
384	Aug	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,366,820	133,180
385	Sep	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,367,759	132,241
386	Oct	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,368,698	131,302
387	Nov	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,369,637	130,363
388	Dec	2041	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,370,576	129,424
389	Jan	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,371,515	128,485
390	Feb	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,372,454	127,546

Maui Electric Company, Ltd.
CHP Investment
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
391	Mar	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,373,393	126,607
392	Apr	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,374,332	125,668
393	May	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,375,271	124,729
394	Jun	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,376,210	123,790
395	Jul	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,377,149	122,851
396	Aug	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,378,088	121,912
397	Sep	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,379,027	120,973
398	Oct	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,379,966	120,034
399	Nov	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,380,905	119,095
400	Dec	2042	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,381,844	118,156
401	Jan	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,382,783	117,217
402	Feb	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,383,722	116,278
403	Mar	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,384,661	115,339
404	Apr	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,385,600	114,400
405	May	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,386,539	113,461
406	Jun	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,387,478	112,522
407	Jul	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,388,417	111,583
408	Aug	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,389,356	110,644
409	Sep	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,390,295	109,705
410	Oct	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,391,234	108,766
411	Nov	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,392,173	107,827
412	Dec	2043	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,393,112	106,888
413	Jan	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,394,051	105,949
414	Feb	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,394,990	105,010
415	Mar	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,395,929	104,071
416	Apr	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,396,868	103,132
417	May	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,397,807	102,193
418	Jun	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,398,746	101,254
419	Jul	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,399,685	100,315
420	Aug	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,400,624	99,376
421	Sep	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,401,563	98,437
422	Oct	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,402,502	97,498
423	Nov	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,403,441	96,559
424	Dec	2044	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,404,380	95,620
425	Jan	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,405,319	94,681
426	Feb	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,406,258	93,742
427	Mar	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,407,197	92,803
428	Apr	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,408,136	91,864
429	May	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,409,075	90,925
430	Jun	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,410,014	89,986
431	Jul	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,410,953	89,047
432	Aug	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,411,892	88,108
433	Sep	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,412,831	87,169
434	Oct	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,413,770	86,230
435	Nov	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,414,709	85,291
436	Dec	2045	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,415,648	84,352
437	Jan	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,416,587	83,413
438	Feb	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,417,526	82,474
439	Mar	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,418,465	81,535
440	Apr	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,419,404	80,596
441	May	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,420,343	79,657
442	Jun	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,421,282	78,718
443	Jul	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,422,221	77,779
444	Aug	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,423,160	76,840
445	Sep	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,424,099	75,901
446	Oct	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,425,038	74,962
447	Nov	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,425,977	74,023
448	Dec	2046	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,426,916	73,084
449	Jan	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,427,855	72,145
450	Feb	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,428,794	71,206
451	Mar	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,429,733	70,267
452	Apr	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,430,672	69,328
453	May	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,431,611	68,389
454	Jun	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,432,550	67,450
455	Jul	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,433,489	66,511

Maui Electric Company, Ltd.
CHP Investment
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
456	Aug	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,434,428	65,572
457	Sep	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,435,367	64,633
458	Oct	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,436,306	63,694
459	Nov	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,437,245	62,755
460	Dec	2047	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,438,184	61,816
461	Jan	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,439,123	60,877
462	Feb	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,440,062	59,938
463	Mar	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,441,001	58,999
464	Apr	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,441,940	58,060
465	May	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,442,879	57,121
466	Jun	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,443,818	56,182
467	Jul	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,444,757	55,243
468	Aug	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,445,696	54,304
469	Sep	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,446,635	53,365
470	Oct	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,447,574	52,426
471	Nov	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,448,513	51,487
472	Dec	2048	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,449,452	50,548
473	Jan	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,450,391	49,609
474	Feb	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,451,330	48,670
475	Mar	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,452,269	47,731
476	Apr	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,453,208	46,792
477	May	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,454,147	45,853
478	Jun	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,455,086	44,914
479	Jul	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,456,025	43,975
480	Aug	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,456,964	43,036
481	Sep	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,457,903	42,097
482	Oct	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,458,842	41,158
483	Nov	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,459,781	40,219
484	Dec	2049	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,460,720	39,280
485	Jan	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,461,659	38,341
486	Feb	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,462,598	37,402
487	Mar	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,463,537	36,463
488	Apr	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,464,476	35,524
489	May	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,465,415	34,585
490	Jun	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,466,354	33,646
491	Jul	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,467,293	32,707
492	Aug	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,468,232	31,768
493	Sep	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,469,171	30,829
494	Oct	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,470,110	29,890
495	Nov	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,471,049	28,951
496	Dec	2050	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,471,988	28,012
497	Jan	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,472,927	27,073
498	Feb	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,473,866	26,134
499	Mar	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,474,805	25,195
500	Apr	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,475,744	24,256
501	May	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,476,683	23,317
502	Jun	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,477,622	22,378
503	Jul	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,478,561	21,439
504	Aug	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,479,500	20,500
505	Sep	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,480,439	19,561
506	Oct	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,481,378	18,622
507	Nov	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,482,317	17,683
508	Dec	2051	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,483,256	16,744
509	Jan	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,484,195	15,805
510	Feb	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,485,134	14,866
511	Mar	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,486,073	13,927
512	Apr	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,487,012	12,988
513	May	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,487,951	12,049
514	Jun	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,488,890	11,110
515	Jul	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,489,829	10,171
516	Aug	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,490,768	9,232
517	Sep	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,491,707	8,293
518	Oct	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,492,646	7,354
519	Nov	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,493,585	6,415
520	Dec	2052	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,494,524	5,476

Maui Electric Company, Ltd.
CHP Investment
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

			Cost:			Rate:		Depreciation	A/D	NBV
			Total	Production	Distribution	Production	Distribution			
521	Jan	2053	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,495,463	4,537
522	Feb	2053	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,496,402	3,598
523	Mar	2053	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,497,341	2,659
524	Apr	2053	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,498,280	1,720
525	May	2053	3,500,000	3,010,000	490,000	3.19%	2.30%	939	3,499,219	781
526	Jun	2053	3,500,000	3,010,000	490,000	3.19%	2.30%	781	3,500,000	-

Maui Electric Company, Ltd.
CIS in 2013 RAM Calculations
MECO Summary
(\$ in 000's)

Line	Description	Rate Base CIS Deferred Costs Recoverable at 12/31/12	Amortization (7 months) (Note 3)	Rate Base CIS Deferred Costs Recoverable at 12/31/13
1	CIS Deferred Cost (Note 1)	\$ 7,268		\$ -
2	CIS Deferred O&M Reclass (Note 1)	569		-
3	Carrying charge since go-live (Note 1)	371		-
4	Write-Off (Note 2)	(5,500)		
5 = sum 1 - 4	Total	2,708	(132)	2,576
6	Carrying charge (AFUDC)			
7	January 1 - May 31, 2013 (Note 4)	-	-	-
8 = 5 + 7	CIS deferred costs recoverable	\$ 2,708	\$ (132)	\$ 2,576

- (1) See the CIS Project Final Cost Report that will be filed on April 1, 2013, in Docket No. 04-0268.
- (2) See Hawaiian Electric 2009 Test Year Rate Case Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed January 28, 2013 in Docket No. 2008-0083. See allocation at page 2.
- (3) Amortized over 12 years, per Exhibit 1, page 2 of 3, footnote 1 of the Hawaiian Electric 2009 Test Year Rate Case Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed January 28, 2013 in Docket No. 2008-0083. See calculation at page 3.
- (4) See calculation at page 4.

