



Dean K. Matsuura
Manager
Regulatory Affairs

May 14, 2013

PUBLIC UTILITIES
COMMISSION

MAILED BY 19

FILED

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. 13-03 (Decoupling)
Hawaiian Electric's RBA Rate Adjustment Tariff Filing
Hawaiian Electric's Response to the Division of Consumer Advocacy's Statement of Position and Revised RBA Rate Adjustment

Enclosed for filing is Hawaiian Electric Company, Inc.'s ("Hawaiian Electric" 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. 13-03.

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; and
3. Revised 2013 Decoupling Calculation Workbook (revised pages are noted and changes highlighted, but for convenience, all support has been provided in its entirety).

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. With 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.

Based on the revised calculations, Hawaiian Electric's 2013 RBA Rate Adjustment rate decreased slightly to 1.3119¢ per kilowatt-hour ("kWh") from 1.3223¢ per kWh in the March 28, 2013 Transmittal No. 13-03 filing. The overall impact on a typical customer's

The Honorable Chair and Members of
the Hawaii Public Utilities Commission
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monthly bill (based on an average usage of 600 kWh) is \$7.87, down from \$7.93 in the March 28, 2013 filing, with an incremental impact of \$5.53 per month from the current 2012 RBA rate.

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. 13-03
HAWAIIAN ELECTRIC COMPANY, INC.
RESPONSE TO CONSUMER ADVOCATE'S STATEMENT OF POSITION

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

1. Billing Adjustment Reversals

a. The Consumer Advocate's Position

Hawaiian Electric Company, Inc. ("Hawaiian Electric" or "Company") records quarterly billing adjustments to the City and County of Honolulu in connection with lighting replacements that produce energy efficiencies not otherwise reflected in Hawaiian Electric's rates. These quarterly adjustments appear on Schedule B2, line 5, captioned "C&C unmetered revenues." For the purposes of determining recorded adjusted revenues for the RBA, these adjustments are reversed at line 27 of Schedule B2. However, the reversal was not made in the month of December 2012 for the last quarter of 2012. In a reply to an informal Consumer Advocate inquiry, the Company acknowledged the oversight, stating that the discrepancy was identified during its review of the annual filing in March 2013, and that the adjustment would be made during the March 2013 close. (Consumer Advocate's Statement of Position ("Consumer Advocate's SOP") at 5-6)

b. Hawaiian Electric's Response

The Company agrees with the Consumer Advocate's adjustment to reverse the December 2012 City and County of Honolulu billing adjustment for \$11,758, and has recorded the adjustment on the Company's financial books for March 2013. Net of revenue taxes of \$1,045 and including interest of \$27, the adjustment resulted in a

decrease to the December 2012 RBA balance of \$10,740, which is reflected in the December 2012 ending balance shown on Attachment 1, page 3, line 18, column (i) of the Consumer Advocate's SOP and Schedule B of Attachment 3 of the Company's Revised 2013 Decoupling Calculation Workbook, included herein.

2. Other RBA Balance Corrections

a. The Consumer Advocate's Position

The Consumer Advocate's SOP stated that the Company informed the Consumer Advocate of several additional billing adjustments impacting recorded adjusted revenues in 2012 that were recorded in the months of February and March 2013. 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 6)

b. Hawaiian Electric's Response

The Company agrees with the Consumer Advocate that the billing adjustments made in February and March 2013 will be reviewed in the next annual RBA Rate Adjustment filing.

3. ECAC Revenue Reconciliation Inconsistencies

a. The Consumer Advocate's Position

During its review of Schedule B2, the Consumer Advocate compared the amounts of Energy Cost Adjustment Clause ("ECAC"), Purchased Power Adjustment Clause ("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. The Company was able to easily quantify the differences between the amounts of recorded ECAC revenues and Schedule B2 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 amounts to approximately \$88,100.

For Hawaii Electric Light Company, Inc. ("HELCO") and Maui Electric Company, Limited ("MECO") a comparison of the revenues removed from Schedule B2 and the ECAC reconciliation filings was not possible since HELCO's and MECO's RBA accounting was effective for only part of calendar year 2012. However, 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. Hawaiian Electric's Response

The Companies¹ acknowledge that the ECAC revenues from lines 23 and 36 of Schedule B2 should match the ECAC reconciliation filings. For Hawaiian Electric, there is a difference of \$88,100 as follows:

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

Hawaiian Electric Revenue	Annual <u>\$000</u>
Amounts per RBA Sch. B2:	
ECAC Billed (Sch B2, line 23)	\$736,024.1
ECAC Unbilled (Sch B2, line 36)	<u>(26,452.0)</u>
Totals per Schedule B2	\$709,572.1
Amounts per Hawaiian Electric's 1/23/13 ECAC Filing:	
Actual ECAC (FOA) filed amount	\$646,454.6
Adjusted with Rev. Taxes at 9.75% x 1.0975 =	<u>709,483.9</u>
Difference in ECAC Revenue	<u>\$88.1</u>

The ECAC reconciliation is prepared prior to the monthly closing of the financial books such that an accrual entry that adjusts for any over-collection or under-collection of ECAC revenue is recorded. The difference noted above is due to a supplemental billing run of \$63,812 for the Customer Information System ("CIS") in May 2012 and a manual billing adjustment for \$24,273 in July 2012 that were recorded in the books of Hawaiian Electric but not reflected in the ECAC reconciliation filings. These corrections noted above will be reflected in the 2nd quarter 2013 ECAC reconciliation filing as a prior year adjustment and will have no impact on the RBA filing.

HELCO and MECO are currently reviewing their 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.

B. REVIEW OF THE RAM CALCULATION FOR THE 2013 RAM YEAR

1. Tax Loss Carryforward Balances in Rate Base

a. The Consumer Advocate's Position

Hawaiian Electric has included recorded accumulated deferred income tax ("ADIT") balances as of December 31, 2012 in its Rate Base RAM calculation. Hawaiian Electric has included a new element of ADIT that is captioned "2011 NOL Benefit not Utilized."² This item has not been previously recorded for consideration in utility rate base.

The Consumer Advocate's position is that "this item should not be included in the Rate Basic RAM for several reasons. First, this item of negative ADIT or deferred tax asset ("DTA") related to an NOL has not been included in Hawaiian Electric's rate base in prior cases and such a complex ratemaking issue should not be approved in an expedited decoupling tariff transmittal unless there is an opportunity for discovery, analysis and testimony that could occur in a rate case. Second, after Hawaiian Electric adjusts for tax deductions that are not allowed for ratemaking purposes, the NOL on which the DTA is based is essentially eliminated and accordingly, no DTA should be included in rate base for purposes of this decoupling tariff transmittal. Finally, the Consumer Advocate asserts that consideration should be given to the effect of the NOL on the consolidated group and that benefits realized outside and apart from Hawaiian Electric as a standalone entity should be attributed to Hawaiian Electric.

For these reasons, the Consumer Advocate has removed the Federal DTA balance included in Hawaiian Electric's rate base. (Consumer Advocate's SOP at 10-13)

b. Hawaiian Electric's Response

² "NOL" is defined as "net operating loss".

Hawaiian Electric agrees that the adjustments for deductions associated with expenses previously disallowed in a rate case are appropriate and result in the elimination of the NOL for regulatory purposes. Consequently, the DTA recorded for financial statement purposes should be excluded from rate base. Therefore, the Company is adjusting the December 31, 2012 ADIT balance for the \$641,000 DTA previously included, as shown on line 8 of Schedule D4 in Attachment 3 of the Company's Revised 2013 Decoupling Calculation Workbook included herein.

2. 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 2013 rather than December 2012. This adjustment results in a decrease to the average rate base by about \$842,000. (Consumer Advocate's SOP at 13-15)

b. Hawaiian Electric's Response

The Company disagrees with the Consumer Advocate's position that the regulatory asset value with respect to the Campbell Industrial Park Combustion Turbine Unit 1 ("CIP CT-1") and CIS regulatory asset balances should be December 2012 rather than May 2013. *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 Hawaiian Electric to include the

net recoverable costs of the CIP CT-1 and the CIS projects not already included in rates, as reflected in Exhibit 3 [of the Stipulated Settlement] in its 2013 RAM Revenue Adjustments (Stipulated Settlement at 2) and in the Updated Exhibit 3 in HECO-WP-D1-001A, page 8, and HECO-WP-D1-001B, page 3, included in Attachment 2 of Transmittal No. 13-03. In Exhibit 3 and in Updated Exhibit 3, the additional annual amortization and the amortization expense (7/12 of annual amount) includes the carrying charges for both CIP CT-1 and the CIS projects 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 CIP CT-1 and CIS regulatory asset balances at December 2012 as proposed by the Consumer Advocate, and (2) to forgo an adjustment to ADIT associated with 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 because the Consumer Advocate did not adjust ADIT for the lower carrying charges as of December 31, 2012, as a result of excluding the January to May 2013 amounts. 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 of \$156,368 in the December 31, 2012 ADIT balance and a corresponding increase in the 2013 projected ADIT change. However, Hawaiian Electric 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. Elimination of Earnings Sharing Accruals in Calculating Earnings

a. The Consumer Advocate's Position

In December of 2012, Hawaiian Electric recorded an accrual for "Earnings Sharing Mechanism Refund Accrual" that appears at line 11 of Schedule B2 and that reduced revenues recorded on Hawaiian Electric's books in 2012. This negative revenue accrual entry should have been eliminated in calculating the achieved 2012 return on equity on Schedule H since it created a circular calculation in which the earnings amount used to calculate earnings sharing had already been reduced for an estimate of such sharing. (Consumer Advocate's SOP at 16-17)

b. Hawaiian Electric's Response

The Company acknowledges that the refund accrual should have been excluded from the operating income to derive at the earnings sharing mechanism refund accrual as reflected in Attachment 3, Decoupling Calculation Workbook, Revised Schedule H, attached herein.

2. Rate Base Working Cash Allowance

a. The Consumer Advocate's Position

In calculating the 2012 "Earnings Sharing Revenue Credits" on Schedule H, Hawaiian Electric used a rate base value of \$1,531,776,000. As supported by HECO-WP-H-001, this rate base amount includes average working cash of

\$28,998,000. In the settlement of the Company's 2011 test year rate case, the amount of working cash included in rate base and fixed for Rate Base RAM purposes was \$21,054,000, approximately \$7,900,000 lower.

The Consumer Advocate's position is that working cash should not be included in rate base for purposes of calculating "Earnings 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 at pages 17-18.

b. Hawaiian Electric's Response

The Company disagrees with the Consumer Advocate's position that working cash used in rate base for purposes of calculating Earnings Sharing Credits should be fixed at the amount of the 2011 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 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 Hawaiian Electric RAM Provision tariff, Sheet 93D, 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 working cash amount of \$28,998,000 used in the rate base value on Schedule H by taking the average of the 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 2011 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 Provision tariff provides for the use of actual average working capital in the Earning Sharing calculation, the Company asserts that its working cash calculation for purposes of the Earnings Sharing 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 Earnings Sharing Credits related to working cash used in rate base.

ATTACHMENT 2

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

current calendar year to May 31 of the succeeding calendar year. The recovery through the RBA Rate Adjustment of a RAM Revenue Adjustment calculated for a calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that implement a Commission approved base revenue level authorized in the Company's test year rate case.

Revisions to Target Revenue based on corrections for errors and subsequently issued Commission orders, described in Section B above, will not be reflected in the RBA Rate Adjustment until a succeeding June 1 to May 31 period, unless otherwise ordered or approved by the Commission.

Complete, indexed workpapers and electronic files supporting the previous year-end balance in the RBA shall be provided to the Commission, the Consumer Advocate and all other parties to the Utility's most recent rate case proceeding ("Other Rate Case Parties"), if any, coincident with the Annual Evaluation Date filing. The Company will be prepared to provide information as may be requested to ensure adequate review by the Commission, Consumer Advocate, Other Rate Case Parties, and other interested persons. The Consumer Advocate, Other Rate Case Parties, and other interested persons may propose any adjustments determined to be required to bring the schedules into compliance with the above provisions and will work collaboratively to reach agreement on any proposed adjustments.

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 Rate Adjustment is comprised of the calculated values from Section D above, adjusted to include amounts for applicable revenue taxes, and calculated based on the Company's forecast of mWh sales over the RBA Rate 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, 2013 to May 31, 2014

RBA Rate Adjustment

All Rate Schedules 1.3119 ¢/kWh

F. NOTICE

HAWAIIAN ELECTRIC COMPANY, INC.

Transmittal Letter dated May 14, 2013.

ATTACHMENT 2A

Superseding SHEET NO. 92C
Effective March 28, 2012 July 26, 2012
2013 March 28, 2012

REVISED SHEET NO. 92C
Effective June 1,

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

All Rate Schedules 0.38941.3119 ¢/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

HAWAIIAN ELECTRIC COMPANY, INC.

| Transmittal Letter dated March 27, 2012 May 14, 2013.

Attachment 3 – List of Schedules and Workpapers

Schedule A (REVISED)	HECO-WP-A-001
Schedule B (REVISED)	HECO-WP-B-001
Schedule B1 (REVISED)	HECO-WP-B-002
Schedule B2	HECO-WP-B-002A
Schedule C	HECO-WP-B-003
Schedule C1	HECO-WP-B-004
Schedule C2	HECO-WP-B-005
Schedule D (REVISED)	HECO-WP-B-006
Schedule D1 (REVISED)	HECO-WP-B-007
Schedule D2	HECO-WP-B-008 (NEW)
Schedule D3	HECO-WP-C-001
Schedule D4 (REVISED)	HECO-WP-C-002
Schedule E	HECO-WP-D1-001A (REVISED)
Schedule F	HECO-WP-D1-001B (REVISED)
Schedule F1	HECO-WP-D2-001
Schedule F2	HECO-WP-D2-002
Schedule G	HECO-WP-D2-003
Schedule G1	HECO-WP-D2-004
Schedule G2	HECO-WP-D3-001
Schedule G3	HECO-WP-D3-002
Schedule H (REVISED)	HECO-WP-D3-003
Schedule I	HECO-WP-D3-004
	HECO-WP-D4-001
	HECO-WP-D4-002
	HECO-WP-E-001
	HECO-WP-F1-001
	HECO-WP-F1-002
	HECO-WP-G2-001
	HECO-WP-H-001
	HECO-WP-H-002
	HECO-WP-H-003
	HECO-WP-H-004
	HECO-WP-H-005 (NEW)

SCHEDULE A
(WITH SETTLEMENT)
(REVISED 05-14-13)
PAGE 1 OF 1

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPLING CALCULATION WORKBOOK
DETERMINATION OF 2013 REVENUE BALANCING ACCOUNT RATE ADJUSTMENT

Line No.	Description (a)	Reference (b)	Amount (c)	Rate Amount (d)
<u>RECONCILIATION OF RBA BALANCE:</u>				
1	RBA Prior calendar year-end balance	Schedule B	\$ 50,477,310	
2	Revenue Tax Factor	Schedule C	1.0975	
3	Revenue for RBA Balance			\$ 55,398,848
<u>RATE ADJUSTMENT MECHANISM "RAM" AMOUNT:</u>				
4	O&M RAM	Schedule C	\$ 7,615,328	
5	Rate Base RAM - Return on Investment	Schedule D	\$ 19,255,456	
6	Depreciation & Amortization RAM Expense	Schedule E	\$ 11,535,836	
7	Total RAM Revenue Adjustment			\$ 38,406,620
8	<u>EARNINGS SHARING REVENUE CREDITS - 2012 ROE:</u>	Schedule H		\$ (2,586,191)
9	<u>PUC-ORDERED MAJOR OR BASELINE CAPITAL PROJECTS CREDITS:</u>	Schedule I		
10	TOTAL RBA REVENUE ADJUSTMENT	Sum Col. (d)		\$ 91,219,277
11	GWH SALES VOLUME ESTIMATE JUNE 2013 - MAY 2014 (see HEKO-WP-A-001)			6,953,300
12	RBA RATE ADJUSTMENT - cents per kWh	Note (1)		\$ 1.3119
13	MONTHLY BILL IMPACT @ 600 KWH			\$ 7.87

Note (1): 2013 RBA Rate Adjustment Breakdown

	Col. (d)	Rate Adjustment cents per kWh	Percentage Share
RBA Balance	\$ 55,398,848	0.79672742	60.73%
RAM Amount	\$ 38,406,620	0.55235096	42.10%
Earnings Sharing Revenue Credits	\$ (2,586,191)	-0.03719372	-2.84%
Major or Baseline Capital Projects Credits	\$ 0	0.00000000	0.00%
	\$ 91,219,277	\$ 1.31188467	100.00%

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPUPLING 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 for prior year RBA accrual	Adjustment	Ending Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Monthly RBA Balance and Activity (Monthly PUC Rpt., Pg. 9A)									
1	December	\$ 29,532,584	\$ 41,937,817	\$ 39,961,425	\$ 1,976,392	\$ 98,468	\$ (10,827,150)	\$ 20,780,294	
2	March 2012 Adjustment - Note (2)							\$ (115,640)	
3	March 2012 Adjustment - Note (3)							\$ (210,022)	
4	May 2012 Adjustment - Note (4)							\$ (4,968)	
5	REVISED 2011 December							\$ 20,449,664	
6									
7	2012 January	\$ 20,780,294	\$ 41,125,482	\$ 39,527,599	\$ 1,597,863	\$ 107,896	\$ -	\$ 22,486,053	
8	February	\$ 22,486,053	\$ 36,860,599	\$ 37,356,068	\$ (495,469)	\$ 111,192	\$ -	\$ 22,101,778	
9	March	\$ 22,101,776	\$ 41,125,482	\$ 38,621,842	\$ 2,503,620	\$ 114,933	\$ -	\$ 24,353,387	
10	April	\$ 24,353,387	\$ 40,152,722	\$ 38,384,038	\$ 1,768,684	\$ 126,189	\$ -	\$ 26,248,260	
11	May	\$ 26,248,260	\$ 43,255,064	\$ 41,640,204	\$ 1,614,860	\$ 135,253	\$ -	\$ 27,993,304	
12	June	\$ 27,993,304	\$ 43,980,356	\$ 37,844,203	\$ 6,036,153	\$ 151,192	\$ (1,548,140)	\$ 32,634,508	
13	July	\$ 32,634,508	\$ 45,538,102	\$ 40,909,646	\$ 4,628,458	\$ 170,716	\$ (1,611,187)	\$ 35,822,493	
14	August	\$ 35,822,493	\$ 48,940,073	\$ 41,328,298	\$ 5,611,775	\$ 188,942	\$ (1,679,771)	\$ 39,943,440	
15	September	\$ 39,943,440	\$ 45,011,146	\$ 39,445,423	\$ 5,565,723	\$ 208,092	\$ (1,569,477)	\$ (323,209)	
16	October	\$ 43,824,588	\$ 45,529,707	\$ 41,324,162	\$ 4,205,545	\$ 225,487	\$ (1,659,897)	\$ 43,824,568	
17	November	\$ 46,595,703	\$ 42,833,187	\$ 38,638,624	\$ 4,194,563	\$ 239,615	\$ (1,540,058)	\$ 49,489,825	
18	December	\$ 49,489,825	\$ 42,830,375	\$ 40,478,114	\$ 2,351,281	\$ 249,294	\$ (1,591,381)	\$ 50,488,050	
19	March 2013 Adjustment* Note (7)							\$ (10,740)	
20	REVISED 2012 December							\$ 50,477,310	
21									
22	2013 January	\$ -	\$ 42,000,731	\$ -	\$ -	\$ -	\$ -	\$ -	
23	February	\$ -	\$ 37,645,099	\$ -	\$ -	\$ -	\$ -	\$ -	
24	March	\$ -	\$ 42,000,731	\$ -	\$ -	\$ -	\$ -	\$ -	
25	April	\$ -	\$ 40,652,559	\$ -	\$ -	\$ -	\$ -	\$ -	
26	May	\$ -	\$ 43,763,724	\$ -	\$ -	\$ -	\$ -	\$ -	
27	June	\$ -	\$ 46,125,756	\$ -	\$ -	\$ -	\$ -	\$ -	
28	July	\$ -	\$ 47,759,490	\$ -	\$ -	\$ -	\$ -	\$ -	
29	August	\$ -	\$ 48,229,650	\$ -	\$ -	\$ -	\$ -	\$ -	
30	September	\$ -	\$ 47,269,369	\$ -	\$ -	\$ -	\$ -	\$ -	
31	October	\$ -	\$ 47,813,847	\$ -	\$ -	\$ -	\$ -	\$ -	
32	November	\$ -	\$ 44,982,142	\$ -	\$ -	\$ -	\$ -	\$ -	
33	December	\$ -	\$ 44,982,142	\$ -	\$ -	\$ -	\$ -	\$ -	

Sources of Data: Sch. B1 Note 6 Sch B2 Cols (c)-(d) Note 5 Note 1 Cols (b)+(e)+(f)+(g)

Note (1): Adjustment Summary:

Month	Workpaper Reference	RBA True-up Adjustment Sch B2, Line 24	RBA Interest Adjustments	Total Adjustment	Adjustment Description
2012 March	HECO-WP-B-001	(111,182)	(4,458)	(115,640)	Adj for misc customer billing adjustments
2012 March	HECO-WP-B-002	(208,654)	(1,368)	(210,022)	Adj for TY2011 over-collection
2012 March	HECO-WP-B-002A	(36,974)	(4,306)	(41,280)	Adj for misc customer billing adjustments
2012 May	HECO-WP-B-002	(5,097)	28	(5,069)	Adj to correct TY2009 refund
2012 September	HECO-WP-B-003	(200,435)	(18,281)	(218,716)	Adj Mar 11 - for incorrect inclusion of 07/09 internm increase
2012 September	HECO-WP-B-004	(98,179)	(6,314)	(104,493)	Adj Aug 11 for Navy overbilling and factor adjustment
2012 December	HECO-WP-B-005	(14,636)	(199)	(14,835)	Adj 6/12 - 11/12 target revenues.
2012 December	HECO-WP-B-006	3,658	228	3,886	Adj. for misc customer billing adjustments.
2013 March	HECO-WP-B-008	(10,713)	(27)	(10,740)	Adj for C&C unmetered revenues

Note (2):

In March 2012, the Company recorded an adjustment to the RBA related to miscellaneous customer billing adjustments that were processed in March 2011 to December 2011, some of which were related to revenues recorded prior to March 2011 (the implementation of decoupling). The Company recalculated the RBA as of December 31, 2011, including interest, based on reflecting the billing adjustments in the proper month incurred. See HECO-WP-B-001.

Note (3):

In March 2012, the Company recorded an adjustment to the RBA related to the exclusion of the refund for the 2011 test year rate case that were recorded in November 2011 and December 2011. The Company recalculated the RBA as of December 31, 2011, including interest based on reflecting the refund adjustments in the proper month incurred. See HECO-WP-B-002.