**Maui Electric Company, Ltd.
Final CIS Cost Report
(\$ in 000's)**

**Allocation of Total CIS Deferred Costs
(in Thousands)
Per CIS Project Final Cost Report (N.1)**

<u>Line</u>	<u>Description</u>	<u>HECO</u>	<u>HELCO</u>	<u>MECO</u>	<u>Total</u>
1	CIS Deferred Project Cost	\$ 41,402	\$ 7,977	\$ 7,837	\$ 57,216
2	CIS Deferred Cost	\$ 38,927	\$ 7,977	\$ 7,268	
3	CIS Deferred O&M Reclass	\$ 2,475		\$ 569	
4	Carrying charge since go-live	1,830		371	2,201
		<u>43,232</u>	<u>7,977</u>	<u>8,208</u>	<u>59,417</u>
5	Percentage	72.8%	13.4%	13.8%	100.0%
6	Write-off amount	29,104	5,370	5,526	40,000
7	write-off amount rounded	<u>29,000</u>	<u>5,500</u>	<u>5,500</u>	<u>40,000</u>
8	CIS costs as of Final Cost Report	<u>\$ 14,232</u>	<u>\$ 2,477</u>	<u>\$ 2,708</u>	<u>\$ 19,417</u>

N.1 The CIS Project Final Cost Report will be filed on April 1, 2013, in Docket No. 04-0268.

Maui Electric Company, Ltd.
CIS in 2013 RAM Calculations
Updated Exhibit 3 page 2
(\$ in 000's)

Recoverable Costs:					Rate Base RAM	
					Rate Base 12/31/2012	Rate Base 12/31/2013
CIS	HECO	HELCO	MECO	Total		
Total deferred cost per Settlement	<u>14,232</u>	<u>2,477</u>	<u>2,708</u>	<u>19,417</u>		b
Carrying charge (AFUDC) January 1-May 31, 2013	<u>405</u>	<u>85</u>	<u>89</u>	<u>579</u>		c
CIS deferred costs recoverable	<u>14,637</u>	<u>2,562</u>	<u>2,797</u>	<u>19,996</u>	19,996	
Additional amortization expense	1,220	213	233	1,666		
Amortization in 2013 RAM (7/12 of annual amortization)	712	125	136	972		
CIS deferred costs -12-31-13	13,925	2,437	2,661	19,024		19,024

b Updated for Final CIS Cost Report that will be filed on April 1, 2013, in Docket No. 04-0268.

c See page 4

Maui Electric Company, Ltd.
Calculation of CIS Carrying Charges
January - May 2013

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Equity & Debt Carrying Charge based upon AFUDC rates:							
Month/Yr	Monthly AFUDC Debt Rate	Monthly AFUDC Equity Rate	Principal Balance	Carrying Charge based upon AFUDC Debt Rate	Carrying Charge based upon AFUDC Equity Rate	Cumulative Balance	Monthly Carrying Charge
Dec-12	0.1755%	0.4843%	-	-	-	2,708,257	(1)
Jan-13	0.1797%	0.4686%	-	4,867	12,691	2,725,815	17,558
Feb-13	0.1797%	0.4686%	-	4,898	12,773	2,743,486	17,671
Mar-13	0.1797%	0.4686%	-	4,930	12,856	2,761,272	17,786
Apr-13	0.1797%	0.4686%	-	4,962	12,939	2,779,173	17,901
May-13	0.1797%	0.4686%	-	4,994	13,023	2,797,191	18,017
			-	24,651	64,283		88,934

(1) See the CIS Project Final Cost Report that will be filed on April 1, 2013, in Docket No. 04-0268.

Maui Electric Company, Ltd.
CIS Post Go-Live Carrying Charge
June 2012 - December 2012

Line	a Description	b GL Account	Pre-Settlement ⁽¹⁾			f HECO Incremental Full Debt % ⁽²⁾	g = d * f Incremental Full Debt Rate	c + g Total Debt
			c Debt	d Equity	e = c + d Total			
1	CIS Post Go-Live Carrying Charge	18670202	\$ 94,210	\$ 252,010	\$ 346,220	42%	\$ 105,844	\$ 200,054
2	CIS O&M Post Go-Live Carrying Charge	18670203	6,776	18,162	24,938	42%	7,628	14,404
3 = 1 + 2			<u>\$ 100,986</u>	<u>\$ 270,172</u>	<u>\$ 371,158</u> ⁽³⁾		<u>\$ 113,472</u>	<u>\$ 214,458</u>

(1) See Hawaiian Electric 2009 Test Year Rate Case Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed January 28, 2013 in Docket No. 2008-0083.

(2) For financial reporting purposes, the estimated incremental debt was computed using HECO's incremental full debt rate percentage. See HECO-WP-D1-001B of the 2013 RAM filing for the calculation.

(source: HECO 2013 RAM filing)

Description	Balance
HECO-WP-D1-001B, p.3 AFUDC Debt True-Up	\$ 512,072
HECO-WP-D1-001B, p.3 AFUDC Equity	\$ 1,211,993
	= 42%

(3) Agrees to the Final CIS Cost Report (MECO-WP-D1-002, page 2, MECO line 4)

Maui Electric Company, Ltd.
2013 Major Project - M16 Overhaul Costs
Capital Costs

Cost Category	<u>PUC</u> <u>Authorized Amt.</u> ⁽¹⁾	<u>Updated</u> <u>Estimate</u>	<u>Diff</u>
Materials			
Hot Section	1,300,000	729,400	(570,600)
Power Turbine	1,100,000	-	(1,100,000)
Bearings and Other Parts	900,000	1,227,500	327,500
Outside Services	172,000	78,200	(93,800)
Freight	88,000	49,800	(38,200)
In-House Labor	14,000	17,400	3,400
Overheads	11,000	23,900	12,900
AFUDC	55,000	29,500	(25,500)
Total	<u><u>3,640,000</u></u>	<u><u>2,155,700</u></u>	<u><u>(1,484,300)</u></u>