Note (4):

In May 2012, the Company recorded an adjustment to the RBA related to the exclusion of the refund for the 2009 test year rate case that were recorded March 2011 to December 2011. The Company recalculated the RBA as of December 31, 2011, including interest based on reflecting the refund adjustments in the proper month incurred. See HECO-WP-B-002. The amount differs from the actual adjustment made in May 2012 due to additional interest recognized in 2012.

Note (5):

Amounts represent recovery of prior year's RBA balance through the RBA rate adjustment effective June 1, 2012. See HECO-WP-B-007.

Note (6):

In December 2012, the Company revised its monthly target revenues by decreasing its annualized 2012 Revenue Adjustment Mechanism (RAM), effective June 1, 2012, due to a correction to the O&M labor cost escalation rate used in the original OEM RAM calculation, and effective September 1, 2012, due to a reduction in the O&M base as a result of the final decision and implementation of final rates in the 2011 test year rate case. See HECO's Transmittal No. 12-02 (Decoupling), filed on December 14, 2012. Schedule B reflects the monthly target revenues in place prior to the revision, while Schedule B1 reflects the revised monthly target revenues. Refer to HECO-WP-B-005 for the original and revised monthly target revenues, and the calculation of the difference of (14,636) for June - November 2012, which was booked as an adjustment to the RBA balance, along with interest, in December 2012.

Note (7):

In March 2013, the Company recorded an adjustment to the RBA related to the exclusion of C&C unmetered revenues. The Company recalculated the RBA as of December 31, 2012, including interest based on reflecting the adjustment in the proper month incurred. See HECO-WP-B-008.

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPUPLING CALCULATION WORKBOOK
DETERMINATION OF TARGET REVENUES

Revised Schedule B1 (12/14/2012) to Correct 2012 BVI Wage Increase Percentage

Line No.	Description	Reference	Docket No. 2010-0080	Amounts	Docket No. 2010-0080	Amounts	Docket No. 2010-0080	Amounts	Docket No. 2010-0080	Amounts	Docket No. 2010-0080	Amounts	Docket No. 2010-0080	Amounts
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)			
1	<u>Last Rate Case Annual Electric Revenue at Approved Rate Levels</u>	Note (1)	\$000s	\$ 1,761,072	\$ 1,766,102	\$ 1,766,708	\$ 1,765,954	\$ 1,765,954	\$ 1,765,954	\$ 1,765,954	\$ 1,765,954			
2	Less: Fuel Expense	Note (1)	\$000s	\$ (658,172)	\$ (658,172)	\$ (658,172)	\$ (658,172)	\$ (658,172)	\$ (658,172)	\$ (658,172)	\$ (658,172)			
3	Purchased Power Expense	Note (1)	\$000s	\$ (438,707)	\$ (438,707)	\$ (438,707)	\$ (438,707)	\$ (438,707)	\$ (438,707)	\$ (438,707)	\$ (438,707)			
4	Revenue Taxes on Line 1 (8.885% statutory rates)	\$000s	\$ (156,471)	\$ (156,818)	\$ (156,972)	\$ (156,905)	\$ (156,905)	\$ (156,905)	\$ (156,905)	\$ (156,905)	\$ (156,905)			
5	Last Rate Order Target Annual Revenues	Sum Lines 1..4	\$000s	\$ 507,722	\$ 512,305	\$ 512,857	\$ 512,170	\$ 512,170	\$ 512,170	\$ 512,170	\$ 512,170			
6	Add: Authorized RAM Revenues	Note (2)	\$000s	\$ -	\$ -	\$ 6,990	\$ 6,978	\$ 6,978	\$ -	\$ -	\$ -			
7	Less: Revenue Taxes on Line 6 at 8.885%	\$000s	\$ -	\$ -	\$ -	\$ (621)	\$ (620)	\$ (620)	\$ -	\$ -	\$ -			
8	Net RAM Adjustment - Test Year +1	Lines 6+7	\$000s	\$ -	\$ -	\$ 6,369	\$ 6,358	\$ 6,358	\$ -	\$ -	\$ -			
9	Authorized RAM Revenues	Sch. A, Line 7		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,407	\$ 38,407	\$ 38,407			
10	Less: Revenue Taxes on Line 9 at 8.885%			\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,412)	\$ (3,412)	\$ (3,412)			
11	Net RAM Adjustment - Test Year +2	Lines 9+10		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,994	\$ 34,994	\$ 34,994			
12	Less: EARNINGS SHARING REVENUE CREDITS - 2012 ROE:	Sch. A, Line 8		\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,586)	\$ (2,586)	\$ (2,586)			
13	PUC ORDERED MAJOR OR BASELINE CAPITAL CREDITS:	Sch. A, Line 9		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
14	Total Annual Target Revenues													
15	July 26, 2011 Annualized Revenues w/Interim Increase	Col (c), line 5	\$000s	\$ 507,722										
16	April 2, 2012 Annualized Revenues w/Interim Increase	Col (d), line 5	\$000s	\$ 512,305										
17	May 21, 2012 Annualized Revenues w/Interim Increase	Col (e), line 5	\$000s	\$ 512,857										
18	June 1, 2012 Annualized Revenues w/RAM Increase	Col (e), line 5 + line 8	\$000s	\$ 519,226										
19	September 1, 2012 Annualized Revenues w/RAM Increase	Col (f), line 5 + line 8	\$000s	\$ 518,528										
20	June 1, 2013 Annualized Revenues w/RAM Increase	Col (h), lines (5+11+12)	\$000s	\$ 544,578										
21	Distribution of Target Revenues by Month:	Note (3)			2012	2012	2012	2012	2013	2013	2014			
22	January	8.10%			\$41,125,462				\$42,000,731			\$44,110,817		
23	February	7.26%			\$36,860,589				\$37,645,099			\$39,536,362		
24	March	8.10%			\$41,125,462				\$42,000,731			\$44,110,817		
25	April	7.84%				\$40,152,722			\$40,652,559			\$42,694,814		
26	May	8.44%				\$43,255,065			\$43,783,724			\$45,962,382		
27	June- effective date of RAM Change	8.47%					\$43,978,461					\$46,125,756		
28	July	8.77%					\$45,538,140					\$47,759,490		
29	August	9.04%					\$46,938,051					\$49,229,650		
30	September	8.68%						\$45,008,190				\$47,269,269		
31	October	8.78%						\$49,526,718				\$47,813,947		
32	November	8.26%						\$42,830,375				\$44,982,142		
33	December	8.26%						\$42,830,375				\$44,982,142		
34	Total Distributed Target Revenues	100.00%			\$119,111,523	\$83,407,787	\$136,452,652	\$178,195,658	\$206,062,844	\$328,162,696	\$321,415,292			

Footnotes:

- 1 Col (c) Docket No. 2010-0080 amounts derived from Interim O&O, Exhibit A, page 1, filed July 22, 2011, effective July 26, 2011.
- 2 Col (d) Docket No. 2010-0080 amounts derived from Order No. 30287, Exhibit A, pages 1-2, filed March 29, 2012, effective April 2, 2012.
- 3 Col (e) Docket No. 2010-0080 amounts derived from Order No. 30385, filed May 14, 2012, effective May 21, 2012, which approved HECO Tariffs to Adjust Interim Increase for ERP/EAM filed April 20, 2012, Exhibit 1, page 1.
- 4 Col (f), (h), (i) Docket No. 2010-0080 amounts derived from Order No. 30576, filed August 9, 2012, effective September 1, 2012, which implemented Decision and Order No. 30505, Exhibit A, page 1, filed June 29, 2012.
- 5 Transmittal 12-02 filed December 14, 2012, revising 2012 RAM effective June 1, 2012 and September 1, 2012.
- 6 RBA Tariff Revised July 26, 2011 to reflect 2011 test year.

Line No.	Description	Determination of Recorded Adjusted Revenues					
		(a)	(b)	(c)	(d)	(e)	(f)
	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	
BILLED REVENUES:							
1 Current month's billed revenues							
2 Remove non-electric revenues							
3 Remove PBR revenues							
4 Division revenues							
5 C&C unbilled revenues							
6 2011 YTD unbilled revenues							
7 Solar Sales (Journal entry)							
8 Other adjustments							
9 BILLING							
9.1 BILLED REVENUES							
9.1.1 Current month's unbilled revenues (Unbilled Sales and Revenue Est.)							
9.1.2 Unbilled revenues per Unbilled Sales and Revenue Estimate							
9.1.3 Accrual of monthly ECAC adjustment							
9.1.4 Removal of T3 PPAC							
9.1.5 Accrual of monthly PPAC adjustment							
9.1.6 Accrual prior month PBA							
9.1.7 Recovery of 12-3-11 PBA balance through PBA Rate Adjustment beginning 6-1-12							
9.1.8 Gross Up revenues for RBA rate increases							
9.1.9 Accrual of current month's RBA (PUC Monthly Financial Report Pg. 8A)							
9.1.10 NONBILLED REVENUES UNBILLED ACCOUNTS							
9.1.11 NONBILLED REVENUES							
9.1.12 TOTAL REVENUES PER GIL (PUC Monthly Financial Report Pg. 3)							
10 BILLED ADJUSTMENTS TO DETERMINE ADJUSTED REVENUES FOR RBA:							
10.1 Remove ECAC revenues							
10.2 ECAC surcharge adjustment							
10.3 Remove PPAC revenues							
10.4 Remove DSM/PFSS revenues							
10.5 Add back C&C unbilled revenue							
10.6 TY 2011 refund							
10.7 Remove revenue base rates of PPGF revenues							
10.8 Remove solar sales revenues							
10.9 Remove base rate (adjusted for revenue losses)							
10.10 Remove power purchase energy (adjusted for revenue losses)							
10.11 Other adjustments							
10.12 ADJUSTED REVENUES TO DETERMINE ADJUSTED REVENUES FOR RBA:							
11 ECAC surcharge adjustment							
11.1 Remove ECAC adjustment							
11.2 Remove PPAC revenues							
11.3 Remove DSM surcharge							
11.4 Remove Earnings Stacking Mechanism Accrual							
11.5 Add back Solar Sales revenues							
11.6 TY 2011 refund							
11.7 Gross Up revenues for RBA revenue losses							
11.8 Remove PBA accruals							
11.9 Remove revenue base rate on unbilled revenues							
11.10 Remove power purchase energy (adjusted for revenue losses)							
11.11 Total billed and unbilled adjustments to determine adjusted revenues for RBA							
RECORDED ADJUSTED REVENUES FOR RBA DETERMINATION							
(11.12 Total billed and unbilled adjustments to determine adjusted revenues for RBA)							

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPPLING CALCULATION WORKBOOK
DETERMINATION OF RECORDED ADJUSTED REVENUE \$

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPPLING CALCULATION WORKBOOK
DETERMINATION OF RECORDED ADJUSTED REVENUES

**SCHEDULE B2
(WITH SETTLEMENT)
PAGE 1 OF 1**

**HAWAIIAN ELECTRIC COMPANY, INC.
DECOPPLING CALCULATION WORKBOOK
DETERMINATION OF O&M RAM ADJUSTMENT**

Line No.	Description (a)	Reference (b)	Docket No. 2010-0080 Approved \$000 (c)	Footnote 4 Previously Approved RAM \$000 (d)	O&M Subject to Escalation Col (c) + (d) (e)	Net Inflation Indices Footnote 2 (f)	2013 O&M RAM Adjustment \$000 Col (e) * (f) (g)
1	Base BU Labor Expenses	Schedule C1	\$ 51,224	\$ 51,224	3.86%	\$ 1,975	
2	Base Non-Labor Expense	Schedule C2	\$ 139,463	\$ 139,463	3.43%	\$ 4,782	
3	Payroll Taxes	Footnote 1	\$ 4,708	\$ 4,708	3.86%	\$ 182	
4	Subtotal Expense Increase - RAM Adjustment before revenue taxes					\$ 6,939	
5	Revenue Tax Factor (Footnote 3)					1.0975	
6	O&M RAM (SubTotal Expenses x Rev Tax Factor)					\$ 7,615	

Footnotes:

1: Payroll Taxes per Interim D&O in Docket No. 2010-0080, Exhibit A, page 3
 Less: Portion of payroll taxes related to non-BU labor^A (47.15% * 8,905)
 Payroll Taxes related to Bargaining Unit labor

	\$ 8,905
Less:	\$ (4,197)
	\$ 4,708

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

2: Escalation Rates

Labor:	2012	2013	
Bargaining Unit Wage Increase	2.46%	2.88% (See HECO-WP-C-001)	
		Approved in Final D&O in Docket No. 2008- 0274, page 51, filed on August 31, 2010	
Less: Labor Productivity Offset	0.76%	0.76%	
Labor Cost Escalation Rate	1.70%	2.12%	

Calculation of 2012-2013 Compounded Labor Cost Escalation

2012 Labor Cost Escalation	1.0170	A (2012 labor escalation plus 1)
2013 Labor Cost Escalation	1.0212	B (2013 labor escalation plus 1)
2012-2013 Compounded Labor Cost Escalation	1.0386	C = A * B
2012-2013 Compounded Labor Cost %	0.0386	D = C - 1

Non-Labor:	2012	2013	
GDP Price Index for 2013	1.70%	1.70% (See HECO-WP-C-002)	

Calculation of 2012-2013 Compounded Non-Labor Cost Escalation

2012 Non-Labor Cost Escalation	1.0170	A (2012 non-labor escalation plus 1)
2013 Non-Labor Cost Escalation	1.0170	B (2013 non-labor escalation plus 1)
2012-2013 Compounded Non-Labor Cost Escalation	1.0343	C = A * B
2012-2013 Compounded Non-Labor Cost %	0.0343	D = C - 1

3: Computation of Revenue Tax Factor

Public Service Tax Rate	0.05885
PUC Fees Rate	0.00500
Franchise Tax Rate	0.02500
Total Revenue Tax Rate	0.08885

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

4: Column D "Previously Approved RAM" is not used as the labor and non-labor escalation is accomplished through the use of a compounded escalation rate in column f, as shown in note 2.

HAWAIIAN ELECTRIC COMPANY, INC.

DECOUPLING CALCULATION WORKSHEET
RATE ADJUSTMENT MECHANISM
SUMMARY OF
OPERATIONS AND MAINTENANCE LABOR AND NON-LABOR EXPENSE
BY BLOCK OF ACCOUNTS
Final D&O - Docket No. 2010-0080
('000)

Line No.	DESCRIPTION	Footnote 1		Footnote 2		
		(a) BU LABOR	(b) NON-BU LABOR	(c)=(a)+(b) TOTAL LABOR	(d) NON-LABOR	(e) TOTAL
1	Production	26,585	12,400	38,985	52,838	91,823
2	Transmission	3,519	2,373	5,892	10,103	15,995
3	Distribution	12,559	4,838	17,397	24,148	41,545
4	Customer Accounts	6,136	2,357	8,492	6,119	14,611
5	Allowance for Uncoll Accounts	-	-	-	1,463	1,463
6	Customer Service	152	3,238	3,390	3,197	6,587
7	Administrative & General	2,273	20,484	22,757	63,621	86,378
8	Operation and Maintenance	51,224	45,690	96,913	161,489	258,402

Percentage of Total O&M Labor 52.86% 47.14% 100%

* amounts may not add due to rounding

Footnotes:

1 See Letter dated October 4, 2011, Subject: Hawaiian Electric Supplemental and Revised Responses, filed in Docket No. 2010-0080, Attachment, page 1: Worksheet showing the breakdown of the 2011 test year labor expenses between BU and non-BU.

O&M breakdown above excludes fuel from original schedule. Refer to O&M recalculation below which excludes fuel component.

	BU LABOR	NON-BU LABOR			BU+NON BU TOTAL
		MERIT	OTHER	TOTAL	
FUEL	333	829	11	840	1,173
PRODUCTION	26,585	12,370	30	12,400	38,985
TRANSMISSION	3,519	2,373	-	2,373	5,892
DISTRIBUTION	12,559	4,838	-	4,838	17,397
CUSTOMER ACCOUNTS	6,136	2,357	-	2,357	8,493
CUSTOMER SERVICE	152	3,238	-	3,238	3,390
ADMIN & GENERAL	2,273	20,462	22	20,484	22,757
TOTAL	51,557	46,467	63	46,530	98,087
% of TOTAL BU/NON BU LABOR	52.56%			47.44%	100.00%
% of TOTAL BU/NON BU LABOR (excluding fuel)	52.86%			47.14%	100.00%

2 See Letter dated December 14, 2012, Subject: Docket No. 2010-0080 - Hawaiian Electric 2011 Test Year Rate Case Hawaiian Electric Worksheet Showing Updated Labor/Non-Labor Expense Split for RAM Calculation, Attachment 1, pages 1-3.

SCHEDULE C2
(WITH SETTLEMENT)
(PAGE 1 OF 1)

Hawaiian Electric Company, Inc.
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	31,617	See Parties' Stipulated Settlement Letter, filed July 5, 2011, in Docket No. 2010-0080, HECO T-15 Attachment 1, page 1
2			
3			
4	OPEB Expense	(463)	See Parties' Stipulated Settlement Letter, filed July 5, 2011, in Docket No. 2010-0080, HECO T-15 Attachment 1, page 1
5			
6			
7	Total before amounts transferred	31,154	
8			
9	O&M %	70.70%	See Parties' Stipulated Settlement Letter, filed July 5, 2011, in Docket No. 2010-0080, HECO T-15 Attachment 1, page 1
10	(1- transfer rate of 29.3%)		
11			
12			
13	Adjustment to Non-Labor O&M Expense for O&M RAM base	22,026	
14			
15			
16			
17	Non-Labor O&M Expense per Interim D&O	161,489	Schedule C1
18			
19			
20	Non-Labor O&M Expense Base for O&M RAM base	<u>139,463</u>	
21			

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPLING 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 (Note (2)):						
2	Short-Term Debt	\$ 38,210	2.35%	1.75%	0.04%	1.000000	0.04%
3	Long-Term Debt	624,620	38.36%	5.86%	2.25%	1.000000	2.25%
4	Hybrid Securities	27,994	1.72%	7.36%	0.13%	1.000000	0.13%
5	Preferred Stock	20,806	1.28%	5.46%	0.07%	1.636929	0.11%
6	Common Equity	916,533	56.29%	10.00%	5.63%	1.636929	9.21%
7	Total Capitalization	<u>\$ 1,628,163</u>	<u>100.00%</u>		<u>8.11%</u>		<u>11.74%</u>
8	RAM CHANGE IN RATE BASE \$000 (From Schedule D1)						<u>\$ 149,445</u>
9	PRETAX RATE OF RETURN (Line 7, Col g)						<u>11.74%</u>
10	PRETAX RETURN REQUIREMENT						<u>\$ 17,544.8</u>
11	REVENUE TAX FACTOR (1/(1-8.885%))						<u>1.0975</u>
12	RATE BASE RAM - RETURN ON INVESTMENT \$000						<u>\$ 19,255.5</u>

Footnotes:

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

2 See Decision and Order No. 30505, Page 127, filed June 29, 2012, in which the commission accepted the proposed capital structure set forth in the Parties' Stipulated Settlement Letter, filed July 5, 2011, in Docket No. 2010-0080, Exhibit 1, Page 125 of 132.

HAWAIIAN ELECTRIC COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RATE BASE RAM ADJUSTMENT - CHANGE IN RATE BASE
\$ In thousands

Line No.	Description (a)	HECO 2011 Test Year Rate Base (Note 2)		HECO 2013 RAM Rate Base		
		Beg. Balance 12/31/2010 (b)	Budgeted Balance 12/31/2011 (c)	Adjusted Recorded at 12/31/2012 (d) Note (1)	RAM Projected Amounts (e)	Estimated at 12/31/2013 (f)
1	Net Cost of Plant in Service	\$ 1,608,932	\$ 1,710,082	\$ 1,008,872	\$ 33,881	\$ 1,942,753
2	Property Held for Future Use	4,090	4,090			
3	Fuel Inventory	93,229	93,229			
4	Materials & Supplies Inventories	18,229	18,229			
5	Unamort Net SFAS 109 Reg Asset	62,723	64,246			
6	Unamort EOTP Reg Asset	523	2,136			
7	CIP CT-1 Reg Asset			4,448	(723)	5,169
8	CIS Def Cost			14,232	(307)	13,925
9						
10						
11						
12	Unamort Sys Dev Costs	9,253	8,297			
13	RO Pipeline Reg Asset	5,587	5,473			
14	Contrib in Excess of NPPC	-	19,411			
15	Total Additions	\$ 1,802,566	\$ 1,925,193	\$ 1,319,923	\$ 34,297	\$ 2,166,219
16	Unamortized CIAC	\$ (189,314)	\$ (206,279)	\$ (238,510)	\$ (13,717)	\$ (252,227)
17	Customer Advances	(1,879)	(1,855)			
18	Customer Deposits	(10,245)	(13,554)			
19	Accumulated Def Income Taxes	(213,833)	(271,014)	(320,764)	(19,568)	(340,432)
20	Unamortized State ITC (Gross)	(32,171)	(35,088)			
21	Unamortized Gain on Sale	(800)	(516)			
22	Pension Reg Liability	(3,996)	(2,522)			
23	OPEB Reg Liability	(6,376)	(8,749)			
24	Total Deductions	\$ (458,614)	\$ (539,577)	\$ (618,150)	\$ (33,384)	\$ (651,534)
25	Working Cash	21,047	21,047	21,047	Not Updated	21,047
26	Rate Base at Proposed Rates	\$ 1,364,999	\$ 1,406,663	\$ 1,534,820		\$ 1,535,732
27	Average Rate Base	\$ 1,365,831				\$ 1,535,276
28	Change in Rate Base					\$ 149,445
29	Column (e) Projected Changes to Rate Base:			Reference	Amount \$000	
30	Plant - Baseline Capital Project Additions			Schedule D2	131,249	
31	Major Project Additions			Schedule D3	6,791	
32	Accumulated Depreciation/Amortization Change			Schedule E	(104,160)	
33	Net Plant			Sum: Lines 30-32	33,881	
34	Accum. Deferred Income Taxes - Baseline and Major Capital Projects			Schedule F	(19,668)	
35	Projected CIAC Additions - Baseline			Schedule G	(19,315)	
36	Projected CIAC Additions - Major CIP			Schedule G2	(55)	
37	Less: Amortization of CIAC			Schedule G	5,653	
38	Total Change in CIAC in Rate Base			Sum: Lines 35-37	(13,717)	

Footnotes:

1 Amounts are recorded, except for the following adjustments:

		Plant in Service	Acc. Depr.	CIAC Net	ADIT
[A]	Unadjusted Balance	\$ 3,365,146	\$ (1,196,039)	\$ (238,510)	\$ (320,870)
[A]	Add. Asset Retirement Obligation		\$ (47,975)		
[A]	Reg Liab-Cost of Removal (net salvage)		\$ (203,569)		
	Major Project Adjustments:				
	Waiāu 8 Boiler Cits Upgrade	HFCO-WP-D2-001	HFCO-WP-E-001	HFCO-WP-D4-002	
	Waiāu 8 Main Transformer Replace	(1,048)	19		198
	Kahuku Wind Power	(290)	7		55
	W7 Controls Upgrade	(7)	5		1
	Tenant Improvement Allowance (Sch E)	(10,135)	2,866		20
	Total Adjustments	\$ (11,588)	\$ 2,897	\$ -	\$ 274
	CIS & CIP Adjustments - ADIT	Sch D4 Footnote 1		\$ -	473
	NON Adjustment ADIT	Sch D4 Footnote 2		\$ -	(64)
	Adjusted Balance	\$ 3,353,558	\$ (1,444,686)	\$ (238,510)	\$ 3,353,558

2 See Hawaiian Electric Company, Inc. Decision and Order No. 30505, EXHIBIT B, Page 1 of 2,
For Approval of Rate Increases and Revised Rate Schedules and Rules, filed June 29, 2012, in Docket No. 2010-0080.