(1) See For Approval to Commit Funds in excess of \$2,500,000 for Item
M0001282, Perform Major Overhaul on Maalaea Unit 16, Docket No. 2012-
0038, Decision & Order No. 30874 issued on December 5, 2012

MAUI ELECTRIC COMPANY, Ltd.
DEFERRED INCOME TAXES
FEDERAL

Line No.	DR(CR) LIAB	Description	Note 1 FEDERAL LIABILITY 12/31/2012
1	28310	Rate Case Costs	(196,197 00)
2	28311	Rev Bond Diff	(803,782 00)
3	28312	Prepaid Expenses	(282,348 00)
4	28313	Uncoll Accts	264,428 00
5	28314	Computer Software Costs	2,666 00
6	28315	Cost of Removal	(10,885,274 00)
7	28316	Disc Wkrs Cmp	157,100 00
8	28317	Electric Disc Trust	(347,109 00)
9	28318	Pension Cst - Book Expense	8,766,753 00
10	28318	Pension Cst - Tax Deduction	(9,819,287 00)
11	28318	Pension Cst - Excess (non-qual)	(1,569 00)
12	28318	Pension Tracking	(1,427,485 00)
13	28319	Cap Items Chg	(21,122 00)
14	28323	Cap Int	2,394,555 93
15	28324	CIAC	13,028,850 00
16	28324	CIAC §481(a) adjustment	-
17	28325	Cust Adv	480,613 00
18	28326	Int IRS Adj	75,416 00
19	28327	Exec Incen Comp	(1,380 00)
20	28327	Exec Incen Comp §481(a) adj.	61,843 00
21	28328	Vacation Accrual	(107,926 00)
22	28331	CWIP Debt Transition	(55,646 00)
23	28332	CWIP Equity Transition	(163,867 00)
24	28333	Plant Trans (AFUDC)	(288,537 00)
25	28334	FAS 109 Flow Through	(732 00)
26	28335	CWIP Equity Net	(4,308,202 00)
27	28336	CWIP Debt	(2,135,549 00)
28	28337	CWIP Equity Gross-Up	(2,744,120 00)
29	28338	Reg Liab Fed ITC	176,726 00
30	28339	OPEB - Book Expense	7,819,526 00
31	28339	OPEB - Tax Deduction	(7,071,239 00)
32	28339	OPEB - Exec. Life	492,012 00
33	28339	OPEB - Exec. Life Tax Deduction	(28,464 00)
34	28339	OPEB Tracking	(74,431 00)
35	28339	OPEB - Rabbi Trust	(23,764 00)
36	28340	IRP/DSM Costs	-
37	28342	Deficit Def Tax	8,984 00
38	28343	Gen Liab Reserve	1,255,854 00
39	28344	G(L) on ACRS Retirals	(1,785,913 00)
40	28400	Customer Information System	(271,164 00)
41	28404	Emission Fees Accrued	158,737 00
42	28405	Hawaii R&D Credit	748 00
43	28406	Legal Fees Deferred for Tax	122,511 00
44	28407	Oil Spill Clean-Up	21,052 00
45	28408	Percentage Repair Allowance	(536,513 00)
46	28409	BPI Costs	(9,434 00)
47	28410	QUIPS Amortization	(127,989 00)
48	28412	Sun Power for Schools	-
49	28413	Other	(3 03)
50	28414	Deferred Comp-Restricted Stock	15,257 00
51	28415	FIN 48 Interest	2,623 00
52	28416	SFAS 158 - AOCI	-
53	28417	Manele Bay CHP Lease	89,200 00
54	28418	FIN 48 Tax	(2 00)
55	28419	HR Suite	(346,034 00)
56	28420	Solar Saver Program	114,789 00
57	28421	Reg Liab Fed Energy Credits	(18,944 00)
58	28422	State Energy Tax Credits	16,785 00
59	28423	Percentage Repair Allowance 481(a)	(11,451,906 00)
60	28424	CHP Direct Lease vs. Book Depr.	16,680 00
61	28425	Reg Asset/Liability - SFAS 109	178,349 01
62	28427	Budget System	(70,999 00)
63	28480	ERP/EAM Replacement Costs	31,013 00
64	28481	IVR Project	5,062 00
65	28482	Capital Loss Limited	4,370 00
66	28483	2011 NOL Benefit not Utilized	5,771,709 00
67	FED ACCOUNT 283,	excluding state ITC	(13,972,719 09)
68	28309	State ITC	4,159,745 00
69		FED ACCOUNT 283000	(9,812,974 09)
70	28210000	Accelerated Depreciation	(33,206,340 93)
71	28210100	Accel. Depr. - Excess	-
72	28210200	Accel. Depr. - Deficit	(8,830 00)
73		FED ACCOUNT 282100	(33,215,170 93)
74		TOTAL FED DEF INCOME TAX - UTILITY	(43,028,145 02)

Line No.	DR(CR) LIAB	Description	Note 1 FEDERAL LIABILITY 12/31/2012
1		RATE BASE CALCULATION	
2		Total 283 Federal Deferred Tax	(9,812,974.09)
3		Less:	
4	28326	Int IRS Adj	(75,416)
5	28327	Exec Incen Comp	1,380
6	28327	Exec Incen Comp §481(a) adj.	(61,843)
7	28328	Vacation Accrual	107,926
8	28313	Uncoil Accts Allow	(264,428)
9	28316	Disc Wkrs Comp	(157,100)
10	28343	Gen Liab Reserve	(1,255,854)
11	28318	Pensn Cst (nonqual)	1,569
12	28310	Rate Case Costs	-
13	28339	OPEB Exec Life	(492,012)
14	28340	IRP/DSM Costs	-
15	28407	Fuel/Oil Spill Liab Reserve	(21,052)
16	28414	Deferred Comp-Restricted Stock	(15,257)
17	28415	FIN 48 Interest	(2,623)
18	28418	FIN 48 Tax	2
19	28416	SFAS 158 - AOCI	-
20		Total Exclusions	<u>(2,234,708.00)</u>
21		283 Federal Deferred Tax for Rate Base	(12,047,682.09)
22		282 Federal Deferred Tax for Rate Base	<u>(33,215,170.93)</u>
23		Total Federal Deferred Tax for Rate Base	<u>(45,262,853.02)</u>
24		Note 1 > Tie out to trial balance:	
25		Fed Account #282100	(33,215,170.93)
26		Fed Account #283000	(9,812,974.09)
27		State Account #282200	(2,079,626.33)
28		State Account #283000	<u>(2,453,550.64)</u>
29		Total	(47,561,321.99)
30		Per Trial Balance	<u>(47,561,321.99)</u>
31		Difference	-

MAUI ELECTRIC COMPANY, Ltd.
DEFERRED INCOME TAXES
STATE

Line No.	DR(CR) LIAB	Description	STATE LIABILITY 12/31/2012
1	28310	Rate Case Costs	(35,877.00)
2	28311	Rev Bond Diff	(162,482.00)
3	28312	Prepaid Expenses	(51,629.00)
4	28313	Uncoll Accts	48,353.00
5	28314	Computer Software Costs	(574.00)
6	28315	Cost of Removal	(1,989,110.00)
7	28316	Disc Wkrs Cmp	28,728.00
8	28317	Electric Disc Trust	(63,473.00)
9	28318	Pension Cst - Book Expense	1,603,057.00
10	28318	Pension Cst - Tax Deduction	(1,795,526.00)
11	28318	Pension Cst - Excess (non-qual)	(286.00)
12	28318	Pension Tracking	(261,027.00)
13	28319	Cap Items Chg	(3,864.00)
14	28323	Cap Int	535,277.33
15	28324	CIAC	3,178,196.00
16	28324	CIAC §481(a) adjustment	(1.00)
17	28325	Cust Adv	87,883.00
18	28326	Int IRS Adj	(4,259.00)
19	28327	Exec Incen Comp	16,197.00
20	28327	Exec Incen Comp §481(a) adj	11,308.00
21	28328	Vacation Accrual	(24,335.00)
22	28331	CWIP Debt Transition	(10,177.00)
23	28332	CWIP Equity Transition	(29,967.00)
24	28333	Plant Trans (AFUDC)	(62,761.00)
25	28334	FAS 109 Flow Through	(134.00)
26	28335	CWIP Equity Net	(787,787.00)
27	28336	CWIP Debt	(390,500.00)
28	28337	CWIP Equity Gross-Up	(501,782.00)
29	28338	Reg Liab Fed ITC	32,315.00
30	28339	OPEB - Book Expense	1,429,855.00
31	28339	OPEB - Tax Deduction	(1,293,026.00)
32	28339	OPEB - Exec. Life	89,968.00
33	28339	OPEB - Exec. Life Tax Deduction	(5,205.00)
34	28339	OPEB Tracking	(13,610.00)
35	28339	OPEB - Rabbi Trust	(4,346.00)
36	28340	IRP/DSM Costs	(16,047.00)
37	28342	Deficit Def Tax	1,645.00
38	28343	Gen Liab Reserve	229,641.00
39	28344	G/(L) on ACRS Retirals	(328,796.00)
40	28400	Customer Information System	(22,807.00)
41	28404	Emission Fees Accrued	29,027.00
42	28405	Hawaii R&D Credit	137.00
43	28406	Legal Fees Deferred for Tax	22,402.00
44	28407	Oil Spill Clean-Up	3,850.00
45	28408	Percentage Repair Allowance	(234,736.00)
46	28409	BPI Costs	(1,727.00)
47	28410	QUIPS Amortization	(23,403.00)
48	28412	Sun Power for Schools	-
49	28413	Other	(4.00)
50	28414	Deferred Comp-Restricted Stock	2,791.00
51	28415	FIN 48 Interest	480.00
52	28416	SFAS 158 - AOCI	-
53	28417	Maneie Bay CHP Lease	16,312.00
54	28418	FIN 48 Tax	3.00
55	28419	HR Suite	(64,634.00)
56	28420	Solar Saver Program	20,991.00
57	28421	Reg Liab Fed Energy Credits	(3,462.00)
58	28422	State Energy Tax Credits	3,071.00
59	28423	Percentage Repair Allowance 481(a)	(2,466,348.00)
60	28424	CHP Direct Lease vs. Book Depr.	3,049.00
61	28425	Reg Asset/Liability - SFAS 109	32,612.03
62	28427	Budget System	(4,721.00)
63	28480	ERP/EAM Replacement Costs	5,671.00
64	28481	IVR Project	926.00
65	28482	Capital Loss Limited	488.00
66	28483	2011 NOL Benefit not Utilized	-
67	STATE ACCOUNT 283, excluding state ITC		(3,214,189.64)
68	28309	State ITC	760,639.00
69		STATE ACCOUNT 283020	(2,453,550.64)
70	28210000	Accelerated Depreciation	(2,078,010.33)
71	28210100	Accel. Depr. - Excess	-
72	28210200	Accel. Depr. - Deficit	(1,616.00)
73		STATE ACCOUNT 282020	(2,079,626.33)
74		TOTAL STATE DEF INCOME TAX - UTILITY	(4,533,176.97)

Line No.	DR(CR) LIAB	Description	STATE LIABILITY 12/31/2012
1	RATE BASE CALCULATION		
2		Total 283 State Deferred Tax	(2,453,550.64)
3		Less:	
4	28326	Int IRS Adj	4,259
5	28327	Exec Incen Comp	(16,197)
6	28327	Exec Incen Comp §481(a) adj.	(11,308)
7	28328	Vacation Accrual	24,335
8	28313	Uncoll Accts Allow	(48,353)
9	28316	Disc Wkrs Cmp	(28,728)
10	28343	Gen Liab Reserve	(229,641)
11	28318	Pensn Cst (nonqual)	286
12	28310	Rate Case Costs	-
13	28339	OPEB Exec Life	(69,968)
14	28340	IRP/DSM Costs	16,047
15	28407	Fuel/Oil Spill Liab Reserve	(3,850)
16	28414	Deferred Comp-Restricted Stock	(2,791)
17	28415	FIN 48 Interest	(480)
18	28418	FIN 48 Tax	(3)
19	28416	SFAS 158 - AOCI	-
20		Total Exclusions	<u>(386,392.00)</u>
21		283 State Deferred Tax for Rate Base	<u>(2,839,942.64)</u>
22		282 State Deferred Tax for Rate Base	<u>(2,079,626.33)</u>
23		Total State Deferred Tax for Rate Base	<u><u>(4,919,568.97)</u></u>

Maui Electric Company, Ltd.
Calculation of Composite Effective Income Tax Rates
Federal and State

Composite Federal and State Effective Income Tax Rate

Federal Effective Income Tax Rate	32.8947368%
State Effective Income Tax Rate	6.0150376%
	<u>38.9097744%</u>

Calculation of Effective Rates

Assumptions: ST = State Income Tax Expense
FT = Federal Income Tax Expense
Pre-Tax Income = \$1.00
State Statutory Income Tax Rate = 6.4%
Federal Statutory Income Tax Rate = 35%