[A] SOURCE: Hawaiian Electric Company, Inc. Monthly Financial Report - December 2012, filed February 19, 2013

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPPLING 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)	5/30/2008		5/28/2009		5/28/2010		3/30/2012		NOTE (2) (f)
		2008 (b)	2009 (c)	2010 (d)	2011 (e)	2012 (f)				
1	Total Plant Additions		96,457,503	287,760,439	170,051,118	169,625,057	255,978,908			
2										
3	<u>Less Major Projects: (+\$2.5 Million)</u>	<u>Dkt No.</u>	<u>Item No.</u>							
4										
5	<u>2004 In-service:</u>									
6	Kahe 5 Boiler Controls Upgrade	01-0272	P0000078	(1,133)						
7										
8	<u>2005 In-service:</u>									
9	Ward Air Conditioning Improvement	00-0040	Y00023	(1,236)						
10	New Dispatch Center	03-0360	Y00030	(350,257)	(3,133)		(914)			
11										
12	<u>2006 In-service:</u>									
13	Ford Island Substation	04-0278	Y00040	(141,027)	(6,205)					
14	Kahe 4 Boiler Control Upgrade	02-0207	P9454000	(1,785)						
15										
16	<u>2007 In-service:</u>									
17	Mamaia Substation	04-0350	Y00039	(17,073)						
18	Kahe 3 Boiler Controls Upgrade	02-0206	P9539000	(92,548)	(5,355)		(24,522)			
19										
20	<u>2008 In-service:</u>									
21	KoOlina Substation	05-0056	Y00044	(5,006,729)						
22	CIP Generating Unit	05-0145	Y49000	(6,119,686)	(185,099,299)	(1,693,198)	(207,519)			
23	Air Quality Monitoring Station	05-0146	P0001170	(811,896)	(147,575)	(361,926)	198,549			
24										
25	<u>2009 In-service:</u>									
26	CIP0 Kahe RO Water Project	05-0146	P0001169		(749,833)	(373,480)	55,867			
27	Barbers Point Fuel Oil Tank	2007-0409	P0001534		(3,931,173)					
28	Whitmore Substation	2008-0132	P0001390		(4,199,832)	(212,825)				
29										
30	<u>2010 In-Service:</u>									
31	Beckoning Point 46kv Line Ext	2008-0321	P0001497			(1,506,538)	(8,796)			
32	Beckoning Point Substation - NOTE (1)	2008-0321	P0001498			(948,191)	(575)			
33	Kamoku 46kv UG Alt Ph 1 (EOTP)	03-0417	Y48500			(58,502,483)	(210,956)	(69)		
34	K3 Biofuel Co-Firing	2009-0155	P0001577			(4,957,351)	(303,872)			
35	Kahuku Wind Power - NOTE (3)	2009-0178				NA	NA	NA		
36										
37	<u>2011 In-Service:</u>									
38	WB Boiler Controls Upgrade	2007-0365	P7650000			(6,165,261)	(118,460)			
39	EOTP Ph. 2 (Subs/Switch Stations)	2010-0082	Y48500			(8,070,051)	(6,607,578)			
40	W7 Controls Upgrade	2009-0195	P7590000			(5,009,888)	(119,081)			
41	W8 Main Transformer Replace		P0001399			(2,627,959)	(19,800)			
42										
43	<u>2012 In-Service:</u>									
44	K1 Condenser Tube Replace	2010-0126	P0000681				(4,910,700)			
45	BPT Tank 132 Improvements	2010-0286	P0000899				(5,513,984)			
46	Mobile Radio Replacement	2010-0162	P0001595				(2,502,181)			
47	Kapolei Substation	2011-0026	Y00127				(6,217,064)			
48										
49	Total Net Plant Additions (excluding major projects)			83,914,153	93,618,035	101,469,689	147,274,596	229,969,991		
50										
51	Last Five-Year Average							\$ 131,249,293		

NOTE (1):

2010 cost is net of customer advance of \$777,838. See Hawaiian Electric Transmittal No. 11-02, Attachment 4.5 page 20, filed May 10, 2011.

NOTE (2):

Amounts per HECO-WP-D2-002 and the Hawaiian Electric Companies' *Exemption From and Modification of General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2012*, in Docket No. 03-0257, filed on March 22, 2013.

NOTE (3):

In Hawaiian Electric Transmittal No. 11-02, Attachment 4.1, page 3 (Revised 5/10/11), filed May 10, 2011, the Company reflected the removal of the Kahuku Wind Power project, due to approval for recovery through the REIP surcharge (Decision and Order and Dissenting Opinion of Leslie H. Kondo, Commissioner, Docket No. 2009-0176, filed on May 12, 2010). However, because these costs were included as part of the 2010 and 2011 plant additions in Hawaiian Electric's 2011 rate case (Docket No. 2010-0080), the Company did not seek to recover these costs through the REIP surcharge (see the Renewable Energy Infrastructure Program ("REIP") - Annual Report, p.2, footnote 3, filed in Docket No. 2007-0416, dated January 31, 2012). The recorded cost of this project is \$2,132,812 as shown on HECO-WP-E-001.

HAWAIIAN ELECTRIC COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF MAJOR CAPITAL PROJECT ADDITIONS

Line No.	Description (a)	PUC Docket Reference (b)	Estimated In Service Date (c)	Amount (d)
1	Pukele 80MVA Tsf #3	Docket No. 2011-0156 (D&O dated 10/12/2012)	May-13	4,501,730
2	Amount Qualifying for 2013 RAM	UI Planner Budget files		
3	Kaloi Substation - North South Road 46kV Line	Docket No. 2008-0070 (D&O dated 8/14/2008)	Mar-13	1,876,156
4	Amount Qualifying for 2013 RAM	UI Planner Budget files		
5	EOTP Phase 2	Docket No. 2010-0062 (D&O dated 10/19/2010)	various	86,545
6	2013 Straggling costs	UI Planner Budget files	2011 & 2012	
7	Mobile Radio Replacement	Docket No. 2010-0162(D&O dated 5/13/2011)	Aug-12	61,573
8	2013 Straggling costs	UI Planner Budget files		
9	Kapolei Substation	Docket No. 2011-0026 (D&O dated 2/16/2012)	Nov-12	262,923
10	2013 Straggling costs	UI Planner Budget files		
11	K1 Condenser Tube Replace	Docket No. 2010-0126 (D&O dated 1/31/2011)	Jun-12	1,850
12	2013 Straggling costs	UI Planner Budget files		
13	Total Major Capital Projects Qualifying for 2013 RAM (See HECO-WP-D3-001)			\$ 6,790,777

See Schedule G2 for related CIAC (if applicable)

SCHEDULE D4
(WITH SETTLEMENT)
(REVISED 05-14-13)
PAGE 1 OF 1

HAWAIIAN ELECTRIC COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF ADJUSTED RECORDED DEFERRED INCOME TAXES

Line No.	NARUC Account (a)	Reference (b)	DR/(CR) Federal ADIT (c)	DR/(CR) State ADIT (d)	DR/(CR) Total ADIT (e)
1	Recorded Deferred Income Tax Balances December 31, 2012 Recorded Balances				
2	Depreciation Related Account 282	HECO-WP-D4-001	(153,374,424)	(7,881,925)	(161,256,349)
3	Other Deferred Income Taxes	HECO-WP-D4-001	(133,638,316)	(25,975,804)	(159,614,120)
4	Total Recorded Deferred Income Taxes		(287,012,740)	(33,857,729)	(320,870,469)
5	<u>Adjustments to Recorded Balances:</u>				
6	ADIT on Major Project excess depreciation	HECO-WP-D4-002	266,845	7,030	273,875
7	ADIT on CIP & CIS Adjustments	Footnote 1	400,286	73,195	473,481
8	ADIT Relating to NOL Carryforward	Footnote 2	(641,201)		(641,201)
9	Total Adjustments to Recorded ADIT Balances		(25,930)	80,225	106,155
10	Adjusted Recorded ADIT Balances -12/31/12		(286,986,810)	(33,777,504)	\$ (320,764,314)

FOOTNOTES:

1	<u>ADIT Computation:</u>	AFUDC Debt	32.8947% FED	6.0150% STATE	TOTAL
	ADIT on CIP CT-1 carrying charge (Jan - May 2013)	272,145	(89,521)	(16,370)	(105,891)
	ADIT on CIP CT-1 Reg Asset Reserve	(1,073,682)	353,184	64,582	417,766
	ADIT on CIS carrying charge (Jan - May 2013)	129,728	(42,674)	(7,803)	(50,477)
	ADIT on CIS Reg Asset Reserve	(545,064)	179,297	32,786	212,083
	Total	(1,216,873)	400,286	73,195	473,481

Adjustments from recorded to regulatory bases:

		AFUDC Equity	AFUDC Debt	TOTAL
A	CIP CT-1 carrying charge (Jan - May 2013)	665,160	272,145	937,305
B	CIP CT-1 Reg Asset Reserve	2,282,563	(1,073,682)	1,208,881
C	CIS carrying charge (Jan - May 2013)	274,828	129,728	404,556
D	CIS Reg Asset Reserve	1,289,943	(545,064)	744,879
	Total	4,512,494	(1,216,873)	3,295,621
		(E)		

SOURCE:

- A, B See HECO-WP-D1-001A, page 2
- C See HECO-WP-D1-001B, page 4
- D See HECO-WP-D1-001B, page 5

NOTES:

A, C 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.

B, D Differential between regular AFUDC debt incurred (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.

	CIP CT-1	CIS
AFUDC Debt - full debt	2,072,087	1,085,139
AFUDC Debt	998,405	540,075
Base on which ADIT adjustment is calculated	1,073,682	545,064

E 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.

Per the CA's SOP, page 12, the CA proposed removal of the DTA on the NOL carryforward. HECO agrees to the adjustment in the Settlement after adjusting for tax deductions that are not allowed for ratemaking purposes. These adjustments essentially offset the tax basis NOL used to calculate the financial statement DTA related to the NOL.

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPUPLING CALCULATION WORKBOOK
DETERMINATION OF DEPRECIATION & AMORTIZATION RAM ADJUSTMENT

Line No.	NARUC Account (a)	Recorded Depreciable/Amort. Balance (Footnote 3) (b)	Adjustments (Footnote 1) (c)	Adjusted Depreciable/Amort. Balance (d)	PUC Approved Accrual Rate (e)	Annual Accrual (f)
1	Depreciable Plant					
2	311	83,984,111		83,984,111	0.01600	1,343,746
3	312	345,859,785	(1,155,112)	344,704,673	0.02030	6,997,505
4	314	167,360,145		167,360,145	0.01540	2,577,346
5	315	68,311,354	(290,334)	68,021,020	0.02430	1,652,911
6	Tot - Steam	665,515,395	(1,445,446)	664,069,949	0.01889	12,571,508
7						
8	341	37,482,220		37,482,220	0.00770	288,613
9	342	19,448,185		19,448,185	0.02580	501,763
10	343	63,834,282		63,834,282	0.03260	2,080,998
11	344	25,824,015		25,824,015	0.01010	260,823
12	345	34,119,049		34,119,049	0.02510	856,388
13	Tot - Gas Turb	180,707,751	-	180,707,751	0.02207	3,968,585
14						
15	Tot - Prod	846,223,146	(1,445,446)	844,777,700		16,560,092
16						
17	3501	3,007,676		3,007,676	-	-
18	352	35,762,583		35,762,583	0.01800	572,201
19	353	268,433,407		268,433,407	0.01860	4,992,861
20	354	19,417,013		19,417,013	0.01480	287,372
21	355	205,692,312		205,692,312	0.03240	6,664,431
22	356	124,776,049		124,776,049	0.03270	4,080,177
23	357	60,326,187		60,326,187	0.01590	959,186
24	358	52,251,721		52,251,721	0.01730	903,955
25	359	3,201,408		3,201,408	0.01490	47,701
26	Tot - Transm	772,868,356	-	772,868,356	0.02395	18,507,884
27						
28	3601	465,579		465,579	0.02340	10,895
29	361	20,952,289		20,952,289	0.01080	226,285
30	362	184,332,813		184,332,813	0.02020	3,723,523
31	364	148,187,849		148,187,849	0.03390	5,023,568
32	365	102,214,169		102,214,169	0.04190	4,282,774
33	366	225,908,399		225,908,399	0.02190	4,947,394
34	367	304,947,671		304,947,671	0.04980	15,186,394
35	368	177,403,206		177,403,206	0.05200	9,224,967
36	369.1	45,698,600		45,698,600	0.05250	2,399,177
37	369.2	161,309,898		161,309,898	0.04070	6,565,313
38	370	31,371,367		31,371,367	0.02660	834,478
39	Tot - Distr	1,402,791,840	-	1,402,791,840	0.03737	52,424,766
40						
41	Tot - T & D	2,175,660,196	-	2,175,660,196		70,932,651
42						
43	390	50,620,563		50,620,563	0.02450	1,240,204
44	Tot - General	50,620,563	-	50,620,563	0.02450	1,240,204
45						
46	Sub-Total	3,072,503,905	(1,445,446)	3,071,058,459		88,732,947
47						
48	3902 (King)	7,072,977		7,072,977	0.00955	67,547
49	3902 (CPP)	2,000,880		2,000,880	0.12289	245,888
50	3902 (Waterhouse)	941,591		941,591	0.23503	221,302
51	3902 (Hon Cl)	6,883		6,883	-	-
52	3902 (ASB)	492,959		492,959	0.20000	98,592
53	3902 (Tenant Allowance)	10,134,927	(10,134,927)	-	-	-
54	Tot - LH Impr	20,650,217	(10,134,927)	10,515,290		633,329
55						
56	392	45,915,488		45,915,488	0.06130	2,814,619
57						
58	Utility Total Depreciation	3,139,069,610	(11,580,373)	3,127,489,237	0.02937	92,180,895

SCHEDULE E
(WITH SETTLEMENT)
PAGE 2 OF 2

Line No.	NARUC Account (a)	Recorded Depreciable/Amort. Balance (Footnote 3) (b)	Adjustments (Footnote 1) (c)	Adjusted Depreciable/Amort. Balance (d)	PUC Approved Accrual Rate (e)	Annual Accrual (f)
59	Amortizable Plant					
60	316	20,962,746		20,962,746	0.05000	1,048,137
61	Tot - Steam	20,962,746	-	20,962,746	0.05000	1,048,137
62						
63	346	18,163,132		18,163,132	0.05000	908,157
64	Tot - Gas Turb	18,163,132	-	18,163,132	0.05000	908,157
65						
66	Tot - Prod	39,125,878	-	39,125,878	0.05000	1,956,294
67						
68	3911	15,896,767		15,896,767	0.20000	3,179,353
69	3912	2,333,657		2,333,657	0.10000	233,366
70	3913	10,075,056		10,075,056	0.06670	672,006
71	393	1,182,957		1,182,957	0.04000	47,318
72	394	20,510,728		20,510,728	0.04000	820,429
73	395	444,150		444,150	0.06670	29,625
74	396	67,246		67,246	0.05560	3,739
75	397	93,283,263	(7,161)	93,276,102	0.06670	6,221,516
76	398	3,876,658		3,876,658	0.06670	258,573
77	Tot - General	147,670,482	(7,161)	147,663,321	0.07765	11,465,926
78						
79						
80						
81						
82						
83						
84	Net Unrecovered Amortization					(1,101,041)
85						
86	Utility Total Amortization	186,796,360	(7,161)	186,789,199	0.06596	\$ 12,321,178
87						
88	TOTAL RAM DEPRECIATION / AMORTIZATION					\$ 104,502,073
89	LESS: CIP CT-1 Depreciation on Excess Deferral					\$ (342,530)
90	ADJUSTED TOTAL RAM DEPRECIATION / AMORTIZATION					\$ 104,159,543
91	LESS: Vehicle Depreciation (A/C 392 above)					\$ (2,814,619)
92	LESS: Depreciation & Amortization in Current Revenues					\$ (94,237,000)
93						
94	RAM Adjustment for Depreciation & Amortization					\$ 7,107,924
95	RAM Adjustment for CIAC Amortization					\$ 2,134,088
96	RAM Adjustment for CIP CT-1 Reg Asset Amortization					HECO-WP-D1-001A \$ 557,000
97	RAM Adjustment for CIS Def Cost Amortization					HECO-WP-D1-001B \$ 712,000
98	Total RAM Adjustment for Depreciation & Amortization					\$ 10,811,012
99	Times: Factor for Revenue Taxes					1.09750
100						
101	RAM DEPRECIATION & AMORTIZATION					\$ 11,535,836

Footnotes:

Amounts are recorded (in \$000s), except for the following adjustments
(see HECO-WP-D2-001):

1	Waiau 8 Boiler Cts Upgrade	\$ (1,048)
	Waiau 8 Main Transformer Replace	(290)
	Kahuku Wind Power	(7)
	W7 Controls Upgrade	(108)
	Tenant Improvement Allowance (see footnote 4)	(10,135)
	Total	\$ (11,588)

2 Depreciation & Amortization in Current Revenues*:

Total Depreciation	\$ 97,297,000
LESS: Vehicle Depreciation (A/C 392)	(2,292,000)
LESS: CIP CT-1 excess depreciation	(603,000)
LESS: EOTP excess depreciation	(1,171,000)
ADD: Revised EOTP excess depreciation **	1,006,000
Net Depreciation in Current Revenues	\$ 94,237,000

*Amounts are per page 90 of Exhibit 1 to the Parties' Stipulated Settlement Letter dated July 5, 2011 in HECO's 2011 test year rate case (Docket No. 2010-0080).

**Amount is per page 1 of Exhibit 2, Attachment 3 to the *Stipulated Supplement to the Parties' July 5, 2011 Stipulated Settlement Letter with respect to East Oahu Transmission Project Phase 1 Costs*, dated February 3, 2012. Depreciation added in EOTP interim was based on 2010 plant adds and the 2010 actual depreciation rates (blended rate in 2010). The 2012 depreciation is based on additional plant adds made in 2011 included in the February 3, 2012 stipulation supplement, offset by the write-down of \$9.5M of costs and the lower depreciation rates in 2012 (full year of the lower depreciation rates).

3 Does not include land amounting to \$39,280,295 as of December 31, 2012.

4 Amount represents tenant improvement allowances paid by the lessors and excluded from the RAM calculation.

5 Amount represents CIP CT-1 depreciation on excess cost deferred from January to May, 2013. See HECO-WP-D1-001A CIP CT-1 Page 2.

SCHEDULE F
(WITH SETTLEMENT)
PAGE 1 OF 1

HAWAIIAN ELECTRIC COMPANY, INC.
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	4,702,085
2	Effective Federal Tax Rate	Statutory	32.8947%
3	Federal Deferred Tax on State Tax Depreciation		<u>1,546,738</u>
4	Addback State Tax Depreciation		(4,702,085)
5	Federal Tax Depreciation	Schedule F1	<u>55,667,688</u>
6	Federal/State Difference		<u>50,965,603</u>
7	Tax Rate on Federal Only Adjustment	Statutory	35%
8	Federal Deferred Tax Adjustment		<u>17,837,961</u>
9	Total Federal Deferred Taxes		<u>19,384,700</u>
STATE DEFERRED TAXES			
10	State Tax Depreciation		4,702,085
11	Effective State Tax Rate		6.0150376%
12	Total State Deferred Taxes		<u>282,832</u>
13	TOTAL FED AND STATE DEFERRED TAXES		<u>19,667,532</u>

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.

HAWAIIAN ELECTRIC COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF TAX DEPRECIATION

Line No.		HECO-WP-F1-002					
		(a)	(b)	(c)	(d)	(e)	(f)
1	Communication	20	2,890	987	3,877	2.20%	0.75%
2	Conn/Off/Furn/Tools	7	2,098	4,872	6,970	1.60%	2.95%
3	Distribution	20	16,578	40,962	57,540	12.63%	5.31%
4	Land	-	1,456	48	1,504	1.11%	43.84%
5	Non-Steam Production	15	2,201	-	2,201	0.04%	1.15%
6	Steam Production	20	25,425	3,043	28,468	19.37%	1.68%
7	Structural	39	1,320	266	1,586	1.01%	2.32%
8	Transmission	20	11,875	10,961	22,836	9.05%	1.21%
9	Vehicles	-	185	6,085	8,270	0.14%	17.40%
10	TOTAL	64,028	67,224	131,252	48,78%	51.22%	100.00%
			7 yr	1.60%	3.71%	5.31%	
			15 yr	1.68%	0.00%	1.68%	
			20 yr	43.25%	42.63%	85.88%	
			39 yr	1.01%	0.20%	1.21%	
			Land	0.04%	1.15%		
			Vehicles	0.14%	4.84%	4.78%	
			Total	48.78%	51.22%	100.00%	
					BASIS	FED TAX RATE	STATE TAX DEPR TAX RATE
					YR 1	YR 1	YR 1
							TAX DEPR

Basis subject to 50% bonus depreciation		Vintage 2013 - 50% Bonus Depreciation					
		97.00%	100.00%				
		7 yr	1.55%	3.71%	5.26%	7 yr	
		15 yr	1.63%	0.07%	1.63%	15 yr	
		20 yr	41.95%	42.63%	84.58%	20 yr	
		39 yr					
		Land					
		Vehicles					
		Total	45.13%	48.34%	91.47%		

Basis subject to regular depreciation		Vintage 2013 - Regular Depreciation					
		(Total less amounts subject to 50% bonus)					
		97.00%	100.00%				
		7 yr	0.05%	0.00%	0.05%	7 yr	
		15 yr	0.05%	0.00%	0.05%	15 yr	
		20 yr	1.30%	0.08%	1.30%	20 yr	
		39 yr	1.01%	0.20%	1.21%	39 yr	
			2.40%	0.20%	2.60%		
		TOTAL ASSETS	47.53%	48.54%	94.08%		
		Net Depreciable Baseline Plant Adds					
		Major Capital Projects from Schedule F2					
		Total Depreciable Plant Adds					

Reconciliation from Baseline Plant Adds to Net Depreciable Plant Adds:	131,252,000
Baseline Capital Projects Plant Adds (rounded)	22,128,472
Less: Repairs deduction	<<supported by Special Study each year.
Net plant add basis	109,123,528
Less: Land and Vehicles (5.92% x 109,123.528)	6,483,340
	102,660,188

St. Tax Depreciation to Schedule F	4,449,495
	4,702,085

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.