Calculation of State Effective Income Tax Rate

State Income Tax Expense = Statutory Rate x (Pre-Tax Income - State Income Tax Expense)

$$ST = .064 \times (1 - ST)$$

$$ST = .064 - .064(ST)$$

$$1.064(ST) = .064$$

$$ST = .060150376 \text{ or } 6.0150376\% \text{ of Pre-Tax Income}$$

Calculation of Federal Effective Income Tax Rate

Federal Income Tax Expense = Statutory Rate x (Pre-Tax Income - State Income Tax Expense)

$$FT = .35 \times (1 - ST)$$

$$FT = .35 \times (1 - .060150376)$$

$$FT = .35 - .0210526316$$

$$FT = .328947368 \text{ or } 32.8947368\% \text{ of Pre-Tax Income}$$

MAUI ELECTRIC COMPANY, Ltd.
TAX REPAIRS ADJUSTMENT
2013

			A	B	C = A x B	D = A - C	
	MECO-WP- F1-002 5-Year	Note 2		MECO-WP-F1- 001 pg.2			
	LIFE	AVERAGE	Allocation	Allocated Plant Adds	Repairs Allocation	Repairs Deduction	Depreciable Basis
Communication	20	724,695					
Comp/Off/Furn/Tools	7	16,366					
Distribution	20	21,636,528		21,636,528	18.62%	4,027,814	17,608,714
Land	-						
Non-Steam Production	15	3,982,585					
Steam Production	20	840,260					
Structural	39	1,200,975					
Transmission	20	3,569,206		3,569,206	34.64%	1,236,239	2,332,967
General	20	2,383,228					
Street Lights	7	215,807					
ROW	50	46,970					
Computer Data	5	469,125					
Vehicles	-	954,183					
TOTAL		<u>36,039,928</u>	<u>0.00%</u>	<u>25,205,734</u>		<u>5,264,053</u>	<u>19,941,681</u>
		<i>from Sch D2</i>				<i>to Sch F1</i>	

NOTE 1> This schedule calculates the estimated amount of deductible tax repairs related to baseline plant additions for the RAM year. The deductible tax repairs amounts are carried forward to Schedule F1 and serve to reduce the depreciable tax basis for the baseline plant additions. The repairs percentages (column B) are calculated on MECO-WP-F1-001, page 2.

NOTE 2> This allocation is not required because the 5-year average of additions is MECO's baseline plant additions (excluding major additions.)

**MAUI ELECTRIC COMPANY, LTD.
REPAIRS DEDUCTION
2013**

Repairs %:			Distribution	Transmission
Book basis repairs				
1	2008		4,394,329	1,747,209
2	2009		3,525,567	1,463,590
3	2010		3,395,009	1,074,383
4	2011		5,109,057	948,114
5	2012		5,304,417	1,006,986
6	Total book basis repairs		21,728,379	6,240,282
Book basis adds				
7	2008	MECO WP-F1-002	27,307,965	5,997,009
8	2009	MECO WP-F1-002	23,671,076	2,772,345
9	2010	MECO WP-F1-002	20,554,101	1,536,304
10	2011	MECO WP-F1-002	15,730,888	2,095,102
11	2012	MECO WP-F1-002	29,456,015	5,615,857
12	Total book basis adds		116,720,045	18,016,617
Repairs % (Line 6 / Line 12)			18.615807%	34.636257%

NOTE 1> Price Waterhouse Coopers assisted MECO in its analysis of identifying deductible repairs for tax accounting purposes. The repairs percentage for each functional group represents the five year weighted average of repairs costs included in book additions.

Note 2> MECO calculates a repairs deduction for T & D only.

MAUI ELECTRIC COMPANY, Ltd.
BASELINE PLANT ADDITIONS BY TAX CLASSIFICATION

Programs:							Less:			
Description	Life	2012	2011	2010	2009	2008	Major Projects	Total	Average	% Average
Structural	39	165,830	173,243	187,592	261,249	255,332	-	1,043,246	208,649	1.49%
Steam Production	20	52,160	25,739	85,209	40,926	69,332	-	273,366	54,673	0.39%
Other Production	15	94,925	119,553	63,683	103,936	116,005	-	498,102	99,620	0.71%
Right of Way	50	59,067	32,048	56,117	21,223	44,076	-	212,531	42,506	0.30%
Transmission	20	1,000,184	944,560	1,152,483	1,370,273	709,064	-	5,176,564	1,035,313	7.38%
Distribution	20	16,924,355	10,663,035	10,611,334	9,071,693	8,474,116	-	55,744,533	11,148,907	79.44%
Street Lights	7	84,551	54,011	70,254	93,315	158,268	-	460,399	92,080	0.66%
Computer Data	5	-	99,442	167,248	82,563	65,008	-	414,261	82,852	0.59%
Office Furniture & Eq	7	4,126	1,734	1,143	-	23,976	-	30,979	6,196	0.04%
Transportation		812,971	839,518	1,233,406	787,038	730,446	-	4,403,379	880,676	6.27%
General	20	226,832	806,977	374,418	220,423	133,457	-	1,762,107	352,421	2.51%
Communications	20	9,400	56,426	5,449	47,272	37,488	-	156,035	31,207	0.22%
Total - Programs		19,434,401	13,816,286	14,008,336	12,099,911	10,816,568	-	70,175,502	14,035,100	100.00%

Projects:							Less:			
Description	Life	2012	2011	2010	2009	2008	Major Projects	Total	Average	% Average
Structural	39	1,563,770	1,595,581	207,842	788,316	806,121	-	4,961,630	992,326	4.51%
Steam Production	20	140,627	294,534	1,136,016	177,250	2,179,509	-	3,927,936	785,587	3.57%
Other Production	15	7,948,379	7,429,492	3,726,919	2,641,568	1,357,261	(3,688,795) (1)	19,414,824	3,882,965	17.65%
Right of Way	50	15,616	381	3,395	195	2,730	-	22,317	4,464	0.02%
Transmission	20	4,615,673	1,150,542	383,821	1,402,072	5,287,945	(170,587) (2)	12,669,466	2,533,893	11.52%
Distribution	20	12,531,660	5,067,853	9,942,767	14,599,383	18,833,849	(8,537,409) (3)	52,438,103	10,487,621	47.66%
Street Lights	7	41,728	-	161,039	93,150	322,717	-	618,634	123,727	0.56%
Computer Data	5	206,134	533,637	134,594	961,306	95,692	-	1,931,363	386,273	1.76%
Office Furniture & Eq	7	-	50,852	-	-	-	-	50,852	10,170	0.05%
Transportation		230,213	84,595	52,103	626	-	-	367,537	73,507	0.33%
General	20	375,841	4,939,059	64,079	4,675,844	99,212	-	10,154,035	2,030,807	9.22%
Communication	20	1,172,199	1,476,477	490,190	38,192	290,383	-	3,467,441	693,488	3.15%
Total - Projects		28,841,840	22,623,003	16,302,765	25,377,902	29,275,419	(12,396,791)	110,024,136	22,004,828	100.00%
Total		48,276,241	36,439,289	30,311,101	37,477,813	40,091,987	(12,396,791)	180,199,640	36,039,928	

Summary	Life	2012	2011	2010	2009	2008	Total Average	Allocation %	
Structural	39	1,729,600	1,768,824	395,434	1,049,565	1,061,453	Structural - 39 yrs	1,200,975	3.33%
Steam Production	20	192,787	320,273	1,221,225	218,176	2,248,841	Steam Production - 20 yrs	840,260	2.33%
Other Production	15	8,043,304	7,549,045	3,790,602	2,745,504	1,473,266	Other Production - 15 yrs	3,982,585	11.05%
Right of Way	50	74,683	32,429	59,512	21,418	46,806	Right of Way - 50 yrs	46,970	0.13%
Transmission	20	5,615,857	2,095,102	1,536,304	2,772,345	5,997,009	WP-F1-001 p. 2 Transmission - 20 yrs	3,569,206	9.90%
Distribution	20	29,456,015	15,730,888	20,554,101	23,671,076	27,307,965	WP-F1-001 p. 2 Distribution - 20 yrs	21,636,528	60.03%
Street Lights	7	126,279	54,011	231,293	186,465	480,985	Street Lights - 7 yrs	215,807	0.60%
Computer Data	5	206,134	633,079	301,842	1,043,869	160,700	Computer Data - 5yrs	469,125	1.30%
Office Furniture & Eq	7	4,126	52,586	1,143	-	23,976	Furniture, Fixtures & Equip - 7 yrs	16,366	0.05%
Transportation		1,043,184	924,113	1,285,509	787,664	730,446	Transportation	954,183	2.65%
General	20	602,673	5,746,036	438,497	4,896,267	232,669	General - 20 yrs	2,383,228	6.62%
Communication	20	1,181,599	1,532,903	495,639	85,464	327,871	Communications - 20 yrs	724,695	2.01%
Total - Programs & Projects		48,276,241	36,439,289	30,311,101	37,477,813	40,091,987	Total (net of Major Projects)	36,039,928	100.00%

Notes:

Major Projects	Plant Additions
(1) M14 Capital Overhaul	3,688,795 Schedule D2 (2011)
	<u>Total 3,688,795</u>
(2) Maalaea Dual Train Combined Cycle -2008	196,573 Schedule D2 (2008)
Maalaea Dual Train Combined Cycle -2009	(5,473) Schedule D2 (2009)
Maalaea Dual Train Combined Cycle -2010	(20,513) Schedule D2 (2010)
	<u>Total 170,587</u>
(3) CHP Manale Bay Hotel - 2009	4,664,190 Schedule D2 (2009)
CHP Manale Bay Hotel - 2010	101,942 Schedule D2 (2010)
CHP Manale Bay Hotel - 2011	(564) Schedule D2 (2011)
6th Increment Distribution Rebuild - 2010	904,737 Schedule D2 (2010)
6th Increment Distribution Rebuild - 2011	2,867,104 Schedule D2 (2011)
	<u>Total 8,537,409</u>

Maui Electric Company, Ltd.
Average Rate Base
(\$ THOUSANDS)

Line	Description	12/31/12	12/31/11
1	<u>Investments in Assets Serving Customers</u>		
2	Net Plant in Service	530,440.9	500,129.3
3	Materials & Supplies (Excl stores)	13,978.2	13,740.5
4	Fuel Oil inventory	22,743.3	24,276.3
5	Property Held for Future Use	1,302.5	1,302.5
6	Lease receivable - CHP	6,829.4	7,274.6
7	Unamortized system development costs	4,008.3	1,240.4
8	Regulatory Assets	16,485.4	12,624.2
9	Total Investment in Assets	65,347.2	60,458.5
10			
11	<u>Funds from Non-Investors</u>		
12	Unamortized Contributions	(82,211.1)	(74,765.9)
13	Customer Advances	(5,259.3)	(4,648.4)
14	Customer Deposits	(3,880.6)	(4,345.7)
15	Deferred Income taxes	(49,950.3)	(41,370.4)
16	Unamortized ITC	(12,696.7)	(12,149.6)
17	Unearned interest - CHP	(3,600.6)	(3,955.9)
18	Regulatory Liabilities	(36,278.1)	(38,015.8)
19	Total Deductions	(193,876.7)	(179,251.6)
20			
21	Working Cash	12,084.3	10,615.6
22			
23	Rate Base	413,995.6	391,951.7
24			
25	Simple Average Rate Base	402,973.7	

Maui Electric Company, Ltd.
Ratemaking Adjustments for Incentive Compensation and Other Non-Recoverable Expenses

Line	Description	Account/Activity No.	2012	Net of Tax @ 38.91%	Rounded 000s	
1	<u>Incentive Compensation</u>					
2	LTIP and EICP expense	M8M723MAUNENMAZZZZ900	236,115	144,243	144	→ Line 2a
3						
4	<u>Discretionary and Other Expenses Not Recoverable</u>					
5	Executive Life expense	HR000120	(35,318)			
6	Executive Life in OPEB	Provided by HEI	106,227			
7	HEIRS	HR000067, HR000089, HR000143	25,554			
8	EEI Dues (allowed portion)	Invoiced amount allocated to MECO	22,033			
9	HEI charges for incentive compensation	Provided by HEI	<u>(23,291)</u>			
10	Subtotal		95,205	58,161	58	→ Line 2b
11						
12	Total adjustment to operating income		<u>331,320</u>	202,404		

Maui Electric Company, Ltd.
Income Tax on Items to be Replaced by Synchronized Interest

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>2012</u>	<u>Rounded 000s</u>
1	Total Interest Charges	Dec. 2012 PUC report	\$ 9,224,046	
2				
3	Less:			
4	Interest on Customer Deposits	Account 43105000	(266,123)	
5	AFUDC-Debt	NARUC 420030	(478,149)	
6				
7	Add:			
8	Amort of Inv Inc Differential	NARUC 403030	<u>9,495</u>	9 ⇒ Line 2c
9				
10	Total		8,489,269	
11		Tax rate	<u>38.91%</u>	
12				
13		Rounded	3,303,175	3,303 ⇒ Line 2d

Maui Electric Company, Ltd.
Rate Making Capitalization
December 31, 2012

*Amounts are derived from the general ledger and monthly reconciliations of account activity.