SCHEDULE F1
(WITH SETTLEMENT)
(PAGE 1 OF 1)

SCHEDULE F2
(WITH SETTLEMENT)
(PAGE 1 OF 1)

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPUPLING CALCULATION WORKBOOK
TAX DEPRECIATION ON MAJOR CAPITAL PROJECTS ADDITIONS

Line No.	Description (a)	PUC Docket (b)	In Service Date (c)	Estimated Amount (e)
1	Assumed Value of 2013 Major Capital Projects Plant Items			\$ 6,790,777 Schedule D3
2	Assumed Value of 2013 Major Capital Projects -CIAC nontaxable			\$ (54,766) Schedule G2
3	Assumed Value of 2013 Major Capital Projects - Total			<u>\$ 6,736,011</u>
			FED YR 1	STATE YR 1
4	Tax Classification of Major Capital Project Additions	Tax Basis Distribution	TAX RATE	STATE YR 1
5	7 yr	-	57.145%	-
6	15 yr	-	52.500%	5.00%
7	20 yr	6,736,011	51.875%	3,494,306
8	39 yr			3.75%
9	Land			252,600
10	Vehicles			
11	Total	<u>\$ 6,736,011</u>	<u>\$ 3,494,306</u>	<u>\$ 252,600</u>

SCHEDULE G
(WITH SETTLEMENT)
(PAGE 1 OF 1)

HAWAIIAN ELECTRIC COMPANY, INC.
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	\$ (238,510,104)	
2				
3	<u>2013 CIAC Additions:</u>			
4	Baseline 5-Yr Average	Sch. G1	(19,315,056)	
5	Major Projects	Sch. G2	(54,766)	
6	Net Additions		(19,369,822)	
7				
8	<u>2013 CIAC Amortization:</u>			
9	Estimated Amortization	Sch. G3	5,652,912	\$ (5,652,912)
10				
11	12/31/13 Ending Balance		\$ (252,227,014)	(5,652,912)
12				
13	LESS: CIAC Amortization in Current Revenues - NOTE (1)			(7,787,000)
14				
15	RAM Adjustment for CIAC Amortization			\$ 2,134,088

Note (1) - Per page 90 of Exhibit 1 to the Parties' Stipulated Settlement Letter dated July 5, 2011 in HECO's 2011 test year rate case (Docket No. 2010-0080).

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPPLING CALCULATION WORKBOOK
BASELINE CAPITAL PROJECTS CIAC ADDITIONS

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

Line No.	Description (a)	2/27/2009	3/1/2010	2/22/2011	3/30/2012	Note (2) (g)
		2008 (d)	2009 (e)	2010 (f)	2011 (g)	2012 (g)
1	CIAC Balance, January 1 (Dec Rpt. pg. 10)	(176,424,632)	(178,757,254)	(178,585,120)	(189,314,529)	(204,795,271)
2	Less: CIAC Amortization (Dec Rpt. pg. 2)	9,009,447	9,335,034	9,614,759	7,786,468	4,895,840
3	Less: CIAC Balance, December 31 (Dec Rpt. pg. 10)	178,757,254	179,585,120	189,314,529	204,795,271	238,510,104
4						
5	Total CIAC Additions	11,342,069	10,162,900	19,344,168	23,267,210	38,610,673
6						
7	<u>Less Major Projects:</u>	<u>Dkt No.</u>	<u>Item No.</u>			
8						
9	<u>2004 In-service:</u>					
10	Kahe 5 Boiler Controls Upgrade	01-0272	P0000078			
11						
12	<u>2005 In-service:</u>					
13	Ward Air Conditioning Improvement	00-0040	Y00023			
14	New Dispatch Center	03-0360	Y00030			
15						
16	<u>2006 In-service:</u>					
17	Ford Island Substation	04-0278	Y00040			
18	Kahe 4 Boiler Control Upgrade	02-0207	P9454000			
19						
20	<u>2007 In-service:</u>					
21	Mamala Substation	04-0350	Y00039			
22	Kahe 3 Boiler Controls Upgrade	02-0206	P9539000			
23	Air Quality Monitoring Station	Transfer from HELCO				
24						
25	<u>2008 In-service:</u>					
26	KoOlina Substation	05-0056	Y00044	(1,182,000)		
27	CIP Generating Unit	05-0145	Y49000			
28						
29	<u>2009 In-service:</u>					
30	Kahe Reverse Osmosis	05-0146	P0001169			
31	Barbers Point Fuel Oil Tank	2007-0409	P0001534			
32	Whitmore Substation	2008-0132	P0001390			
33						
34	<u>2010 In-service:</u>					
35	Beckoning Point 46kv Line Ext	2008-0321	P0001497			
36	Beckoning Point Substation	2008-0321	P0001498			
37	Kamoku 46kv UG Alt Ph 1 (EOTP)	03-0417	Y48500			
38	K3 Biofuel Co-Firing	2009-0155	P0001577			
39	Kahuku Wind Power - NOTE (3)	2009-0176			NA	NA
40						
41	<u>2011 In-Service:</u>					
42	W8 Boiler Controls Upgrade	2007-0365	P7650000			
43	EOTP Ph. 2 (Subs/Switch Stations)	2010-0062	Y48500		(2,398,080)	(2,571,662)
44	W7 Controls Upgrade	2009-0195	P7590000			
45						
46	<u>2012 In-Service:</u>					
47	K1 Condenser Tube Replace	2010-0126	P0000681			
48	BPT Tank 132 Improvements	2010-0286	P0000899			
49	Mobile Radio Replacement	2010-0162	P0001595			
50	Kapolei Substation	2011-0026	Y00127			
51						
52	Total Net CIAC Additions	10,160,069	10,162,900	19,344,168	20,869,130	36,039,011
	Last Five-Year Average					19,315,056

NOTE (1):

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 (2):

Amounts per HECO-WP-D2-001 and the Hawaiian Electric Companies' *Exemption From and Modification of General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2012*, in Docket No. 03-0257, filed on March 22, 2013.

NOTE (3):

In Hawaiian Electric Transmittal No. 11-02, Attachment 4.1, page 3 (Revised 5/10/11), filed May 10, 2011, the Company reflected the removal of the Kahuku Wind Power project, due to approval for recovery through the REIP surcharge (Decision and Order and Dissenting Opinion of Leslie H. Kondo, Commissioner, Docket No. 2009-0176, filed on May 12, 2010). However, because these costs were included as part of the 2010 and 2011 plant additions in Hawaiian Electric's 2011 rate case (Docket No. 2010-0080), the Company did not seek to recover these costs through the REIP surcharge (see the Renewable Energy Infrastructure Program ("REIP") - Annual Report, p.2, footnote 3, filed in Docket No. 2007-0416, dated January 31, 2012). The recorded cost of this project is \$2,132,182 as shown on HECO-WP-E-001.

SCHEDULE G2
(WITH SETTLEMENT)
PAGE 1 OF 1

HAWAIIAN ELECTRIC COMPANY, INC.
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 Project CIAC Additions by Project:</u>			
2	EOTP Phase 2	Docket No. 2010-0062 (D&O dated 10/19/2010)	various	54,766
3	2013 Straggling costs	UI Planner Budget files	2011 & 2012	
4	Total Major Project CIAC Additions for 2013 RAM (See HECO-WP-G2-001)			\$ 54,766

See Schedule D3 for related plant additions.

SCHEDULE G3
(WITH SETTLEMENT)
(PAGE 1 OF 1)

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPPLING CALCULATION WORKBOOK
CIAC AMORTIZATION

Line No.	Description (a)	2011		2012		2013	
		Balance (b)	Amortization (c)	Balance (d)	Amortization (e)		
<u>1 CIAC by Vintage:</u>							
2 1981		\$ 37,347	\$ 1,778	\$ 35,569	\$ 1,778		
3 1982		117,729	5,351	112,378	5,351		
4 1983		243,784	10,599	233,185	10,599		
5 1984		248,680	10,362	238,318	10,362		
6 1985		326,215	13,049	313,166	13,049		
7 1986		480,295	18,473	461,822	18,473		
8 1987		956,562	35,428	921,134	35,428		
9 1988		1,397,974	49,928	1,348,046	49,928		
10 1989		1,191,575	41,089	1,150,486	41,089		
11 1990		6,675,979	222,533	6,453,446	222,533		
12 1990 - Land		1,303,408	-	1,303,408	-		
13 1991		3,280,206	105,813	3,174,393	105,813		
14 1992		3,017,638	94,301	2,923,337	94,301		
15 1993		6,821,003	200,637	6,420,366	200,637		
16 1994		4,879,854	143,525	4,736,329	143,525		
17 1995		3,773,993	107,828	3,666,165	107,828		
18 1996		2,957,214	82,145	2,875,069	82,145		
19 1997		2,249,001	60,784	2,188,217	60,784		
20 1998		3,305,128	86,977	3,218,151	86,977		
21 1999		3,717,357	95,317	3,622,040	95,317		
22 2000		2,498,121	62,453	2,435,668	62,453		
23 2001		3,151,103	76,856	3,074,247	76,856		
24 2002		4,460,901	106,212	4,354,689	106,212		
25 2003		4,835,999	112,465	4,723,534	112,465		
26 2004		3,360,535	76,376	3,284,159	76,376		
27 2005		11,179,840	248,436	10,931,204	248,436		
28 2006		9,609,032	208,892	9,400,140	208,892		
29 2007		10,200,201	217,026	9,983,175	217,026		
30 2008		9,384,072	195,502	9,188,570	195,502		
31 2009		7,571,647	154,523	7,417,124	154,523		
32 2010		14,151,322	283,026	13,868,296	283,026		
33 2011		18,177,856	356,429	17,821,427	356,429		
34 2012				35,019,108	686,649		
35							
36							
37 <u>CIAC GET Adjustment</u>							
38 -adj 92-96 GET		(141,271)	(3,924)	(137,347)	(3,924)		
39 -adj 97 GET		(51,896)	(1,403)	(50,493)	(1,403)		
40 -adj 98 GET		(64,496)	(1,697)	(62,799)	(1,697)		
41 -adj 99 GET		(84,599)	(2,168)	(82,430)	(2,169)		
42 -adj 00 GET		(81,147)	(2,029)	(79,118)	(2,029)		
43 -adj 01 GET		(120,550)	(2,940)	(117,610)	(2,940)		
44 -adj 02 GET		(130,648)	(3,111)	(127,538)	(3,111)		
45 -adj 03 GET		(177,266)	(4,122)	(173,144)	(4,122)		
46 -adj 04 GET		(123,666)	(2,811)	(120,855)	(2,811)		
47 -adj 05 GET		(253,619)	(5,636)	(247,983)	(5,636)		
48 -adj 06 GET		(554,750)	(12,060)	(542,690)	(12,060)		
49 -adj 07 GET		(446,298)	(9,496)	(436,800)	(9,496)		
50 -adj 08 GET		(384,609)	(7,596)	(357,013)	(7,596)		
51 -adj 09 GET		(338,708)	(6,912)	(331,794)	(6,912)		
52 -adj 10 GET		(509,779)	(10,196)	(499,583)	(10,196)		
53 -adj 11 GET		(438,967)	(8,607)	(430,360)	(8,607)		
54 -adj 12 GET				(540,535)	(10,599)		
55							
56							
57 <u>In-Kind CIAC:</u>							
58 1988		386,581	13,806	372,775	13,806		
59 1989		435,050	15,002	420,048	15,002		
60 1990		225,723	7,524	218,199	7,524		
61 1991		482,500	15,565	466,935	15,565		
62 1992		1,356,169	42,380	1,313,789	42,380		
63 1993		1,158,539	35,138	1,124,401	35,138		
64 1994		1,940,295	57,068	1,883,227	57,068		
65 1995		3,892,184	111,205	3,780,979	111,205		
66 1996		2,021,590	56,155	1,965,435	56,155		
67 1997		1,053,394	28,470	1,024,924	28,470		
68 1998		2,033,433	53,511	1,979,922	53,511		
69 1999		1,604,807	41,149	1,563,658	41,149		
70 2000		3,305,426	82,638	3,222,790	82,636		
71 2001		1,372,880	33,485	1,339,395	33,485		
72 2002		3,002,932	71,498	2,931,434	71,498		
73 2003		4,547,584	105,758	4,441,826	105,758		
74 2004		2,789,704	63,402	2,726,302	63,402		
75 2005		4,758,104	105,738	4,652,368	105,736		
76 2006		4,262,129	92,655	4,169,474	92,655		
77 2007		8,419,215	179,132	8,240,083	179,132		
78 2008		1,256,654	26,180	1,230,474	26,180		
79 2009		2,312,352	47,191	2,265,161	47,191		
80 2010		5,169,804	103,392	5,066,212	103,392		
81 2011		5,528,321	108,398	5,419,923	108,398		
82 2012				4,132,100	81,022		
83							
84 Total CIAC Amortization for 2013 RAM		\$ 204,795,271	\$ 4,895,840	\$ 238,510,104	\$ 5,652,812		

HAWAIIAN ELECTRIC COMPANY, INC.
DECOPLING 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 before ratemaking adjustment	Dec 2011 Mo. PUC rpt, pg 2A filed 2/21/12 & HECO-WP-H-001	\$ 119,924	\$ 1,531,776	
2	<u>Ratemaking Adjustments to Line 1:</u>				
2a	Incentive Compensation Expenses (net of tax)	HECO-WP-H-002	3,782		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)	HECO-WP-H-002	868		
2c	Amortization of investment income differential	HECO-WP-H-003	194		
2d	Income tax on items to be replaced by synchronized interest	HECO-WP-H-003	(14,210)		
2e	CA Adjustment to Remove Accrued Earnings Sharing Refund		(1,156)		
3	Ratemaking Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 111,714	\$ 1,531,776	
4	<u>Ratemaking Capitalization</u>		Balances	Ratios	Cost Rate
5	Short-Term Debt (12 mo. Avg)		\$ 73,702	4.26%	0.52%
6	Long-Term Debt (Simple Avg)		\$ 676,936	39.10%	5.79%
7	Hybrid Securities (Simple Avg)		\$ 28,104	1.62%	7.33%
8	Preferred Stock (Simple Avg)		\$ 20,862	1.21%	5.44%
9	Common Equity (Simple Avg)		\$ 931,512	53.81%	10.00%
10	Total Capitalization	HECO-WP-H-004	\$ 1,731,115	100.00%	<u>7.85%</u>
11	Line 3 Rate Base Amount			\$ 1,531,776	
12	Weighted Cost of Debt				<u>2.40%</u>
13	Synchronized Interest Expense			\$ 36,763	
13a	Income Tax Factor			1.636929121	
13a	Synchronized Interest Expense, net of tax			\$ 22,459	
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)				\$ 139,255
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)				<u>1,072</u>
18	Income Available for Common Stock				\$ 138,183
19	Ratemaking Equity Investment (Line 9 Ratio times Rate Base)				<u>824,247</u>
20	Return on Equity for Decoupling Earnings Sharing				<u>10.70%</u>
21	<u>Earnings Sharing Revenue Credits:</u>		Basis Points		
22	Achieved ROE (basis points)		1,070		
23	Authorized Return (basis points)		1,000		
24	ROE for sharing (basis points)		70		
25	Sharing Grid per RAM Provision		First 100 bp	Next 200 bp	All over 300 bp
26	Distribution of Excess ROE (basis points)		70	0	0
27	Ratepayer Share of Excess Earnings		25%	50%	90%
28	Ratepayer Earnings Share - Basis Points		17	-	17
29	Revenue Credit per Basis Point (Note 2)				\$ 148
30	Earnings Sharing Revenue Credits (thousands)				\$ 2,586.19

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)	\$ 824,247
	Basis Point = 1/100 of a percent	0.01%
	Earnings Required per Basis Point (thousands)	\$ 82.42
	Times: Income Tax Conversion Factor	1.636929121
	Pretax Income Required per Basis Point (thousands)	\$ 135
	Times: Revenue Tax Conversion Factor	1.0975
	Revenue Requirement per Basis Point (thousands)	\$ 148

SCHEDULE I
(WITH SETTLEMENT)
(PAGE 1 OF 1)

HAWAIIAN ELECTRIC COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
PUC-ORDERED ADJUSTMENTS

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

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

Hawaiian Electric Company, Inc. Sales Forecast
June 2013 to May 2014

June 2013 to May 2014

In GWH

	2013						2014						
	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Total
R	150.4	156.8	160.4	151.8	153.3	144.5	146.3	153.0	128.2	145.5	139.6	146.6	1,776.4
G	27.0	28.3	28.7	27.3	27.8	26.0	25.4	25.0	23.3	25.8	24.9	27.0	316.5
J	168.1	171.2	179.7	173.2	175.0	162.6	159.5	155.0	144.5	162.1	155.1	168.8	1,974.8
P	240.2	250.4	255.5	244.9	251.8	237.1	235.3	231.7	207.5	231.6	222.2	241.6	2,849.8
F	2.9	2.9	2.9	3.1	3.1	3.0	3.0	3.2	2.8	3.0	3.0	2.9	35.8
	588.6	609.6	627.2	600.3	611.0	573.2	569.5	567.9	506.3	568.0	544.8	586.9	6,953.3

HECO-WP-A-001
(WITH SETTLEMENT)
PAGE 1 OF 1

HECO-WP-B-001
HAWAIIAN ELECTRIC COMPANY, INC.
MONTHLY FINANCIAL REPORT
MARCH 2012 - 2011 BILLING ADJUSTMENTS

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Revised Mar-11	Revised Apr-11	Revised May-11	Revised Jun-11	Revised Jul-11	Revised Aug-11	Revised Sept-11	Revised Oct-11	Revised Nov-11	Revised Dec-11/2011 Interest only
L1										
L2	Monthly Target Revenue	\$36,452,740	\$35,681,973	\$37,812,917	\$38,048,559	\$41,350,321	\$45,898,048	\$44,070,248	\$44,577,970	\$41,937,817
L3	Recorded Adjusted Revenue	\$37,426,885	\$35,845,831	\$37,147,021	\$38,790,441	\$41,655,725	\$41,655,602	\$40,660,858	\$41,115,308	\$39,961,425
L4	Target vs. Actual Revenue	(\$974,-145)	(\$163,688)	\$665,986	\$2,256,118	\$2,234,596	\$4,248,444	\$3,495,392	\$3,462,662	\$3,214,450
L5	Reversal of Previous Year Accrual	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
L6	Net RBA Change	(\$974,-145)	(\$163,688)	\$665,986	\$2,256,118	\$2,234,596	\$4,248,444	\$3,495,392	\$3,462,662	\$3,214,450
L7	Beginning RBA Balance	\$0	(\$163,580)	(\$1,145,530)	(\$4,83,697)	\$1,775,643	\$4,024,704	\$8,301,888	\$11,761,313	\$15,281,438
L8	End Balance Before Interest	(\$974,-145)	(\$1,140,238)	(\$4,79,534)	\$1,772,421	\$8,271,148	\$11,711,280	\$15,223,975	\$16,505,888	\$20,566,773
L9	Balance Subject to Interest	(\$487,073)	(\$1,058,408)	(\$812,582)	\$644,362	\$2,892,941	\$6,147,926	\$10,065,584	\$16,898,663	\$19,578,577
L10	Interest	(\$2,435)	(\$5,292)	(\$4,063)	\$3,222	\$14,465	\$30,740	\$50,033	\$67,463	\$84,483
	Eating RBA Balance	(\$976,580)	(\$1,145,530)	(\$483,697)	\$1,775,643	\$4,024,704	\$8,301,888	\$11,761,313	\$15,291,438	\$16,590,381
	Target vs Actual Diff:									
	Revenues as REVISED (KWh) December 2011	37,406,823	35,817,583	37,094,600	36,789,937	39,117,518	41,640,972	40,655,830	41,113,770	38,728,545
	Billing adjustments	20,082	27,988	52,421	504	(1,793)	10,830	5,026	1,538	(5,178)
	Revised revenues	37,426,885	35,845,531	37,147,021	36,790,441	39,115,725	41,655,602	40,660,858	41,115,308	38,723,387
	Target	36,452,740	35,881,973	37,812,917	38,048,559	41,350,321	45,898,046	44,070,248	44,577,970	41,937,817
	(\$974,-145)	(\$163,658)	(\$665,896)	(\$2,256,118)	(\$2,234,596)	(\$4,248,444)	(\$3,495,392)	(\$3,462,662)	(\$3,214,450)	(\$1,976,392)
	Revised adjustment (dr) credit to revenue	(\$974,-145)	(\$163,658)	\$665,896	\$2,256,118	\$2,234,598	\$4,248,444	\$3,495,392	\$3,462,662	\$3,214,450
	RBA adjustment recorded (dr) credit to rev.	(\$954,083)	(\$135,680)	718,317	2,256,622	2,232,805	4,251,074	3,414,419	3,484,200	3,209,272
	Adjustment (dr) credit to revenue	(20,082)	(27,988)	(52,421)	(504)	1,791	(10,630)	(5,027)	(1,538)	5,178
	Revised interest	(2,435)	(5,292)	(4,063)	3,222	14,465	30,740	50,033	67,463	84,483
	Interest recorded	(2,385)	(5,122)	(3,691)	3,728	14,970	31,270	50,605	68,055	85,076
	Adjusted RBA as of 12/31/11	(50)	(170)	(372)	(506)	(530)	(572)	(592)	(586)	(575)
	RBA as of 12/31/11									
	RBA Adjustment									
	RBA Interest adjustment									
	Total RBA adjustment									
	Adjusted RBA as of 12/31/11	20,684,663								

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

Note (2):
In March 2012, the Company recorded an adjustment to the RBA related to miscellaneous customer billing adjustments that were processed in March 2011 to December 2011, some of which were related to revenues recorded prior to March 2011 (the implementation of decoupling.) The Company recalculated the RBA as of December 31, 2011, including interest, based on reflecting the billing adjustments in the proper month incurred.