Line	Description	Short-Term Debt	Long-Term Debt	Hybrid Securities	Preferred Stock	Common Equity	Total
1	12/31/2011 balance	\$ -	\$ 164,720,000	\$ 10,000,000	\$ 5,000,000	\$ 236,053,615	\$ 415,773,615
2	Unamortized debt expense	-	(3,620,701)	(645,579)	-	-	(4,266,280)
3	Investment income differential	-	(115,366)	-	-	-	(115,366)
4	Issuance Discount	-	(296,799)	-	-	-	(296,799)
5	Issuance & Redemption Costs	-	-	-	(261,418)	90,389	(171,029)
6	AOCI	-	-	-	-	(138,103)	(138,103)
7	12/31/11 Totals	\$ -	\$ 160,687,134	\$ 9,354,421	\$ 4,738,582	\$ 236,005,901	\$ 410,786,038
8							
9							
10		Short-Term Debt	Long-Term Debt	Hybrid Securities	Preferred Stock	Common Equity	Total
11	12/31/2012 balance	\$ 9,400,000	\$ 156,000,000	\$ 10,000,000	\$ 5,000,000	\$ 228,927,514	\$ 409,327,514
12	Unamortized debt expense	-	(3,853,135)	(609,411)	-	-	(4,462,546)
13	Investment income differential	-	(105,664)	-	-	-	(105,664)
14	Issuance Discount	-	-	-	-	-	-
15	Issuance & Redemption Costs	-	-	-	(251,357)	90,389	(160,968)
16	AOCI	-	-	-	-	(163,836)	(163,836)
17	12/31/12 Totals	\$ 9,400,000	\$ 152,041,201	\$ 9,390,589	\$ 4,748,643	\$ 228,854,067	\$ 404,434,500
18	Average Balance ⁽¹⁾	\$ 3,307,220	\$ 156,364,168	\$ 9,372,505	\$ 4,743,612	\$ 232,429,984	\$ 406,217,489
19	Ratios	0.81%	38.49%	2.31%	1.17%	57.22%	100.00%

Note:

- (1) Short-term debt is based on a 12 month average (i.e. average of balance at January 31, 2012 through December 31, 2012)
All others are based on a simple average (i.e. December 31, 2011 balance + December 31, 2012 balance divided by 2)

Balance at	Short-Term Debt (net)
01/31/12	-
2/28/2012	-
03/31/12	-
4/30/2012	2,000,000
05/31/12	5,186,639
6/30/2012	8,700,000
07/31/12	10,700,000
8/31/2012	3,700,000
09/30/12	-
10/31/2012	-
11/30/2012	-
12/31/2012	9,400,000
Average	3,307,220

ATTACHMENT 4

INFORMAL MECO-CA – IR – 1 (REVISED APRIL 30, 2013)

Ref: HECO-WP-D4-001 ADIT 12-31-12 actual (NOL Carryforward).

In account 28606, MECO appears to include \$5.77 million of deferred tax asset costs for an estimated Federal Net Operating Loss carryforward. Please provide the following additional information:

- a. Explain the basis for this adjustment,
- b. Confirm that no NOL tax asset has previously been included in MECO's rate base, or provide citation to relevant rate case documents.
- c. Provide detailed supporting calculations for the asserted jurisdictional portion of this NOL tax asset after isolating the effects of deductible expenses not previously allowed rate recovery by the Commission.
- d. Explain and provide a schedule showing MECO's anticipated future utilization of its NOL tax asset, indicating the effects of filing a consolidated tax return with HEI influence the actual realization of NOL tax losses in each future year.

MECO Response (REVISED APRIL 30, 2013):

- a. The deferred tax asset ("DTA") in the amount of \$5.77 million was recorded for financial accounting purposes and represents the tax benefit attributable to MECO's net operating loss (NOL) carried forward as of 12/31/12. This DTA benefit (vis a vis current benefit) is recognized since MECO has not realized the current benefit in 2012 and does not expect to realize this tax benefit in 2013 (since a 2013 NOL is expected due to bonus depreciation). This recognition is analogous to the more common DTA generated by a book expense not yet deducted for tax purposes.
- b. This ADIT related to a NOL has not previously existed in MECO's rate base because these facts and circumstances never existed in the past. In prior rate cases, MECO has never projected a test year net operating loss which could not be utilized (offset against taxable income) via carryback or carried forward to the subsequent year. Consequently, no NOL tax asset has been included in MECO's rate base in prior cases. However, the ADIT related to the NOL carryforward is a bonafide DTA includable in rate base, similar to any

other temporary book tax difference. It represents expenses recognized, for book and regulatory purposes but not yet recognized for tax purposes. Consequently, the benefit of the related tax deduction (NOL carryforward) has not been realized by the Company and is not expected to be realized in 2013.

- c. Page 1 of INFORMAL HECO-CA-IR-1 Attachment 1 provides the calculation of the \$5.77 million DTA related to the 2012 NOL carryforward before adjustments (line 4) and the \$4.85 million DTA after adjustments (line 14). MECO asserts that rate base should include the \$4.85 million DTA, instead of the originally calculated DTA of \$5.77 million. The detail of the adjustments made to the NOL are shown on page 4. These adjustments represent the tax deductions related to book expense items not previously allowed rate recovery by the Commission but included in the calculated NOL

With regards to the identification of expenses not previously allowed rate recovery, the NOL carryforward (on which the related DTA was based) was computed based on the accounting rules governing financial statement presentation. Certain items not previously allowed recovery were included in the NOL carryforward but should be excluded from this base on which the DTA is computed for rate base RAM purposes.

Page 4 of Attachment 1 delineates the items of adjustment to the tax NOL to arrive at an NOL amount excluding those deductions. These items are primarily comprised of CIS deductions, excess Combined Heat and Power System (“CHP”) costs, executive benefits, bonuses and IRS interest expense and income associated with audit adjustments.

As summarized on line 4, 9 and 14 of page 1, the net effect of these adjustments is to decrease the NOL carryforward and the corresponding DTA as of 12/31/12

- d. Currently, no schedule of utilization is available, but MECO anticipates another federal NOL in 2013 and assuming the sunset of the bonus depreciation provisions, MECO anticipates full utilization of NOL carryforwards in 2014.

As of 12/31/12, HEI consolidated did not have an NOL carryforward for which a DTA would have been provided. HEI consolidated, excluding MECO, anticipates generating taxable income sufficient to absorb 2013 federal tax losses generated by MECO.

HECO & SUBSIDIARIES		a		b		c=a + b		d		e=d + c		f=e x 35%	
Deferred Tax Asset - NOL Carryforward		Fed Taxable Inc (Loss) 2010		Fed Taxable Inc (Loss) 2011		2011 Inc (Loss) Carryforward		2012 Fed Inc (Loss) Per Accrual		Cumulative Carryforward		Deferred Tax Asset	
As Recorded	Gross												
1	HECO, RHI, UBC	46,592,802	(63,882,338)	17,289,536				(7,615,312)		(24,904,848)		(8,716,697)	*
2	HELCO	7,457,349	7,027,753	14,485,102				8,587,741		23,072,843		8,075,495	
3		54,050,151	(56,854,585)	(2,804,434)				972,429		(1,832,005)		(641,202)	**
4	MECO	5,388,129	(18,886,182)	(13,498,053)				(2,992,543)		(16,490,596)		(5,771,709)	***
5		59,438,280	(75,740,767)	(16,302,487)				(2,020,114)		(18,322,601)		(6,412,911)	
Adjustments													
6	HECO	(544,297)	7,607,754	7,063,457				17,824,685		24,888,142		8,710,850	
7	HELCO	(377,511)	1,108,945	731,434				4,121,494		4,852,928		1,698,525	
8		(921,808)	8,716,699	7,794,891				21,946,179		29,741,070		10,409,375	
9	MECO	(1,645,927)	917,777	(728,150)				3,370,923		2,642,773		924,971	
10		(2,567,735)	9,634,476	7,066,741				25,317,102		32,383,843		11,334,346	
As Adjusted													
11	HECO	46,048,505	(56,274,584)	(10,226,079)				10,209,373		(16,706)		(5,847)	*
12	HELCO	7,079,838	8,136,698	15,216,536				12,709,235		27,925,771		9,774,020	
13		53,128,343	(48,137,886)	4,990,457				22,918,608		27,909,065		9,768,173	
14	MECO	3,742,202	(17,968,405)	(14,226,203)				378,380		(13,847,823)		(4,846,738)	***
15		56,870,545	(66,106,291)	(9,235,746)				23,296,988		14,061,242		4,921,435	
* HECO Adjusted Deferred Tax Asset related to NOL carried forward from \$8.71 million to nil.													
** HECO recorded deferred tax asset based on combined HECO and HELCO income, not on a standalone basis.													
*** MECO Adjusted Deferred Tax Asset related to NOL carried forward from \$5.77 million to \$4.85 million.													

HAWAIIAN ELECTRIC CO., INC.
ADJUSTMENTS TO NOL FOR RATEMAKING

	2010	2011	2012
Nonutility Taxable (Income)/Loss	1,231,495	654,234	74,612
RHI	7,631	4,985	2,029
UBC	12,182	13,962	875
Charitable Contributions	884,073		550,000
CIS Project Costs	654,557	3,220,776	14,732,463
Executive Compensation	1,054,173	2,110,605	1,603,639
Interest - IRS Examination	(6,803,000)		1,383
Pension - Excess Plan			123,498
Pension - SERP			237,648
Executive Life	693,692	792,616	124,923
Rewards Program	1,605,981	1,288,679	1,059,775
State Tax Adjustment	114,919	(478,103)	(686,160)
Total adjustments	(544,297)	7,607,754	17,824,685

NOTE: The adjustments to the tax NOL carryforward removes those tax deductions related to expenses that have not been previously approved by the Commission. These tax deductions are related to costs excluded from the revenue requirement calculation for ratemaking purposes. The starting point on page 1 is the NOL used for financial statement purposes, including executive benefits, bonuses, other nonutility deductions and the tax deductions related to write downs. Consequently, the adjustments represent the tax deductions included in the NOL or taxable income for the listed years.

Note that some ADIT items that are excluded from rate base (vacation accrual, reserves, bad debts) are not adjustments to the NOL carryforward calculation because the related expenses are ultimately recovered in revenue requirement, albeit on a cash basis. For tax purposes, these items are deducted on a cash basis, thus no adjustment is required.

HAWAII ELECTRIC LIGHT CO., INC.
ADJUSTMENTS TO NOL FOR RATEMAKING

	2010	2011	2012
Nonutility Taxable (Income)/Loss	67,761	59,037	(100,544)
Charitable Contributions	67,399	38,376	36,768
CIS Project Costs	(29,738)	14,820	3,499,109
Executive Compensation	6,201	121,622	107,949
Electric Discount	147,573	2,232	
HMSA Premium Adjustment	147,154	132,400	22,245
Interest - IRS Examination	(1,817,000)		(121,351)
Executive Life	15,364		
Keahole Project Costs	760,980	760,982	762,272
Rewards Program	228,298	46,670	45,905
State Tax Adjustment	28,497	(67,194)	(130,859)
Total adjustments	(377,511)	1,108,945	4,121,494

NOTE: The adjustments to the tax NOL carryforward removes those tax deductions related to expenses that have not been previously approved by the Commission. These tax deductions are related to costs excluded from the revenue requirement calculation for ratemaking purposes. The starting point on page 1 is the NOL used for financial statement purposes, including executive benefits, bonuses, other nonutility deductions and the tax deductions related to write downs. Consequently, the adjustments represent the tax deductions included in the NOL or taxable income for the listed years.

Note that some ADIT items that are excluded from rate base (vacation accrual, reserves, bad debts) are not adjustments to the NOL carryforward calculation because the related expenses are ultimately recovered in revenue requirement, albeit on a cash basis. For tax purposes, these items are deducted on a cash basis, thus no adjustment is required.

**MAUI ELECTRIC CO., LTD.
 ADJUSTMENTS TO NOL FOR RATEMAKING**

	2010	2011	2012
Nonutility Taxable (Income)/Loss	(926,853)	171,847	9,708
Charitable Contributions	62,563		71,565
CIS Project Costs	(84,209)	169,241	3,048,646
Executive Compensation	36,709	209,444	131,143
Interest - IRS Examination	(993,000)		14,313
IRP/DSM costs		85,857	
Executive Life	-	172,136	
Rewards Plan	212,842	156,992	201,372
State Tax Adjustment	46,021	(47,740)	(105,824)
Total adjustments	(1,645,927)	917,777	3,370,923

NOTE: The adjustments to the tax NOL carryforward removes those tax deductions related to expenses that have not been previously approved by the Commission. These tax deductions are related to costs excluded from the revenue requirement calculation for ratemaking purposes. The starting point on page 1 is the NOL used for financial statement purposes, including executive benefits, bonuses, other nonutility deductions and the tax deductions related to write downs. Consequently, the adjustments represent the tax deductions included in the NOL or taxable income for the listed years.

Note that some ADIT items that are excluded from rate base (vacation accrual, reserves, bad debts) are not adjustments to the NOL carryforward calculation because the related expenses are ultimately recovered in revenue requirement, albeit on a cash basis. For tax purposes, these items are deducted on a cash basis, thus no adjustment is required.