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

12/31/2011										
Revised Mar-11	Revised Apr-11	Revised May-11	Revised Jun-11	Revised Jul-11	Revised Aug-11	Revised Sept-11	Revised Oct-11	Revised Nov-11	Revised Dec-11	Interest only
Monthly Target Revenue	\$36,452,740	\$35,681,973	\$37,812,917	\$39,046,599	\$41,350,321	\$45,888,046	\$44,070,248	\$44,577,970	\$41,937,817	\$41,937,817
Recorded Adjusted Revenue	\$37,394,287	\$35,848,581	\$37,182,290	\$36,769,746	\$39,115,778	\$41,651,584	\$40,660,851	\$41,115,321	\$38,893,606	\$39,999,857
Target vs. Actual Revenue	(\$941,557)	(\$166,608)	\$630,627	\$2,256,813	\$2,234,543	\$4,246,462	\$3,492,649	\$3,406,397	\$3,492,649	\$3,044,211
Reversal of Previous Year Accrual	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net RBA Change	(\$941,557)	(\$166,608)	\$630,627	\$2,256,813	\$2,234,543	\$4,246,462	\$3,492,649	\$3,406,397	\$3,492,649	\$3,044,211
Beginning RBA Balance	\$0	(\$943,911)	(\$1,115,655)	(\$489,030)	\$1,770,980	\$0,19,964	\$8,297,142	\$11,756,548	\$15,286,636	\$18,414,891
End Balance Before Interest	(\$941,557)	(\$1,110,519)	(\$485,028)	\$1,767,783	\$4,005,523	\$8,266,426	\$11,706,539	\$15,219,197	\$16,330,847	\$20,352,751
Balance Subject to Interest	(\$47,779)	(\$1,027,151)	(\$800,342)	\$639,377	\$2,88,252	\$6,143,185	\$10,001,841	\$13,487,873	\$16,308,742	\$19,383,821
Interest	(\$2,354)	(\$5,136)	(\$4,002)	\$3,197	\$4,144	\$50,716	\$50,009	\$57,439	\$84,044	\$96,919
Ending RBA Balance	(\$943,911)	(\$1,115,655)	(\$489,030)	\$1,770,980	\$4,019,984	\$8,297,142	\$11,756,548	\$15,286,636	\$18,414,891	\$20,449,654
Target vs Actual Diff:										
Revenues as of 4th close December 2011	37,406,823	35,817,683	37,084,600	36,789,937	39,117,518	41,640,972	40,655,830	41,113,770	38,728,545	39,961,425
Billing adjustments	20,062	27,988	52,421	504	(1,793)	10,630	5,026	1,538	(5,178)	0
Revised revenues (Per WP-B-007)	37,426,885	35,845,631	37,147,021	36,780,441	39,115,725	41,651,602	40,660,856	41,115,308	38,723,367	39,961,425
2009 Refund	(32,588)	2,950	35,269	(695)	53	(18)	(5)	13	127	(10)
TY 2011 overcollection	0	0	0	0	0	0	0	0	170,112	38,542
Revised revenues	37,384,297	35,848,581	37,182,290	36,789,746	39,115,778	41,651,584	40,660,851	41,115,321	38,893,606	39,998,857
Target	36,452,740	35,681,973	37,812,917	39,046,599	41,350,321	45,888,046	44,070,248	44,577,970	41,937,817	41,937,817
(941,557)	(166,608)	630,627	2,256,813	2,234,543	4,246,462	3,492,649	3,409,397	3,452,649	3,044,211	1,937,850
Revised adjustment (dr) credit to revenue	(941,557)	(166,608)	630,627	2,256,813	2,234,543	4,246,462	3,492,649	3,409,397	3,452,649	3,044,211
RBA adjustment per annual filing	(974,145)	(163,659)	665,896	2,256,118	2,234,444	4,246,444	3,492,662	3,409,392	3,462,662	3,214,450
Adjustment (dr) credit to revenue	32,588	(2,950)	(35,269)	695	(53)	18	5	(13)	(170,239)	(38,532)
Revised interest	(2,354)	(5,136)	(4,002)	3,197	14,441	30,716	50,039	67,439	84,044	96,919
Interest per annual filing	(2,435)	(5,232)	(4,063)	3,222	14,485	30,740	50,033	67,463	84,493	97,887
Target	81	156	61	(25)	(24)	(24)	(24)	(24)	(449)	(968)

HECO-WP-B-002
(WITH SETTLEMENT)
PAGE 1 OF 1

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

Note (2):

In March 2012, the Company recorded a true-up adjustment to the RBA related to the TY 2011 overcollection accrual

in May 2012 the Company will record a true-up adjustment to the RBA related to the 2009 refund, including interest. The Company recalculated the RBA as of December 31, 2011, including interest, based on reflecting the billing adjustments in the number months incurred.

HECO-WP-B-002A
HAWAIIAN ELECTRIC COMPANY, INC.
MONTHLY FINANCIAL REPORT
MARCH 2012 2 MISC CUSTOMER BILLING ADJUSTMENTS

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

BA sec of 1234111

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(WITH SETTLEMENT)
PAGE 1 OF 1

amounts may not add due to rounding
Date: (2) In March 2012, the Company recorded an adjustment to the RBA retained in merchandise customer billing adjustments that were related to revenue recorded prior to March 2011 (the implementation of decoupling). The Company recalculated the REAs as of December 31, 2011, including interest, based on reflecting the billing adjustments in the proper month, incurred in March 2011, some of which were related to revenue recorded prior to March 2011 (the implementation of decoupling).

HECO-WP-B-006
HAWAIIAN ELECTRIC COMPANY, INC.
MONTHLY FINANCIAL REPORT
DEC 2012 ADJUSTMENT - TARGET REVENUE ADJUSTMENT

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Revised Jan-12	Revised Feb-12	Revised Mar-12	Revised Apr-12	Revised May-12	Revised Jun-12	Revised Jul-12	Revised Aug-12	Revised Sep-12	Revised Oct-12	Revised Nov-12	Total Target Revenue 6/12- 11/12
Monthly Target Revenue	\$41,125,462	\$41,125,462	\$40,152,722	\$43,255,064	\$43,980,356	\$45,538,102	\$46,940,073	\$45,011,146	\$45,528,707	\$42,833,187	\$269,832,571	Original Targets
Recorded Adjusted Revenue	\$36,950,598	\$31,387,090	\$38,184,942	\$41,640,204	\$42,028,456	\$43,328,298	\$43,445,423	\$41,324,182	\$41,324,182	\$38,638,624		
Target vs. Actual Revenue	\$3,160,011	(\$3,056,491)	\$2,503,820	\$1,708,684	\$6,036,153	\$4,828,156	\$8,611,175	\$5,565,723	\$4,205,545	\$4,194,563		
Reversal of Previous Year Accrual *	\$0	\$0	\$0	(\$1,546,140)	(\$1,611,187)	(\$1,611,187)	(\$1,619,477)	(\$1,619,477)	(\$1,619,477)	(\$1,540,056)		
Net RBA Change	\$1,600,117	(\$506,491)	\$2,503,820	\$1,788,684	\$1,614,860	\$1,614,860	\$1,614,860	\$1,614,860	\$1,614,860	\$1,614,860		
Beginning RBA Balance	\$20,110,151	\$21,814,819	\$21,416,136	\$24,033,096	\$25,926,367	\$27,674,886	\$32,311,269	\$35,500,894	\$39,620,231	\$43,616,476	\$46,585,703	
End Balance Before Interest	\$21,710,268	\$21,308,328	\$23,819,758	\$25,801,740	\$27,541,227	\$32,184,909	\$35,331,778	\$39,432,897	\$46,370,216	\$48,250,210		
Balance Subject to Interest	\$20,910,210	\$21,161,574	\$22,067,946	\$24,917,438	\$26,733,797	\$29,198,903	\$33,323,144	\$37,406,996	\$41,616,354	\$45,097,392	\$47,922,957	
Interest	\$104,551	\$107,308	\$113,340	\$124,387	\$133,968	\$149,800	\$189,116	\$187,334	\$208,092	\$225,487	\$239,915	
Ending RBA Balance	\$21,614,819	\$21,416,136	\$24,033,096	\$25,926,367	\$27,674,886	\$32,314,509	\$35,500,894	\$39,620,231	\$43,824,568	\$46,585,703	\$48,489,625	
Monthly Interest Booked												
Adjusted Monthly Target Revenue												
Recorded Adjusted Revenue												
Adjusted Target vs. Actual Revenue												
Reversal of Previous Year Accrual *												
Net RBA Change												
Beginning RBA Balance												
End Balance Before Interest												
Balance Subject to Interest												
Monthly Adjusted Interest												
Adjusted Ending RBA Balance												
Initial Monthly Interest Booked	\$149,600											
Adjusted Monthly Interest	\$149,585											
Monthly Interest Adjustment	(5)											

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

Note (2):
A manual true-up adjustment to the RBA, including interest, was recorded in December 2012. The adjustment was a result of revisions to the targeted revenues for the period June 2012 through November 2012.

AS PREVIOUSLY STATED

	Jun-12	Feb-12	Mar-12	Apr-12	May-12	June-12	July-12	Aug-12	Sep-12	Oct-12	Nov-12
Monthly Target Revenue	\$41,125,462	\$36,965,599	\$41,125,462	\$40,152,722	\$43,255,064	\$43,978,461	\$45,538,140	\$45,930,051	\$45,930,190	\$45,526,716	\$42,830,375
Recorded Adjusted Revenue	\$39,525,345	\$37,367,096	\$38,921,342	\$38,384,038	\$41,640,204	\$37,944,203	\$40,079,646	\$41,226,286	\$41,324,162	\$41,324,162	\$38,638,624
Target vs Actual Revenue	\$1,605,117	(\$506,491)	\$2,903,620	\$1,768,684	\$1,614,960	\$4,526,494	\$4,526,494	\$4,526,494	\$4,526,494	\$4,526,494	\$4,191,751
Reversal of Previous Year Accrual *	\$0	\$0	\$0	\$0	\$0	(\$1,546,140)	(\$1,611,187)	(\$1,611,187)	(\$1,611,187)	(\$1,611,187)	(\$1,546,089)
Net RBA Change	\$1,605,117	(\$506,491)	\$2,903,620	\$1,768,684	\$1,614,960	\$4,488,118	\$4,488,118	\$4,488,118	\$4,488,118	\$4,488,118	\$4,191,751
Beginning RBA Balance	\$20,110,150	\$21,114,618	\$24,035,986	\$25,928,357	\$27,674,836	\$32,312,669	\$35,971,017	\$39,814,308	\$39,814,308	\$39,814,308	\$36,542,959
End Balance Before Interest	\$22,710,267	\$23,319,756	\$25,921,740	\$27,541,227	\$26,731,438	\$32,183,014	\$33,820,263	\$37,497,008	\$37,497,008	\$37,497,008	\$36,358,311
Interest Subject to Interest	\$23,919,209	\$23,106,328	\$21,561,574	\$22,661,946	\$23,491,148	\$24,731,797	\$24,918,965	\$24,820,263	\$24,820,263	\$24,820,263	\$49,235,441
Interest	(\$504,551)	\$107,908	\$113,340	\$124,587	\$132,969	\$149,101	\$160,105	\$161,055	\$161,055	\$161,055	\$45,086,082
Ending RBA Balance	\$21,614,319	\$21,216,136	\$24,035,986	\$25,928,357	\$27,541,227	\$32,312,669	\$35,971,017	\$39,814,308	\$39,814,308	\$39,814,308	\$36,358,311
Interest vs Actual Diff Revenues - unadjusted	\$39,525,345	\$37,367,096	\$38,921,342	\$38,384,038	\$41,640,204	\$41,944,203	\$40,909,646	\$41,324,162	\$41,324,162	\$41,324,162	\$38,638,624
Customer 1 Adjustment	(\$95)	(\$98)	(\$90)	(\$85)	(\$85)	0	0	0	0	0	0
Customer 2 Adjustment	(\$95)	(\$114)	(\$93)	(\$95)	(\$95)	0	0	0	0	0	0
Customer 3 Adjustment	(\$93)	(\$114)	(\$94)	(\$95)	(\$95)	0	0	0	0	0	0
Revised revenues	39,525,004	37,366,788	38,921,342	38,384,768	41,640,042	37,944,096	40,908,538	41,324,162	41,324,162	41,324,162	38,638,624
Target	41,125,462	36,960,598	41,125,462	40,152,722	43,255,064	43,978,461	45,538,140	45,930,051	45,930,190	45,526,716	42,830,375
L-10	1,6 x 5% * 12										
L-11	L-1 + L-9										

AS REVISED

	Revised Jnn-12	Revised Feb-12	Revised Mar-12	Revised Apr-12	Revised May-12	Revised June-12	Revised July-12	Revised Aug-12	Revised Sep-12	Revised Oct-12	Revised Nov-12	Dec-12
Monthly Target Revenue	\$41,125,462	\$38,960,599	\$41,125,462	\$40,152,722	\$43,255,064	\$43,978,461	\$45,538,140	\$46,930,051	\$46,930,190	\$45,526,716	\$42,830,375	\$42,830,375
Recorded Adjusted Revenue	\$39,525,084	\$37,366,783	\$38,921,342	\$38,384,038	\$41,640,042	\$39,944,096	\$40,908,538	\$41,324,162	\$41,324,162	\$41,324,162	\$38,638,624	\$40,179,114
Target vs Actual Revenue	\$1,605,378	(\$506,184)	\$2,903,620	\$1,768,684	\$1,614,960	\$4,526,602	\$4,526,602	\$4,526,602	\$4,526,602	\$4,526,602	\$4,191,751	\$2,351,281
Reversal of Previous Year Accrual *	\$0	\$0	\$0	\$0	\$0	(\$1,546,140)	(\$1,611,187)	(\$1,611,187)	(\$1,611,187)	(\$1,611,187)	(\$1,546,089)	(\$1,546,089)
Net RBA Change	\$1,605,378	(\$506,184)	\$2,903,620	\$1,768,684	\$1,614,960	\$4,488,225	\$4,488,225	\$4,488,225	\$4,488,225	\$4,488,225	\$4,191,751	\$1,659,381
Beginning RBA Balance	\$20,112,215	\$21,117,867	\$24,036,986	\$25,928,357	\$27,674,836	\$32,312,669	\$35,971,017	\$39,814,308	\$39,814,308	\$39,814,308	\$36,542,959	\$36,542,959
End Balance Before Interest	\$22,710,267	\$23,319,756	\$25,921,740	\$27,541,227	\$26,731,438	\$32,183,014	\$33,820,263	\$37,497,008	\$37,497,008	\$37,497,008	\$36,358,311	\$36,358,311
Interest Subject to Interest	\$23,919,209	\$23,106,328	\$21,561,574	\$22,661,946	\$23,491,148	\$24,731,797	\$24,918,965	\$24,820,263	\$24,820,263	\$24,820,263	\$49,235,441	\$49,235,441
Interest	(\$504,551)	\$107,908	\$113,340	\$124,587	\$132,969	\$149,101	\$160,105	\$161,055	\$161,055	\$161,055	\$45,086,082	\$45,086,082
Ending RBA Balance	\$21,614,319	\$21,216,136	\$24,035,986	\$25,928,357	\$27,541,227	\$32,312,669	\$35,971,017	\$39,814,308	\$39,814,308	\$39,814,308	\$36,358,311	\$36,358,311
Interest vs Actual Diff Revenues - unadjusted	\$39,525,004	\$37,366,788	\$38,921,342	\$38,384,768	\$41,640,042	37,944,096	40,908,538	41,324,162	41,324,162	41,324,162	38,638,624	(\$1,659)
Customer 1 Adjustment	(\$95)	(\$98)	(\$90)	(\$85)	(\$85)	0	0	0	0	0	0	0
Customer 2 Adjustment	(\$95)	(\$114)	(\$93)	(\$95)	(\$95)	0	0	0	0	0	0	0
Customer 3 Adjustment	(\$93)	(\$114)	(\$94)	(\$95)	(\$95)	0	0	0	0	0	0	0
Revised revenues	39,525,004	37,366,788	38,921,342	38,384,768	41,640,042	37,944,096	40,908,538	41,324,162	41,324,162	41,324,162	38,638,624	(\$1,659)
Target	41,125,462	36,960,598	41,125,462	40,152,722	43,255,064	43,978,461	45,538,140	46,930,051	46,930,190	45,526,716	42,830,375	(\$1,659)
L-10	1,6 x 5% * 12	1,6 x 5% * 12	1,6 x 5% * 12	1,6 x 5% * 12	1,6 x 5% * 12	1,6 x 5% * 12	(\$1,659)					
L-11	L-1 + L-9	L-1 + L-9	L-1 + L-9	L-1 + L-9	L-1 + L-9	L-1 + L-9	(\$1,659)					

Revised adjustment (d) credit to revenue	\$1,600,378	(\$506,184)	\$2,603,867	\$1,768,933	\$1,614,050	\$6,034,365	\$4,626,602	\$5,668,882	\$5,662,840	\$4,202,556	\$4,191,751	Total RBA Adjustment
RBA adjustment recorded (d) credit to revenue	\$1,600,117	(\$506,491)	\$2,603,620	247	249	162	107	108	129	73	0	0
Adjustment credit to revenue	281	307										
Revised interest	104,562	107,920	113,354	124,602	133,685	149,162	160,119	187,328	206,074	225,454	236,567	(\$1,659)
Interest recorded	\$104,551	\$107,898	\$113,340	\$124,587	\$133,689	\$149,156	\$160,101	\$187,310	\$208,055	\$225,435	\$236,548	(\$1,659)
Interest vs Actual Revenue	11	12	14	15	16	17	18	19	19	19	19	(\$1,659)

Interest Income 2012 = 178

Dr RBA

Cr Interest Income - RBA

J.E. #P00105002

Total RBA Adjustment

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Hawaiian Electric Company, Inc.
 Recovery of 12/31/11 RBA Balance

	2012						
	June	July	August	September	October	November	December
Billed RBA Revenues	884,514	2,067,685	2,702,750	2,384,906	2,324,641	2,336,010	2,160,393
Net Unbilled Revenues	1,342,777	253,309	(282,954)	(123,997)	66,523	(117,483)	132,070
Total billed + Unbilled	2,227,291	2,320,994	2,419,796	2,260,909	2,391,164	2,218,527	2,292,463
x % Share for RBA	0.76187175	0.76187175	0.76187175	0.76187175	0.76187175	0.76187175	0.76187175
RBA Revenues (Recovery of 12/31/11 RBA balance)	1,696,910	1,768,300	1,843,574	1,722,523	1,821,760	1,690,233	1,746,563
	<i>Schedule 82</i>						
Less: Revenue Taxes	(150,770)	(157,113)	(163,802)	(153,046)	(161,863)	(150,177)	(155,182)
RBA Revenues (Recovery of 12/31/11 RBA Balance), net of Revenue Taxes	1,546,140	1,611,186	1,679,773	1,569,477	1,659,897	1,540,056	1,591,381
	<i>Schedule B</i>						

* Differences are due to rounding

Note 1: RBA rate adjustment revenues per the Billed reports and Unbilled reports include both RBA and RAM revenues. Therefore, an allocation % is utilized to determine RBA revenues.

Note 2:

RBA Rate Adjustment Allocation for June 1, 2012 - May 31, 2013:

RBA Rate Adjustment effective June 1, 2012	a	0.3894 Transmittal No. 12-02 (Decoupling) - RBA Rate Adjustment (Filed May 23, 2012) cents per kWh
Revenue for RBA Balance	b	22,443,506 Transmittal No. 12-02 (Decoupling) - RBA Rate Adjustment (Filed May 23, 2012)
Revenue for RAM Revenue Adjustment	c	<u>7,014,872</u> Transmittal No. 12-02 (Decoupling) - RBA Rate Adjustment (Filed May 23, 2012)
Total RBA Revenue Adjustment	d	29,458,378
Percentage share for RBA Balance	e = b/d	0.76187175
RBA Rate Adjustment for RBA Balance	f = a x e	0.29667286 cents per kWh
RBA Rate Adjustment for RAM Revenue Adjustment	g = a - f	0.09272714 cents per kWh

HAWAIIAN ELECTRIC COMPANY, INC.
 December 2012 - Correction to Dec RBA calculation

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

		Corrected		
		<u>Dec-12</u>	<u>Dec-12</u>	Difference
L1	Monthly Target Revenue	\$42,830,375	\$42,830,375	
L2	Recorded Adjusted Revenue	\$40,479,114	\$40,489,827	
L3 L1 - L2	Target vs. Actual Revenue	\$2,351,261	\$2,340,548	(\$10,713) adjustment
L4	Reversal of Previous Year Accrual	(\$1,591,381)	(\$1,591,381)	
L5 L4 + L3	Net RBA Change	\$759,880	\$749,167	
L6	Beginning RBA Balance	\$49,478,876	\$49,478,876	
L7 L6 + L5	End Balance Before Interest	\$50,238,756	\$50,228,043	
L8 (L6 + L7) + 2	Balance Subject to Interest	\$49,858,816	\$49,853,460	
L9 L8 x 6% + 12	Interest income/(expense)	\$249,294	\$249,267	(\$27) adjustment
L10 L7 + L9	Ending RBA Balance	\$50,488,050	\$50,477,310	(\$10,740) total adjustment to RBA balance

Note (1):

The December RBA calculation was revised to add back C&C unmetered revenues to recorded adjusted revenues.

Hawaiian Electric Company, Inc.

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)

Increase effective	Increase Amount (a)	Wage Rate With Increase (b) prev (b) + (a)	Labor Cost Escalation Rate (c)	
			(b) / prev (b) -1	
1.00	1.75% 1/1/2011	0.0175	1.0175	
	2.50% 1/1/2012	0.0250	1.0425	0.0246 2.46%
	3.00% 1/1/2013	0.0300	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-			
	Real GDP (Chained) (2005 \$)	1 GDP Price Index	2 GDP (Cur. \$)	3 Nominal GDP	4 Consumer Price Index	5 Indust. Prod.	6 Dis. Pers. (Total) (2005 \$)	7 Personal Income (2005 \$)	8 Non-Res. Cons. Exp.	9 Corp. Fix. Inv. (Cur. \$)	10 Treas. Bds	11 Treas. Notes	12 Unempl. Rate	13 Housing Starts	14 Auto&Light Truck Sales (Mds.)				
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	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	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	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 (Micrometrics)	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	H	-372.9		
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	0.1	2.1	7.7	na	na	-424.0				
Daiba 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	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	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 MorganChase	1.5	1.6	3.1	1.6	2.0	0.5	1.3	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	0.1	2.0	8.0	0.98	14.4	L	-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.																15.2	-404.8		
Top 10 Avg																15.8	-378.8		
Bottom 10 Avg																14.8	-432.1		
January Avg																15.0	-397.8		
Historical data: 2009																10.4	-355.2		
2010																11.6	-419.7		
2011																12.7	-408.0		
2012																14.4	-405.6		
Number Of Forecasts Changed From A Month Ago:																			
Down																35			
Same																6			
Up																13			
February Median																14.4	-404.5		

Hawaiian Electric Company, Inc.
 CIP CT-1 in 2013 RAM Calculations
 HECO Summary
 (\$ in 000's)

Line	Description	Rate Base			Rate Base		
		CIP CT-1 Cost		2013 Activities		CIP CT-1 Cost	
		Recoverable at 12/31/12 (Note 2)	Additions (5 months) (Note 2)	Amortization (7 months) (Note 1)	Net Change	Recoverable at 12/31/13	
1	Depreciation deferral	\$ 1,165		\$ (113)	\$ (113)	\$ 1,052	
2	Carrying charge (AFUDC)	3,281		(319)	(319)	2,962	
3 = 1 + 2		4,446		(432)	(432)	4,014	
4	Depreciation deferral		343	(33)	309	309	
5	January 1-May 31, 2013 (Note 1)						
6	Carrying charge (AFUDC)		937	(91)	846	846	
7	January 1-May 31, 2013 (Note 1)						
8 = 5 + 7		-	1,280	(124)	1,155	1,155	
9 = 3 + 8	CIP CT-1 deferred costs recoverable	\$ 4,446	\$ 1,280	\$ (557)	\$ 723	\$ 5,169	

(1)

Amortized over 6 years, per Exhibit 1, page 1 of 3 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.

(2) See calculation at page 2.

Hawaiian Electric Company, Inc.
 CIP CT-1 Regulatory Asset Summary

Per Settlement (WP for Exh. 3 CT-1)					
Depreciation Deferral	AFUDC Equity	AFUDC Debt	AFUDC Debt/Equity	Additional Debt	
Jul-11	38,826	130,036	55,232	185,268	-
Aug-11	65,966	129,070	54,642	183,712	-
Sep-11	65,966	123,391	52,589	175,980	207,198
Oct-11	65,967	127,450	54,134	181,584	68,731
Nov-11	65,966	129,944	55,193	185,137	69,634
Dec-11	65,967	128,200	54,452	182,652	70,019
2011 Total	368,658	768,091	326,242	1,094,333	415,582
Jan-12	43,188	129,600	59,425	189,025	69,646
Feb-12	68,506	132,130	60,619	192,749	71,001
Mar-12	68,506	134,216	61,575	195,791	72,123
Apr-12	68,506	131,613	60,381	191,994	70,723
May-12	68,506	132,204	60,653	192,857	71,041
Jun-12	68,506	131,076	60,135	191,211	70,435
Jul-12	68,506	131,300	60,237	191,537	70,556
Aug-12	68,506	126,055	53,260	179,315	50,010
Sep-12	68,506	128,243	53,339	179,582	50,084
Oct-12	68,506	128,405	53,407	179,812	50,148
Nov-12	68,506	151,242	64,199	215,441	61,152
Dec-12	68,506	131,641	55,620	187,261	52,225
2012 Total	796,754	1,583,725	702,850	2,286,575	759,144
Jan-13	68,506	138,009	58,328	196,337	68,472
Feb-13	68,506	138,535	58,550	197,085	68,733
Mar-13	68,506	139,082	58,782	197,864	69,005
Apr-13	68,506	139,633	59,014	198,647	69,278
May-13	68,506	140,187	59,249	199,436	69,553
2013 Total	342,530	695,446	293,923	989,369	345,041
Total Deferred	1,507,942	3,047,262	1,323,015	4,370,277	1,519,767

REVISED (ADJUSTED) - Note 1					
Depreciation Deferral	AFUDC Equity	AFUDC Debt	AFUDC Debt/Equity	Additional Debt	
Jul-11	38,826	130,036	55,232	185,268	-
Aug-11	65,966	129,070	54,642	183,712	-
Sep-11	65,966	123,391	52,589	175,980	207,198
Oct-11	65,967	127,450	54,134	181,584	68,731
Nov-11	65,966	129,944	55,193	185,137	69,634
Dec-11	65,967	128,200	54,452	182,652	70,019
2011 Total	368,658	768,091	326,242	1,094,333	415,582
Jan-12	43,188	126,625	58,060	184,685	-
Feb-12	68,506	126,171	57,884	184,055	67,799
Mar-12	68,506	126,660	58,109	184,769	68,062
Apr-12	68,506	127,153	58,335	185,488	68,327
May-12	68,506	127,648	58,562	186,210	68,593
Jun-12	68,506	128,147	58,791	186,938	68,861
Jul-12	68,506	128,649	59,021	187,670	69,131
Aug-12	68,506	123,787	52,301	176,088	49,110
Sep-12	68,506	124,248	52,496	176,744	49,293
Oct-12	68,506	124,686	52,681	177,367	49,466
Nov-12	68,506	125,127	52,868	177,995	49,641
Dec-12	68,506	125,571	53,055	178,626	49,817
2012 Total	796,754	1,514,472	672,163	2,185,635	658,100
Jan-13	68,506	131,975	53,997	185,972	63,583
Feb-13	68,506	132,492	54,208	186,700	63,832
Mar-13	68,506	133,026	54,426	187,452	64,090
Apr-13	68,506	133,563	54,646	188,210	64,349
May-13	68,506	134,104	54,868	188,972	64,609
2013 Total	342,530	665,160	272,146	937,306	320,463
Total Deferred	1,507,942	2,947,723	1,270,551	4,218,274	1,394,145

Depreciation deferral	as of	Jan - May	as of
	12/31/2012	2013	5/31/2013
AFUDC (Equity)	2,351,816	695,446	3,047,262
AFUDC (Debt)	1,029,092	293,923	1,323,015
Carrying Charge (AFUDC)	3,380,908	989,369	4,370,277
AFUDC (Debt)	1,029,092	293,923	1,323,015
AFUDC (Additional Debt)	1,174,726	345,041	1,519,767
Full Debt	2,203,818	638,964	2,842,782

Depreciation deferral	as of	Jan - May	as of
	12/31/2012	2013	5/31/2013
AFUDC (Equity)	2,282,563	665,160	2,947,723
AFUDC (Debt)	998,405	272,146	1,270,551
Carrying Charge (AFUDC)	3,280,968	937,306	4,218,274
AFUDC (Debt)	998,405	272,146	1,270,551
AFUDC (Additional Debt)	1,073,682	320,463	1,394,145
Full Debt	2,072,087	592,609	2,664,696

(1) Subsequent to the 2012 year end, it was noted that the 12/31/2012 ADIT balance used in the CIP CT-1 Carrying Charge Calculation that was presented in the Stipulated Settlement was incorrectly stated at \$2,903,781, due to a spreadsheet formula error that excluded the 2009 ADIT. The corrected amount is \$4,255,163 (see p.7, Def Tax for additional information). The entire 2012 Carrying Charge was recalculated using the revised corrected amount resulting in a reduction to the 2012 carrying charge and the estimated 2013 carrying charge as indicated above.

Hawaiian Electric Company, Inc.
Monthly Major Projects - CIP CT-1

	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011
	CIP CT-1	Change	CIP CT-1	Change	CIP CT-1	Change	CIP CT-1
Total Project Cost	195,051,054		194,748,343		194,749,343		194,773,708
(+) Less: NRNE (improvised) Costs	(20,311)						164,926,577
Begunning Month's Capital Costs							
Current Month's Capital Costs							
Ending Month's Capital Costs							
Amount reduced in rates							
Gross Capital Cost in excess of Commission - approved amount	31,463,992		31,471,385		31,473,912		31,494,057
Gross Capital Cost in excess of Commission - approved amount	31,463,992	4,893	31,471,385	2,527	31,491,098	2,958	31,494,057
(-) Less: related accumulated depreciation	(64,967)	(38,826)	(74,577)	(65,670)	(74,872)	(65,966)	(31,649,826)
related ADT	(2,830,300)	(44,389)	(3,004,967)	(83,933)	(3,088,440)	(83,933)	(3,088,450)
related unamortized ITC	111	111	111	70	70	70	(547,960)
regulatory asset - depreciation expense							(1,303,450)
(+) Add: regulatory asset - carrying charge of AFUDC desirability component							(27)
(+) Add: AFUDC desirability component							(3,920)
(+) Equal: Total basis for calculating carrying charge	27,041,006		(169,773)	27,777,233	100,907	102,021	103,049
Average Capital Cost base for calculating carrying charge							
(+) Monthly: Rate equivalent to AFUDC / 12							28,395,621
(+) Equal: Monthly carrying charge							0,000541
Monthly Carrying Charge Breakdown							
AFUDC - Debt	54,331		54,264		54,068		54,861
AFUDC - Equity	177,615		177,557		177,201		178,052
Total AFUDC (as calculated)	182,246		182,021		181,358		183,354
AFUDC - Debt (prior adjustment)	-		(901)		(1,279)		14
AFUDC - Equity (prior adjustment)	-		(3,022)		(3,434)		34
Prior months' adjustments that should be recorded							(57)
AFUDC - Debt (revised adjustment)	54,331		53,363		52,787		53,371
AFUDC - Equity (revised adjustment)	127,915		125,638		123,857		120,304
Revised Total AFUDC (that should be recorded)	182,246		178,958		176,645		183,354
AFUDC - Debt (what was recorded)	55,232		54,842		52,589		54,432
AFUDC - Equity (what was recorded)	130,036		129,070		123,391		128,290
Total Recorded AFUDC (via JE) during the month	185,268		183,712		175,950		182,832
AFUDC - Debt (adjustment for following month)	(001)		(2,278)		198		(1517)
AFUDC - Equity (adjustment for following month)	(2,021)		(4,343)		406		(1,217)
Adjustment that should be reflected on the following month							947
True-Up AFUDC - Debt (prior adjustment)	69,210		68,124		68,872		68,130
True-Up AFUDC - Debt (what was recorded)	69,210		68,333		68,333		68,333
True-Up AFUDC - Debt (what was recorded)	69,210		68,206		68,332		68,332
True-Up AFUDC - Debt (adjustment for the following month)	69,210		68,198		68,331		68,331
True-Up AFUDC - Debt (adjustment for the following month)	69,210		68,198		68,331		68,331
Less (NRNE Cost)							53
	24,206		194,746,343	4,693	194,751,036	2,527	194,773,707

	Capital Start	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011
	CIP CT-1	Change	CIP CT-1	Change	CIP CT-1	Change	CIP CT-1	Change
P0001050	7,675,981	0	7,604,217	0	7,584,217	0	7,564,217	0
P0001050	3,487,520		3,603,555	4,693	3,608,448	3,008,248	3,608,851	3,608,851
P0001052	80,1567	2,585	80,6162	0	80,6162	0	80,6162	0
P0001052	1,008,975		1,006,875	0	1,009,875	0	1,009,875	0
P0001084	688,194	-	688,194	0	688,194	0	688,194	0
P0001134	753,115	-	753,115	0	753,115	0	753,115	0
P0001135	1,933,837	137,896	1,933,837	0	1,933,837	0	1,933,837	0
P0001136	212,615	39,682	225,087	0	225,087	0	225,087	0
P0001137	4,657,924	-	4,657,924	0	4,657,924	0	4,657,924	0
P0001340	1,261,761	-	1,261,761	0	1,261,761	0	1,261,761	0
P0001585	3,046,322	-	3,046,322	0	3,046,322	0	3,046,322	0
P0001840	7,107,036	-	7,107,036	0	7,107,036	0	7,107,036	0
P0001841	10,127,436	18,533	16,145,869	2,327	16,145,869	17,198	16,145,869	17,198
P4900000	(30,711)	0	(30,711)	0	(30,711)	0	(30,711)	0
Less (NRNE Cost)								
	184,722,057		194,746,343	4,693	194,751,036	2,527	194,773,707	2,526

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Hawaiian Electric Company, Inc.

Major Projects: CIP CT-1

Monthly Carrying Charge Calculation

January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012
CIP CT-1								
Change								
194,929,577	194,929,577	194,929,577	194,928,577	194,929,577	194,929,577	194,929,577	194,929,577	194,929,577
-194,929,577	-194,929,577	-194,929,577	-194,929,577	-194,929,577	-194,929,577	-194,929,577	-194,929,577	-194,929,577
163,280,000	163,280,000	163,280,000	163,280,000	163,280,000	163,280,000	163,280,000	163,280,000	163,280,000
31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577
31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577	31,649,577
(1,958,815) (1,958,815)	(1,958,815) (1,958,815)	(1,958,815) (1,958,815)	(1,958,815) (1,958,815)	(1,958,815) (1,958,815)	(1,958,815) (1,958,815)	(1,958,815) (1,958,815)	(1,958,815) (1,958,815)	(1,958,815) (1,958,815)
(3,456,321) (3,456,321)	(3,456,321) (3,456,321)	(3,456,321) (3,456,321)	(3,456,321) (3,456,321)	(3,456,321) (3,456,321)	(3,456,321) (3,456,321)	(3,456,321) (3,456,321)	(3,456,321) (3,456,321)	(3,456,321) (3,456,321)
234	234	234	234	234	234	234	234	234
411,846	411,846	411,846	411,846	411,846	411,846	411,846	411,846	411,846
68,506	480,352	68,506	480,352	68,506	480,352	68,506	480,352	68,506
1,995,682	1,993,336	1,279,018	184,055	1,463,073	184,758	1,687,842	185,488	1,833,310
26,600,163	110,928	28,711,092	111,294	28,822,386	112,206	28,934,792	112,927	29,047,718
28,543,654	0,006473	28,768,439	0,006473	28,804,223	0,006473	28,981,255	0,006473	29,104,542
183,336	184,055	184,055	184,055	184,055	184,055	184,055	184,055	184,055
57,668	125,672	57,854	58,104	58,335	58,462	58,701	59,021	59,261
125,672	125,672	126,171	126,980	127,153	127,658	128,447	129,240	129,664
125,672	125,672	126,171	126,980	127,153	127,658	128,447	129,240	129,664
133,545	134,055	134,498	135,495	135,495	135,495	135,495	135,495	135,495
402	527	(1,365) (2,075)	(4,340) (13,034)	(4,400) (16,450)	(7,545) (24,056)	(9,611) (29,950)	(11,702) (30,562)	(13,791) (32,056)
1,349	527	(1,365) (2,075)	(4,340) (13,034)	(4,400) (16,450)	(7,545) (24,056)	(9,611) (29,950)	(11,702) (30,562)	(13,791) (32,056)
58,060	126,625	56,520	54,010	50,770	48,951	47,088	45,976	43,726
123,195	117,285	110,853	110,853	117,285	108,658	102,944	100,214	92,101
184,605	179,715	60,189	61,375	61,375	60,189	60,135	60,237	60,237
129,800	132,130	131,613	132,216	131,613	132,204	131,678	131,300	131,300
168,025	192,749	191,924	185,791	191,924	192,857	191,211	181,537	179,812
1,340	67,769	68,002	68,337	68,563	68,563	68,131	68,131	68,131
65,534	65,534	65,534	65,534	65,534	65,534	65,461	65,461	65,461
513	504	(4,401) (6,862)	(6,862) (16,202)	(7,545) (11,258)	(8,692) (11,258)	(9,611) (11,258)	(10,704) (11,258)	(11,794) (11,258)
65,047	65,047	64,200	62,200	59,495	57,396	53,155	53,405	53,405
69,846	71,001	71,001	72,121	70,723	70,413	70,594	50,010	50,010
(1,5359)	(1,5359)	(1,5359)	(1,5359)	(1,5359)	(1,5359)	(1,5359)	(1,5359)	(1,5359)
194,929,576	194,929,576	194,929,576	194,929,576	194,929,576	194,929,576	194,929,576	194,929,576	194,929,576

January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012
CIP CT-1	CIP CT-1	CIP CT-1	CIP CT-1	CIP CT-1	CIP CT-1	CIP CT-1	CIP CT-1	CIP CT-1
Change	Change	Change	Change	Change	Change	Change	Change	Change
7,804,217	0	7,804,217	0	7,804,217	0	7,804,217	0	7,804,217
3,608,151	0	3,608,151	0	3,608,151	0	3,608,151	0	3,608,151
608,162	0	608,162	0	608,162	0	608,162	0	608,162
1,809,875	0	1,809,875	0	1,809,875	0	1,809,875	0	1,809,875
668,194	0	668,194	0	668,194	0	668,194	0	668,194
753,115	0	753,115	0	753,115	0	753,115	0	753,115
1,933,837	0	1,933,837	0	1,933,837	0	1,933,837	0	1,933,837
252,087	0	252,087	0	252,087	0	252,087	0	252,087
4,857,924	0	4,857,924	0	4,857,924	0	4,857,924	0	4,857,924
1,26,761	0	1,26,761	0	1,26,761	0	1,26,761	0	1,26,761
3,046,322	0	3,046,322	0	3,046,322	0	3,046,322	0	3,046,322
7,107,036	0	7,107,036	0	7,107,036	0	7,107,036	0	7,107,036
161,323,906	0	161,323,906	0	161,323,906	0	161,323,906	0	161,323,906
(303,711)	0	(303,711)	0	(303,711)	0	(303,711)	0	(303,711)
194,929,576	0	194,929,576	0	194,929,576	0	194,929,576	0	194,929,576

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Hawaiian Electric Company, Inc.
Net Meter Projects CIP CT-1
Monthly Carrying Charge Calculation

Change	CIP CT-1	December 2012	CIP CT-1	Change	CIP CT-1	January 2013	CIP CT-1	Change	CIP CT-1	February 2013	CIP CT-1	Change	CIP CT-1	March 2013	CIP CT-1	Change	CIP CT-1	April 2013	CIP CT-1	Change	CIP CT-1	May 2013	CIP CT-1
194,928,577		194,928,577		194,929,577		194,929,577		-	194,929,577		194,929,577		-	194,929,577		-	194,929,577		194,929,577		194,929,577		
194,928,577		194,928,577		194,928,577		194,928,577		-	194,928,577		194,928,577		-	194,928,577		-	194,928,577		194,928,577		194,928,577		
165,250,000		165,250,000		165,250,000		165,250,000		-	165,250,000		165,250,000		-	165,250,000		-	165,250,000		165,250,000		165,250,000		
31,649,577		31,649,577		31,649,577		31,649,577		-	31,649,577		31,649,577		-	31,649,577		-	31,649,577		31,649,577		31,649,577		
31,649,577		31,649,577		31,649,577		31,649,577		-	31,649,577		31,649,577		-	31,649,577		-	31,649,577		31,649,577		31,649,577		
(68,506)		(68,506)		(68,506)		(68,506)		(68,506)		(68,506)		(68,506)		(68,506)		(68,506)		(68,506)		(68,506)		(68,506)	
(172,840)		(172,840)		(172,840)		(172,840)		(172,840)		(172,840)		(172,840)		(172,840)		(172,840)		(172,840)		(172,840)		(172,840)	
78		78		78		78		78		78		78		78		78		78		78		78	
68,506		68,506		68,506		68,506		68,506		68,506		68,506		68,506		68,506		68,506		68,506		68,506	
1,096,866		1,096,866		1,096,866		1,096,866		1,096,866		1,096,866		1,096,866		1,096,866		1,096,866		1,096,866		1,096,866		1,096,866	
177,387		177,387		177,387		177,387		177,387		177,387		177,387		177,387		177,387		177,387		177,387		177,387	
2,924,350		2,924,350		2,924,350		2,924,350		2,924,350		2,924,350		2,924,350		2,924,350		2,924,350		2,924,350		2,924,350		2,924,350	
104,405		104,405		104,405		104,405		104,405		104,405		104,405		104,405		104,405		104,405		104,405		104,405	
29,703,364		29,703,364		29,703,364		29,703,364		29,703,364		29,703,364		29,703,364		29,703,364		29,703,364		29,703,364		29,703,364		29,703,364	
29,650,961		29,650,961		29,650,961		29,650,961		29,650,961		29,650,961		29,650,961		29,650,961		29,650,961		29,650,961		29,650,961		29,650,961	
0,006,003		0,006,003		0,006,003		0,006,003		0,006,003		0,006,003		0,006,003		0,006,003		0,006,003		0,006,003		0,006,003		0,006,003	
-17,344		-17,344		-17,344		-17,344		-17,344		-17,344		-17,344		-17,344		-17,344		-17,344		-17,344		-17,344	
115,024		115,024		115,024		115,024		115,024		115,024		115,024		115,024		115,024		115,024		115,024		115,024	
52,859		52,859		52,859		52,859		52,859		52,859		52,859		52,859		52,859		52,859		52,859		52,859	
175,177		175,177		175,177		175,177		175,177		175,177		175,177		175,177		175,177		175,177		175,177		175,177	
177,945		177,945		177,945		177,945		177,945		177,945		177,945		177,945		177,945		177,945		177,945		177,945	
(18,748)		(18,748)		(18,748)		(18,748)		(18,748)		(18,748)		(18,748)		(18,748)		(18,748)		(18,748)		(18,748)		(18,748)	
(37,058)		(37,058)		(37,058)		(37,058)		(37,058)		(37,058)		(37,058)		(37,058)		(37,058)		(37,058)		(37,058)		(37,058)	
(53,856)		(53,856)		(53,856)		(53,856)		(53,856)		(53,856)		(53,856)		(53,856)		(53,856)		(53,856)		(53,856)		(53,856)	
38,079		38,079		38,079		38,079		38,079		38,079		38,079		38,079		38,079		38,079		38,079		38,079	
88,059		88,059		88,059		88,059		88,059		88,059		88,059		88,059		88,059		88,059		88,059		88,059	
124,138		124,138		124,138		124,138		124,138		124,138		124,138		124,138		124,138		124,138		124,138		124,138	
64,189		64,189		64,189		64,189		64,189		64,189		64,189		64,189		64,189		64,189		64,189		64,189	
151,242		151,242		151,242		151,242		151,242		151,242		151,242		151,242		151,242		151,242		151,242		151,242	
215,441		215,441		215,441		215,441		215,441		215,441		215,441		215,441		215,441		215,441		215,441		215,441	
(91,303)		(91,303)		(91,303)		(91,303)		(91,303)		(91,303)		(91,303)		(91,303)		(91,303)		(91,303)		(91,303)		(91,303)	
49,641		49,641		49,641		49,641		49,641		49,641		49,641		49,641		49,641		49,641		49,641		49,641	
(19,077)		(19,077)		(19,077)		(19,077)		(19,077)		(19,077)		(19,077)		(19,077)		(19,077)		(19,077)		(19,077)		(19,077)	
30,564		30,564		30,564		30,564		30,564		30,564		30,564		30,564		30,564		30,564		30,564		30,564	
61,152		61,152		61,152		61,152		61,152		61,152		61,152		61,152		61,152		61,152		61,152		61,152	
(30,568)		(30,568)		(30,568)		(30,568)		(30,568)		(30,568)		(30,568)		(30,568)		(30,568)		(30,568)		(30,568)		(30,568)	
1,261,781		1,261,781		1,261,781		1,261,781		1,261,781		1,261,781		1,261,781		1,261,781		1,261,781		1,261,781		1,261,781		1,261,781	
3,046,322		3,046,322		3,046,322		3,046,322		3,046,322		3,046,322		3,046,322		3,046,322		3,046,322		3,046,322		3,046,322		3,046,322	
7,107,036		7,107,036		7,107,036		7,107,036		7,107,036		7,107,036		7,107,036		7,107,036		7,107,036		7,107,036		7,107,036		7,107,036	
161,323,906		161,323,906		161,323,906		161,323,906		161,323,906		161,323,906		161,323,906		161,323,906		161,323,906		161,323,906		161,323,906		161,323,906	
(303,711)		(303,711)		(303,711)		(303,711)		(303,711)		(303,711)		(303,711)		(303,711)		(303,711)		(303,711)		(303,711)		(303,711)	
194,626,576		194,626,576		194,626,576		194,626,576		194,626,576		194,626,576		194,626,576		194,626,576		194,626,576		194,626,576		194,626,576		194,626,576	

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Hawaiian Electric Company, Inc.
 Major Projects: CIP CT-1
 A/D Adjustment & AFUDC Rates

	Original CIP CT-1	Difference CIP CT-1	Excess Revised CIP CT-1	Annual Depreciation for entire (incl. Excess) CIP CT-1
Accumulated Depreciation Adjustment				
Total Project Cost (as of Dec 31, 2010)	132,912,182	Note 1		
Amount included in rates	161,469,776			
	31,442,406			
Depreciation Expense				
2011 Depr Exp (Jan - Jul)	465,906			
2011 Depr Exp (Monthly)	38,828			
Rev 2011 Depr Exp (Aug - Dec)	791,597	(197,279)	594,318	
Rev 2011 Depr Exp (Monthly)	65,966	(16,440)	49,527	
2012 Depr Exp (Jan - Dec)			822,074	
2012 Depr Exp (Monthly)			68,506	
2013 Depr Exp (Jan - Dec)			822,074	4,680,678
2013 Depr Exp (Monthly)			68,506	390,057
Accumulated Depreciation				
2010 Accum Depr (12/31/11)	412,014	955	412,969	
2011 Depr Exp (Jan - Jun)	232,953	64,206	297,159	
Total Accum Depr (6/30/11)	644,967	65,161	710,128	
2011 Depr Exp (Jul)	38,828	10,701	49,527	
Total Accum Depr (7/31/11)	683,793	75,862	758,655	
2011 Depr Exp (Aug - Dec)	329,832	(82,200)	247,632,50	
Total Accum Depr (12/31/11)	1,013,625	(6,338)	1,007,287	
2012 Depr Exp (Jan)	43,189		49,527	
Total Accum Depr (1/31/12)			1,056,814	
2012 Depr Exp (Feb-Dec)			753,568	
Total Accum Depr (12/31/12)			1,810,381	
2013 Depr Exp (Jan-Dec)			822,074	
Total Accum Depr (12/31/13)			2,832,455	

(1) Amount of the Total Project Cost (as of Dec 31, 2010) referenced above excludes land cost of \$1,809,875

Monthly 2011 AFUDC Debt rate	= rate in ELLIPSE table	0.001950	0.001950
Monthly 2011 AFUDC Equity rate	= rate in ELLIPSE table	0.004591	0.004591
		0.006541	0.006541
Annual 2011 AFUDC Debt rate	= rate in ELLIPSE table	0.023552	0.023552
Annual 2011 AFUDC Equity rate	= rate in ELLIPSE table	0.055449	0.055449
		0.079001	0.079001
Annual 2011 Actual Debt rate	Recalculated	0.053209	0.053209
Monthly 2011 Actual Debt rate	Recalculated	0.004434	0.004434
Monthly 2011 Actual Debt (true-up) rate	(0.004434 - 0.001950)	0.002484	0.002484

January - July 2012

Monthly 2012 AFUDC Debt rate	= rate in ELLIPSE table	0.002020	0.002020
Monthly 2012 AFUDC Equity rate	= rate in ELLIPSE table	0.004403	0.004403
		0.006423	0.006423
Monthly 2012 Actual Debt rate	Recalculated	0.004386	0.004386
Monthly 2012 Actual Debt (true-up) rate	(0.004386 - 0.002020)	0.002360	0.002360
		2012	

July - December 2012 ("Catch-up" Amount)

	"Catch-up Amount"	"Annual Amount"
Monthly 2012 AFUDC Debt rate	= rate in ELLIPSE table	0.001783
Monthly 2012 AFUDC Equity rate	= rate in ELLIPSE table	0.004220
		0.006003
Monthly 2012 Actual Debt rate	Recalculated	0.003457
Monthly 2012 Actual Debt (true-up) rate	(0.00345719 - 0.001783)	0.001674
		0.004050

January - December 2013

Monthly 2013 AFUDC Debt rate	= rate in ELLIPSE table	0.001808	0.001808
Monthly 2013 AFUDC Equity rate	= rate in ELLIPSE table	0.004419	0.004419
		0.006227	0.006227
Monthly 2013 Actual Debt rate	Recalculated	0.003937	0.003937
Monthly 2013 Actual Debt (true-up) rate	(0.003937 - 0.001808)	0.002129	0.002129

ADIT & Unamortized ITC related to Excess Project Costs

Calculated by HEI Tax

	Before Settlement Discussions				REVISED (ADJUSTED) - NOTE (1)				DIFFERENCE	
	Before exclusion	Deferred			3/0/12/31/12	Jan - May 2013	3/0/12/31/12	Jan - May 2013	3/0/12/31/12	Jan - May 2013
Plant in service	184,549,868		Per Settlement (WP for Exh. 3 CT-1 Pg. 1 of 10)							
Amount included in rates	163,280,000		3/0/12/31/12	Jan - May 2013	3/0/12/31/12	Jan - May 2013	3/0/12/31/12	Jan - May 2013	3/0/12/31/12	Jan - May 2013
CT-1 Plant in service	31,649,577		(1,810,583)	(342,531)	31,649,577	(2,152,914)	31,649,577	(2,152,914)	31,649,577	(2,152,914)
Accumulated Depreciation										
CT-1 Plant in service	1,165,412		342,530	1,507,942	1,165,412	342,530	1,165,412	342,530	1,165,412	342,530
Depreciation deferral										
ADIT deferral	(2,903,781)		(363,200)	(3,266,981)	(4,255,163)		(327,577)	(4,582,740)	(1,351,382)	35,623
Unamortized State ITC deferral										
{42,990}	395		{42,595}	{42,990}	395	{42,595}	395	{42,595}	395	{42,595}
Carrying Charge (AFUDC)										
3,380,907	989,370		4,370,277	3,280,968	937,305	4,218,273	937,305	4,218,273	937,305	4,218,273
Deferred Balance 12/31/12	31,438,742		626,564	32,065,306	29,387,421	610,122	30,597,543	(1,451,321)	(1,451,321)	(1,451,321)

(1) Subsequent to the 2012 year end, it was noted that the 12/31/2012 ADIT balance used in the CLP CT-1 Carrying Charge Calculation that was presented in the Stipulated Settlement was incorrectly stated at \$2,903,781, due to a spreadsheet formula error that excluded the 2009 ADIT. The corrected amount is \$4,255,163 (see Q7, Dept Tax for additional information). The entire 2012 Carrying Charge was recalculated using the revised corrected amount resulting in a reduction to the 2012 carrying charge and the estimated 2013 carrying charge as indicated above.

CIP CT-1 Costs in 2013 RAM Calculations

Recoverable Costs:	Rate Base RAM	
	Rate Base 12/31/2012	Rate Base 12/31/2013
CIP CT-1		
Plant In service	194,929,577	194,929,577
Accumulated Depreciation	(10,379,709)	(10,379,709) <u>(15,060,387)</u>
Net Plant in Service as of 12/31/2012	<u>184,549,868</u>	<u>184,549,868</u> <u>179,869,190</u>

Deferred CIP CT-1 costs	Deferral Cost (REVISED)		
	Additional		
	To to 12/31/2012	Through 5/31/2013	Deferral cost to 5/31/2013
Depreciation deferral	1,165,412	342,530	1,507,942 a
ADIT deferral	(4,255,163)	(327,577)	(4,582,740) a
Unamortized State ITC deferral	(42,990)	395	(42,595) a
Carrying Charge (AFUDC)	<u>3,280,968</u>	<u>937,305</u>	<u>4,218,273</u> a
Deferred costs	<u>148,227</u>	<u>952,653</u>	<u>1,100,880</u> <u>1,100,880</u>

Additional annual amortization expense (deferred costs / 6 years)	183,480
Actual amortization expense (7/12 of annual amount)	107,030
	<u>993,850</u>
Depreciation Expense	4,680,678 a

a Per Workpapers for Exhibit 3 CT-1

Hawaiian Electric Company, Inc.
 ADIT ON EXCESS DEPRECIATION - CIP
 MAY 2013

	source	CIP 2009	CIP 2010	# of months CIP 2011	12 CIP 2012	5 CIP 2013
FEDERAL DEFERRED TAXES						
1 State Tax Depreciation		1,451,953	2,843,312	2,655,185	2,404,449	903,852.92
2 Book Depreciation (NOTE A)						
3 Subtotal	Line 1 + Line 2	1,451,953	2,843,312	2,655,185	2,404,449	903,853
4 Effective Federal Tax Rate		32.89473684%	32.89473684%	32.89473684%	32.89473684%	32.89473684%
5 Federal Deferred Tax on State Depreciation	Line 3 * Line 4	477,616	935,300	873,416	790,937	297,320
6 Addback State Tax Depreciation	Line 1	(1,451,953)	(2,843,312)	(2,655,185)	(2,404,449)	(903,853)
7 Federal Tax Depreciation		3,698,897	2,784,912	2,455,697	2,220,882	834,533.33
8 Book Depreciation	Line 2	-	-	-	-	-
9 Federal State Difference	Line 6 + 7 + 8	2,246,944	(58,400)	(199,488)	(183,567)	(69,320)
10 Tax Rate on Federal Only Adjustment		35%	35%	35%	35%	35%
11 Federal Deferred Tax Adjustment	Line 9 * Line 10	786,430	(20,440)	(69,821)	(64,248)	(24,262)
12 Total Federal Deferred Taxes	Line 5 + 11	1,264,046	914,860	803,595	726,689	273,058
STATE DEFERRED TAXES						
13 State Tax Depreciation	Line 1	1,451,953	2,843,312	2,655,185	2,404,449	903,853
14 Book Depreciation	Line 2	-	-	-	-	-
15 Subtotal	Line 1 + Line 2	1,451,953	2,843,312	2,655,185	2,404,449	903,853
16 Effective State Tax Rate		6.0150376%	6.0150376%	6.0150376%	6.0150376%	6.0150376%
17 Total State Deferred Taxes	Line 15 * Line 16	87,336	171,026	159,710	144,629	54,367
18 TOTAL DEFERRED TAXES	Line 12 + Line 17	1,351,382	1,085,886	963,305	871,318	327,425
19 Disallowed State ITC		-	(40,139)	(3,790)	939	391
20 Cumulative STATE ITC			(40,139)	(43,929)	(42,990)	(42,599)
21 Federal and State Deferred Tax Rate		38.91%	38.91%	38.91%	38.91%	38.91%
22 Total Def Tax on Disallowed State ITC	Line 19 x Line 21	-	(15,618)	(1,475)	365	152
23 GRAND TOTAL - DEFERRED TAXES	Line 18 + Line 22	1,351,382	1,070,268	961,830	871,683	327,577
24 Cumulative Deferred Taxes			2,421,650	3,383,480	4,255,163	4,582,740
					2,903,781	
					(B)	

NOTE A> ADIT is calculated on tax depreciation only, since book depreciation was removed from the carrying charge calculation.

NOTE B> The 12/31/12 ADIT balance presented in the Stipulated Settlement was incorrectly stated at \$2,903.781, due to a spreadsheet formula error that excluded the 2009 ADIT. The corrected amount is \$4,255,163.

Hawaiian Electric Company, Inc.
EXCESS TAX DEPRECIATION
VINTAGE 2011

Project No.	DIS	Description	Total Basis	Less PUC Approved Amt	Disallowable Costs	Plant Acct	Life	Bonus	2011	2012	2013
FEDERAL											
P0001052	4/22/2009	CIP1 CEIP Substation Mod	1		1	3530	20	50	1	-	-
P0001135	6/3/2009	CIP1 Unit Addition-Microwave	-		3970	20	50	-	-	-	-
P0001340	12/30/2008	CIP1 Unit Addition-Easements	-		3503 (B)	50	0	-	-	-	-
P0001585	5/27/2008	CIP1 - Land - Gen Station	-		3400 (B)	Land	0	-	-	-	-
P0001050	7/27/2009	CIP1 AES-CEIP#2 Trans. Line	-		(C)	15	50	-	-	-	-
P0001051	4/9/2009	CIP1 AES Substation Add	5,296		(D)	20	0	199	382	354	
P0001134	7/27/2009	CIP1 Unit Addition-Fiber	-		3970	20	50	-	-	-	-
P0001136	10/1/2009	CIP1 Unit Addition-Kahe Bkrs	5,752		5,752	3530	20	50	2,984	208	192
P0001137	4/1/2009	CIP1 Unit Addition-Kalaeloa	-		-	3970	20	50	-	-	-
P4900000	8/3/2009	CIP1 Unit 1 Addition	196,470		196,470	(E)	see below	0	9,753	18,520	16,658
		Adj for Black Start and Water Treatment System				3450/3460	15	0	-	-	-
P0001880	10/15/2009	Black Start Generator	-		-	3450	15	50	-	-	-
P0001881	12/15/2009	Water Treatment System	-		-	3460	15	50	-	-	-
		Plant Additions	207,519	-	207,519				12,937	19,110	17,204
Parcel between Hanua Street and AES Substation included in PHFFU											
P0001084		Total Project Cost	207,519	-	207,519						
HAWAII											
P0001052	4/22/09	CIP1 CEIP Substation Mod	1	-	1	20	-	-	-	-	-
P0001135	6/3/09	CIP1 Unit Addition-Microwave	-	-	-	20	-	-	-	-	-
P0001340	12/30/08	CIP1 Unit Addition-Easements	-	-	-	50	-	-	-	-	-
P0001585	5/27/08	CIP1 - Land - Gen Station	-	-	-	Land	-	-	-	-	-
P0001050	7/27/09	CIP1 AES-CEIP#2 Trans. Line	-	-	-	15	-	-	-	-	-
P0001051	4/9/09	CIP1 AES Substation Add	5,296		5,296	20	-	199	382	354	
P0001134	7/27/09	CIP1 Unit Addition-Fiber	-	-	-	20	-	-	-	-	-
P0001136	10/1/09	CIP1 Unit Addition-Kahe Bkrs	5,752	-	5,752	20	-	216	415	384	
P0001137	4/1/09	CIP1 Unit Addition-Kalaeloa	-	-	-	20	-	-	-	-	-
P4900000	8/3/09	CIP1 Unit 1 Addition	196,470	-	196,470	see below		9,753	18,520	16,658	
		Adj for Black Start and Water Treatment System	-	-	-	15	-	-	-	-	-
P0001880		Black Start Generator	-	-	-	15	-	-	-	-	-
P0001881		Water Treatment System	-	-	-	15	-	-	-	-	-
		Plant Additions	207,519	-	207,519			10,168	19,317	17,396	
(B) Land and rights of way in fee are not depreciable assets											
(C) Plant Account											
	Total	% of Project	Docket total	Disallowable Costs	Book Depr Rate	Book Depr					
3550	6,605,098	87.58		0	0.03090	0					
3560	735,197	9.75		0	0.05190	0					
3970	201,233	2.67		0	0.05940	0					
Total	7,541,528	100.00	0	0		0					
(D) Plant Account											
	Total			5,296	Depr Rate	Depr					
3520	905,502	23.69		1,255	0.02400	30					
3530	2,642,422	69.13		3,661	0.02560	94					
3970	274,407	7.18		380	0.05940	23					
Total	3,822,331	100.00	0	5,296		146					
(E) Plant Account											
	Total				Depr Rate	Depr	no bonus				
3410	29,100,000	17.14	33,679	33,679	0.00890	300	15	1,684	3,199	2,880	
3420	13,500,000	7.95	15,624	15,624	0.01569	245	15	781	1,484	1,336	
3430	68,126,556	40.13	78,846	78,846	0.00876	691	15	3,942	7,490	6,741	
3440	15,900,000	9.37	18,402	18,402	0.01131	208	15	920	1,748	1,573	
3450	23,742,741	13.99	27,479	27,479	0.01776	488	15	1,374	2,610	2,349	
3460	11,089,376	6.53	12,834	12,834	(0.00640)	(82)	15	642	1,219	1,097	
3530	700,000	0.41	810	810	0.02560	21	20	30	58	54	
3570	6,000,000	3.53	6,944	6,944	0.01700	118	20	260	501	464	
3580	1,100,000	0.65	1,273	1,273	0.02410	31	20	48	92	85	
3912	200,000	0.12	231	231	0.08334	19	5	46	74	44	
3913	100,000	0.06	116	116	0.06667	8	7	17	28	20	
3970	200,000	0.12	231	231	0.05940	14	20	9	17	15	
Total	169,758,673	100.00	196,470	196,470		2,060		9,753	18,520	16,658	

Hawaiian Electric Company, Inc.
EXCESS TAX DEPRECIATION
VINTAGE 2010

Project No.	DIS	Description	Total Basis	Less PUC Approved Amt	Disallowed Costs	Plant Acct	Life	Bonus	2010	2011	2012	2013	
FEDERAL													
P0001052	4/22/2009	CIP1 CEIP Substation Mod	-	-	-	3530	20	50	-	-	-	-	
P0001135	6/3/2009	CIP1 Unit Addition-Microwave	1,108	-	1,108	3970	20	50	575	40	37	34	
P0001340	12/30/2008	CIP1 Unit Addition-Easements	-	-	-	3503 (B)	50	0	-	-	-	-	
P0001585	5/27/2008	CIP1 - Land - Gen Station	-	-	-	3400 (B)	Land	0	-	-	-	-	
P0001050	7/27/2009	CIP1 AES-CEIP#2 Trans. Line	135,433	-	135,433	(C)	15	50	71,102	6,433	5,790	5,214	
P0001051	4/9/2009	CIP1 AES Substation Add	(20,811)	-	(20,811)	(D)	20	0	(780)	(1,502)	(1,390)	(1,285)	
P0001134	7/27/2009	CIP1 Unit Addition-Fiber	29,419	-	29,419	3970	20	50	15,261	1,062	982	909	
P0001136	10/1/2009	CIP1 Unit Addition-Kahe Bkrs	24,204	-	24,204	3530	20	50	12,556	874	808	748	
P0001137	4/1/2009	CIP1 Unit Addition-Kalaeloa	1,725	-	1,725	3970	20	50	895	62	58	53	
P4900000	8/3/2009	CIP1 Unit 1 Addition	1,400,880	-	1,400,880	(E)	see below	0	69,543	132,071	118,787	106,965	
		Adj for Black Start and Water Treatment System	-	-	-	-	-	-	-	-	-	-	
P0001880	10/15/2009	Black Start Generator	3,581	-	3,581	3450	15	50	1,880	170	153	138	
P0001881	12/15/2009	Water Treatment System	117,660	-	117,660	3460	15	50	61,772	5,589	5,030	4,530	
		Plant Additions	<u>1,693,199</u>	-	<u>1,693,199</u>	-	-	-	232,804	144,799	130,255	117,306	
Parcel between Hanua Street and AES Substation Included in PHFFU													
P0001084		Total Project Cost	<u>1,693,199</u>	-	<u>1,693,199</u>	-	-	-	-	-	-	-	
HAWAII													
P0001052	4/22/09	CIP1 CEIP Substation Mod	-	-	-	-	20	-	-	-	-	-	
P0001135	6/3/09	CIP1 Unit Addition-Microwave	1,108	-	1,108	-	20	-	42	80	74	68	
P0001340	12/30/08	CIP1 Unit Addition-Easements	-	-	-	-	50	-	-	-	-	-	
P0001585	5/27/08	CIP1 - Land - Gen Station	-	-	-	-	Land	-	-	-	-	-	
P0001050	7/27/09	CIP1 AES-CEIP#2 Trans. Line	135,433	-	135,433	-	15	-	6,772	12,866	11,580	10,428	
P0001051	4/9/09	CIP1 AES Substation Add	(20,811)	-	(20,811)	-	20	-	(780)	(1,502)	(1,390)	(1,285)	
P0001134	7/27/09	CIP1 Unit Addition-Fiber	29,419	-	29,419	-	20	-	1,103	2,124	1,964	1,817	
P0001136	10/1/09	CIP1 Unit Addition-Kahe Bkrs	24,204	-	24,204	-	20	-	908	1,747	1,616	1,495	
P0001137	4/1/09	CIP1 Unit Addition-Kalaeloa	1,725	-	1,725	-	20	-	65	125	115	107	
P4900000	8/3/09	CIP1 Unit 1 Addition	1,400,880	-	1,400,880	-	see below	-	69,543	132,071	118,787	106,965	
		Adj for Black Start and Water Treatment System	-	-	-	-	-	-	-	-	-	-	
P0001880		Black Start Generator	3,581	-	3,581	-	15	-	-	179	340	306	276
P0001881		Water Treatment System	117,660	-	117,660	-	15	-	5,883	11,178	10,060	9,060	
		Plant Additions	<u>1,693,199</u>	-	<u>1,693,199</u>	-	-	-	83,715	159,029	143,112	128,931	
(B) Land and rights of way in fee are not depreciable assets													
(C) Plant Account													
	Total	% of Project	Docket total	Disallowed Costs	Book Depr Rate	Book Depr							
3550	6,605,098	87.58	-	135,433	0.03090	3,665							
3560	735,197	9.75	-	118,616	0.05190	685							
3970	201,233	2.67	-	13,203	0.05940	215							
Total	7,541,528	100.00	0	3,614	4,565								
(D) Plant Account													
	Total	-	(20,811)	-	Depr Rate	Depr							
3520	905,502	23.69	(4,930)	-	0.02400	(118)							
3530	2,642,422	69.13	(14,387)	-	0.02560	(368)							
3970	274,407	7.18	(1,494)	-	0.05940	(89)							
Total	3,822,331	100.00	0	(20,811)	-	575							
(E) Plant Account													
	Total	-	1,400,880	-	Depr Rate	Depr	Tax Life	Tax depr					
3410	29,100,000	17.14	240,139	240,139	0.00890	2,137	15	12,007	22,813	20,532	18,491		
3420	13,500,000	7.95	111,404	111,404	0.01569	1,748	15	5,570	10,583	9,525	8,578		
3430	68,126,556	40.13	562,193	562,193	0.00876	4,925	15	28,110	53,408	48,067	43,289		
3440	15,900,000	9.37	131,210	131,210	0.01131	1,484	15	6,560	12,465	11,218	10,103		
3450	23,742,741	13.99	195,929	195,929	0.01776	3,480	15	9,796	18,613	16,752	15,087		
3460	11,089,376	6.53	91,512	91,512	(0.00640)	(586)	15	4,576	8,694	7,824	7,046		
3530	700,000	0.41	5,777	5,777	0.02560	148	20	217	417	386	357		
3570	6,000,000	3.53	49,513	49,513	0.01700	842	20	1,857	3,574	3,306	3,058		
3580	1,100,000	0.65	9,077	9,077	0.02410	219	20	340	655	606	561		
3912	200,000	0.12	1,650	1,650	0.08334	138	5	330	528	317	190		
3913	100,000	0.06	825	825	0.06667	55	7	118	202	144	103		
3970	200,000	0.12	1,650	1,650	0.05940	98	20	62	119	110	102		
Total	169,758,673	100.00	1,400,880	1,400,880	-	14,687	-	69,543	132,071	118,787	106,965		

Hawaiian Electric Company, Inc.
 EXCESS TAX DEPRECIATION
 VINTAGE 2009

Project No.	DIS	Description	Total Basis	Less PUC Approved Amt	Disallowed Costs	Plant Acct	Life	Bonus	2009	2010	2011	2012	2013
FEDERAL													
P0001052	4/22/2009	CIP1 CEIP Substation Mod	603,567	3,890	599,677	3530	20	50	311,082	21,645	20,020	18,521	17,130
P0001135	6/3/2009	CIP1 Unit Addition-Microwave	752,007	-	752,007	3970	20	50	390,104	27,144	25,106	23,226	21,481
P0001340	12/30/2008	CIP1 Unit Addition-Easements	4,857,924	4,857,924	-	3503 (B)	50	0					
P0001585	5/27/2008	CIP1 - Land - Gen Station	1,261,761	1,261,761	-	3400 (B)	Land	0					
P0001050	7/27/2009	CIP1 AES-CEIP#2 Trans. Line	7,541,528	5,790,887	1,750,641	(C)	15	50	919,087	83,155	73,840	67,400	60,660
P0001051	4/9/2009	CIP1 AES Substation Add	3,822,331	3,153,110	669,221	(D)	20	0	25,096	48,311	44,684	41,338	38,233
P0001134	7/27/2009	CIP1 Unit Addition-Fiber	638,775	531,769	107,006	3970	20	50	55,509	3,862	3,572	3,305	3,057
P0001136	10/1/2009	CIP1 Unit Addition-Kahe Blks	1,771,737	1,720,778	50,959	3530	20	50	26,435	1,839	1,701	1,574	1,456
P0001137	4/1/2009	CIP1 Unit Addition-Kalaeloa	210,680	289,912	(79,232)	3970	20	50	(41,102)	(2,860)	(2,645)	(2,447)	(2,263)
P4900000	8/3/2009	CIP1 Unit 1 Addition Adj for Black Start and Water Treatment System	169,758,673	143,859,745	25,898,928	(E)	see below	0	1,285,684	2,441,713	2,196,113	1,977,526	1,781,649
P0001880	10/15/2009	Black Start Generator	3,042,741	2,578,531	464,210	3450	15	50	243,710	22,050	19,845	17,072	16,085
P0001881	12/15/2009	Water Treatment System	6,989,376	5,923,054	1,066,322	3460	15	50	559,819	50,650	45,585	41,053	36,948
		Plant Additions	191,218,983	161,469,776	29,749,207				3,698,897	2,552,108	2,297,961	2,071,517	1,868,370
PARCEL BETWEEN HENUA STREET AND AES SUBSTATION INCLUDED IN PHFFU													
P0001084		Parcel between Henua Street and AES Substation included in PHFFU	1,809,875	1,809,875	-								
		Total Project Cost	193,028,858	163,279,651	29,749,207								
HAWAII													
P0001052	4/22/09	CIP1 CEIP Substation Mod	603,567	3,890	599,677		20		22,488	43,291	40,040	37,042	34,260
P0001135	6/3/09	CIP1 Unit Addition-Microwave	752,007	-	752,007		20		28,200	54,287	50,212	46,451	42,962
P0001340	12/30/08	CIP1 Unit Addition-Easements	4,857,924	4,857,924	-		50						
P0001585	5/27/08	CIP1 - Land - Gen Station	1,261,761	1,261,761	-		Land						
P0001050	7/27/09	CIP1 AES-CEIP#2 Trans. Line	7,541,528	5,790,887	1,750,641		15		87,532	166,311	149,680	134,799	121,319
P0001051	4/9/09	CIP1 AES Substation Add	3,822,331	3,153,110	669,221		20		25,096	48,311	44,684	41,338	38,233
P0001134	7/27/09	CIP1 Unit Addition-Fiber	638,775	531,769	107,006		20		4,013	7,725	7,145	6,610	6,113
P0001136	10/1/09	CIP1 Unit Addition-Kahe Blks	1,771,737	1,720,778	50,959		20		1,911	3,679	3,403	3,148	2,911
P0001137	4/1/09	CIP1 Unit Addition-Kalaeloa	210,680	289,912	(79,232)		20		(2,971)	(5,720)	(5,290)	(4,894)	(4,527)
P4900000	8/3/09	CIP1 Unit 1 Addition Adj for Black Start and Water Treatment System	169,758,673	143,859,745	25,898,928		see below		1,285,684	2,441,713	2,196,113	1,977,526	1,781,649
P0001880		Black Start Generator	3,042,741	2,578,531	464,210		15		(76,527)	(145,401)	(130,860)	(117,851)	(106,066)
P0001881		Water Treatment System	6,989,376	5,923,054	1,066,322		15		23,211	44,100	39,690	35,744	32,170
		Plant Additions	191,218,983	161,469,776	29,749,207				1,451,953	2,759,597	2,485,988	2,242,020	2,022,920
(B) Land and rights of way in fee are not depreciable assets													
(C) Plant Account													
	Total	% of Project	Docket total	Disallowd	Book	Book							
3550		6,605,098	87.58	5,790,887	Costs	Depr Rate	Depr						
3560		735,197	9.75	564,533	1,533,264	0.03090	47,378						
3970		201,233	2.67	154,520	170,664	0.05190	8,857						
Total			7,541,528	100.00	5,790,887	1,750,641	0.05940	59,010					
(D) Plant Account													
	Total		3,153,110			Depr Rate	Depr						
3520		905,502	23.69	746,965	158,537	0.02400	3,805						
3530		2,642,422	69.13	2,179,782	462,640	0.02560	11,844						
3970		274,407	7.18	226,363	48,044	0.05940	2,854						
Total			3,822,331	100.00	3,153,110	669,221	0.05940	18,502					
(E) Plant Account													
	Total		143,859,745			Depr Rate	Depr	Tax Life	tax depr				
3410		29,100,000	17.14	24,660,411	4,439,589	0.00890	39,512	15	221,979	421,761	379,585	341,848	307,664
3420		13,500,000	7.95	11,440,397	2,059,603	0.01569	32,315	15	102,980	195,662	176,096	158,589	142,731
3430		68,126,556	40.13	57,732,950	10,393,606	0.00876	91,048	15	519,680	987,393	888,653	800,308	720,277
3440		15,900,000	9.37	13,474,245	2,425,755	0.01131	27,435	15	121,288	230,447	207,402	186,783	168,105
3450		23,742,741	13.99	20,120,472	3,622,269	0.01776	64,331	15	181,113	344,116	309,704	278,915	251,023
3460		11,089,376	6.53	9,397,545	1,691,831	(0.00640)	(10,828)	15	84,592	160,724	144,652	130,271	117,244
3530		700,000	0.41	593,206	106,794	0.02560	2,734	20	4,005	7,709	7,131	6,597	6,101
3570		6,000,000	3.53	5,084,621	915,379	0.01700	15,561	20	34,327	66,081	61,120	56,543	52,296
3580		1,100,000	0.65	932,180	167,820	0.02410	4,044	20	6,293	12,115	11,205	10,366	9,588
3912		200,000	0.12	169,487	30,513	0.08334	2,543	5	6,103	9,764	5,858	3,515	3,515
3913		100,000	0.06	84,744	15,256	0.06667	1,017	7	2,180	3,738	2,670	1,906	1,362
3970		200,000	0.12	169,487	30,513	0.05940	1,812	20	1,144	2,203	2,037	1,885	1,743
Total		169,758,673	100.00	143,859,745	25,898,928				1,285,684	2,441,713	2,196,113	1,977,526	1,781,649

Hawaiian Electric Company, Inc.
 DISALLOWED STATE ITC ON CIP

	2010	2011	2012
Disallowed Costs	1,693,199	207,519	
5 year average of outside materials & service	59.2648%	59.2648%	59.2648%
Disallowed State ITC base	1,003,471	122,986	-
State ITC rate	4%	4%	4%
Disallowed State ITC	40,139	4,919	-
Cumulative Disallowed State ITC		45,058	

NOTE> In 2009, the State suspended State ITC beginning in May 2009. CIP was placed in service in August 2009, so there was no State ITC on the 2009 CIP plant addition.

State ITC Amortization	CIP		v2010 +		YTD	YTD
	v2011 YTD	v2011 YTD	Beg Bal	YTD		
Beg Bal		4,919	40,139	43,929	Beg Bal	42,990
Jan-11	(111)	4,808	44,947	43,851	Jan-13	42,912
Feb-11	(111)	4,696	44,835	43,773	Feb-13	42,834
Mar-11	(111)	4,585	44,724	43,694	Mar-13	42,756
Apr-11	(111)	4,473	44,612	43,616	Apr-13	42,677
May-11	(111)	4,362	44,501	43,538	May-13	42,599
Jun-11	(111)	4,250	44,389	43,460	Jun-13	42,521
Jul-11	(111)	4,139	44,278	43,382	Jul-13	42,443
Aug-11	(70)	4,069	44,208	43,303	Aug-13	42,365
Sep-11	(70)	3,999	44,138	43,225	Sep-13	42,286
Oct-11	(70)	3,929	44,068	43,147	Oct-13	42,208
Nov-11	(70)	3,860	43,999	43,069	Nov-13	42,130
Dec-11	(70)	3,790	43,929	42,990	Dec-13	42,052
		(1,129)		(939)		(939)

Hawaiian Electric Company, Inc.
 CIS in 2013 RAM Calculations
 HECO Summary
 (\$ in 000's)

Line	Description	Rate Base			2013 Activities			Rate Base		
		CIS Deferred Costs		(Note 4)	Amortization (7 months)	Net Change	CIS Deferred Costs		CIS Deferred Costs	
		Recoverable at 12/31/12	Additions (5 months)				Recoverable at 12/31/13	Recoverable at 12/31/13	Recoverable at 12/31/13	Recoverable at 12/31/13
1	CIS Deferred Cost (Note 1)	\$ 38,927		\$ (1,892)	\$ (1,892)	\$ 37,035				
2	CIS Deferred O&M Reclass (Note 1)	2,475		(120)	(120)	2,355				
3	Carrying charge since go-live (Note 2)	1,830		(89)	(89)	1,741				
4	Write-Off (Note 3)	(29,000)		1,410	1,410	(27,590)				
5 = sum 1 - 4		14,232		(692)	(692)	13,540				
6	Carrying charge (AFUDC)									
7	January 1-May 31, 2013 (Note 5)		405	(20)	385	385				
8 = 5 + 7	CIS deferred costs recoverable	\$ 14,232	\$ 405	\$ (712)	\$ (307)	\$ 13,925				
9										
10 = 3 + 7	Total Carrying Charges	1,830	405	(109)	296	2,126				

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

(2) See Exhibit 2, p.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.

(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.

(4) 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.

(5) See calculation at page 4.

Hawaiian Electric Company, Inc.
Final CIS Cost Report
(\$ in 000's)

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

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

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

Hawaiian Electric Company, Inc.
CIS in 2013 RAM Calculations

Updated Exhibit 3, Page 2 of Stipulated Settlement (Docket No. 2008-0083, filed on January 28, 2013)
 (\$ in 000's)

CIS				Rate Base RAM	
	HECO	HELCO	MECO	Rate Base 12/31/2012	Rate Base 12/31/2013
Total deferred cost per Settlement	14,232	2,477	2,708	<u>19,417</u>	b
Carrying charge (AFUDC) January 1-May 31, 2013	405	85	89	<u>579</u>	c
CIS deferred costs recoverable	14,637	2,562	2,797	<u>19,996</u>	19,996
Additional amortization expense	1,220	214	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

Hawaiian Electric Company, Inc.
 Calculation of CIS Carrying Charges
 January - May 2013

	AFUDC Equity	AFUDC Debt	AFUDC Ratemaking
CIS Def Cost	Cr. 42002000	Cr. 42004000	Dr. 18670202
(Acct 186050)	Dr. 42002000		Cr. 18670202

G.L. balance 12/31/12	14,232,029	(42,613)	(150)	(42,763) (a)
Costs incurred in 1/13	-	62,702	25,654	<u>88,357</u>
Add AFUDC @ .6423%				
Add'l costs after AFUDC calc				
G.L. balance 1/31/13	14,232,029			45,594
Costs incurred in 2/13	-	63,093	25,814	<u>88,907</u>
Add AFUDC @ .6423%				
Add'l costs after AFUDC calc				
G.L. balance 2/28/13	14,232,029			134,500
Costs incurred in 3/13	-	63,486	25,975	<u>89,460</u>
Add AFUDC @ .6203%				
G.L. balance 3/31/13	14,232,029			223,961
Costs incurred in 4/13	-	63,881	26,136	<u>90,017</u>
Add AFUDC @ .6203%				
Add'l costs after AFUDC calc				
G.L. balance 4/30/13	14,232,029			313,978
Costs incurred in 5/13	-	64,279	26,299	<u>90,578</u>
Add AFUDC @ .6203%				
G.L. balance 5/31/13	14,232,029	274,828	129,728	404,556

through Jan - May 2013

Monthly 2013 AFUDC Debt rate	0.001808 = rate in ELLIPSE table
Monthly 2013 AFUDC Equity rate	<u>0.004419</u> = rate in ELLIPSE table
	<u>0.00622700</u>
Monthly 2013 AFUDC Full Debt Rate	<u>0.00393700</u>
Monthly 2013 AFUDC Incremental	0.00212900

(a) Adjustment related to AFUDC-Equity rate used from August 2012 - December 2012 (see page 7 for calculation)

Notes:

- o AFUDC rate is 0.6227% per month in 2013. Budgets reviews rate quarterly.
 (Annual rate = 7.5195%)
- o AFUDC amount for current month is computed on prior end-of-month balance plus 1/2 of current month's additions
- o AFUDC is added on AFUDC -- 0.6227% rate is reduced to reflect this compounding.

Hawaiian Electric Company, Inc.
Monthly Carrying Charge On Deferred CIS Development Project Costs (Post Go-live)
2012

23

A FUDCC amount for current month is computed on prior end-of-month balance plus

/2.01 EDITION HIGHLIGHTS

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2012 General Order No. 7 (GO7) Report Summary Plant Additions

Projects	2012 Plant Addition (1)
Less than \$2.5M	229,954,640
Other projects	34,586
Greater than \$2.5M	25,989,048
PUC application filed prior to July 1, 2004	634
Total Plant Additions	255,978,908
 Less: Major Project additions in 2012	
K1 Condenser Tube Replace	(4,910,700)
BPT Tank 132 Improvements	(5,513,984)
Mobile Radio Replacement	(2,502,181)
Waiau 8 Boiler Controls Upgrade	(118,460)
Waiau 7 Controls Upgrade	(119,081)
Kapolei Substation	(6,217,064)
McCully Sub (EOTP Ph2)	(1,891,724)
Kapahulu Sub (EOTP Ph2)	(1,790,849)
SmartTech Install (EOTP Ph2)	(2,715,851)
Piikoi Sub (EOTP Ph2)	(38,435)
Manoa Sub (EOTP Ph2)	(27,870)
UH Quarry Sub (EOTP Ph2)	(34,045)
Kewalo Sub (EOTP Ph2)	(65,600)
Kahala Sub (EOTP Ph2)	(15,707)
Wailupe Sub (EOTP Ph2)	(15,708)
Switch #4640 (EOTP Ph2)	(11,789)
Kamoku 46kV UG Alt Ph 1 (EOTP)	(69)
W8 Main Transformer Replace	(19,800)
	(26,008,917)
Baseline Plant Additions	229,969,991

(1) Source: Hawaiian Electric Companies' Exemption Form and Modification General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2012, in Docket No. 03-0257, filed on March 22, 2013.

Kahuku Wind Power (Y00138)
Analysis

Assumptions based on Decision and Order and Dissenting Opinion of Leslie H. Kondo, Commissioner,
filed on May 12, 2010 in Docket No. 2009-0176 ("D&O"), pages 57 & 58:

Hawaiian Electric can only recovery actuals up to the capped amount.
If actuals are below capped amount, Hawaiian Electric may only recover the amount that was actually spent.
If actuals are above capped amount, Hawaiian Electric may request recovery in Hawaiian Electric's next rate case.

<u>Total REIP Recovery</u>	<u>Per D&O</u>
A) Switching Station	500,000
B) Microwave System	1,787,876
C) Miscellaneous Microwave Network	89,614
	<u>2,377,490</u>

Total REIP Recovery (Capped)

A) Switching Station	499,993	Actuals came in under \$500K (capped amount per D&O)
B) Microwave System	1,536,044	Actuals came in under \$1,787,876 (capped amount per D&O)
C) Miscellaneous Microwave Network	89,614	Actuals came in over \$89,614 (capped amount per D&O)
	<u>2,125,651</u>	[A]

Actuals as of 12/31/12, net of CIAC	2,132,812	See HECO-WP-D2-004 - "Kahuku First Wind Timeline"
Recovery thru REIP	<u>2,125,651</u>	
Difference (over / (under))	<u>7,161</u>	

Kahuku First Wind
Timeline

Line 2010

1 Incurred Cost	2,567,414	[A]	N1
2 Excluding P0001826 Plant Addition	<u>(287,122)</u>	{B}	
3	2,280,292		
4 CIAC	<u>(2,762,034)</u>		
5 Net Cost	<u>(481,742)</u>		
6			
7 <u>2011</u>			
8 Incurred Cost	4,586,371		
9 CIAC	<u>(1,878,787)</u>		
10 Net Cost	2,707,584		



11

12 2012

13 Incurred Cost	14,120	[C]
14 CIAC	<u>(107,150)</u>	[C]
15 Net Cost	<u>(93,030)</u>	
16		

17 Total Net Cost as of 12/31/12 2,132,812 See HECO-WP-D2-003

NOTES:

- [A] See Exhibit 1, Page 11 of 13 in the Hawaiian Electric Companies' *Exemption From and Modification of General Order No. 7 Paragraph 2.3(g), Relating to Capital Improvements Capital Project Completed in 2010*, in Docket No. 03-0257 filed on March 31, 2011.
- [B] See page 5 of Hawaiian Electric Company, Inc.'s *Stipulated Procedural Order and Certificate of Service*, Docket No. 2009-0176, filed on September 30, 2009. Based upon this filing, the Company withdrew its request for the waiver of Rule 13 of its Tariff for the relocation of a portion of an existing 12kV overhead line. As a result, the Company excluded the First Wind T&D 12kV project (P0001826) when calculating the total PUC net cost.
- [C] Source: Hawaiian Electric Companies' Exemption From and Modification of General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2012, in Docket No. 03-0257 on March 22, 2013.
- N1 Transmittal No. 12-02 (Decoupling RBA Rate Adjustment Hawaiian Electric Revisions to Tariff Filing), HECO-WP-D2-004, filed on May 23, 2012.

Hawaiian Electric Company
 2013 Plant Additions - Major Projects Support

Grandparent	Project	Functional Category	Plant Addition Date	Project to Date Recorded 12/31/12	2013 Plant Additions	Future Years
	P0001494: Pukele 80MVA Tsf #3	Transmission	201305	- NOTE1	4,519,878 [3]	- [3]
Y00119	P0001506: North South Road 46kV Line	Distribution	201303	-	1,876,156 [3]	- [3]
Y00119	P0001504: Kaloi Sub Land Transf	Land	201306	- NOTE4	2,276,439 [3]	- [3]
	P0001595: Mobile Radio Replacement	Communication	201208	2,502,181 [1]	61,573 [4]	- [3]
Y00127	Kapolei Substation	Distribution	201211	6,217,064 [1]	37,028 [4] 225,895 [3]	- [3]
Y48500	P0001940: Piikoi Sub (EOTP Ph2)	Distribution	201110	1,795,400 [2]	113 [4]	- [3]
Y48500	P0001942: UH Quarry Sub (EOTP Ph2)	Distribution	201109	1,069,038 [2]	1,099 [4]	- [3]
Y48500	P0001945: Kapahulu Sub (EOTP Ph2)	Distribution	201203	1,790,849 [1]	6,511 [4]	- [3]
Y48500	P0001949: SmartTech Install (EOTP Ph2)	Distribution	201208	2,715,851 [1]	29,763 [4] 49,059 [3]	19,936 [3]
	P7590000: W7 Controls Upgrade	Production Steam	201111	5,128,969 NOTE2	253,298 [4], [5] 26,000 [3], [5]	- [3]
	P7650000: W8 Boiler Controls Upgrade	Production Steam	201108	6,283,721 NOTE3	323 [4], [6] 29,062 [3], [6]	- [3]
	P0000681: KI Condenser Tube Replace	Production Steam	201206	4,910,700 [1]	1,850 [4] 9,394,047	- [3]
					Less: Pukele 80MVA Tsf #3 Costs in Excess of PUC Approved Less: Waiau 7 Controls Upgrade Costs in Excess of PUC Approved Less: Waiau 8 Boiler Controls Upgrade Costs in Excess of PUC Approved Less: Kaloi Land Plant Addition Exclusion	(18,148) NOTE1 (279,298) NOTE2 (29,385) NOTE3 (2,276,439) NOTE4
						6,790,777

NOTE1: Pukele 80MVA Tsf #3 (P0001494) Reconciliation

PUC Approved Amount	4,501,730 [A]
2013 Anticipated Plant Additions	4,519,878 [3]
2013 Plant Addition - Excess	(18,148)

2013 Plant Addition Qualifying for RB RAM 4,501,730 Limited to PUC Approved Amount

[A] Decision and Order, p. 9, Docket No. 2011-0156, For Approval to Commit Funds in Excess of \$2,500,000 (excluding customer contributions) for Item P0001494, Pukele Tsf #3 80MVA; item P0001492, Pukele Tsf #2 80MVA; and item P0002264, Pukele Tsf #1 80MVA, filed October 12, 2012.

NOTE2: W7 Controls Upgrade (P7590000) Reconciliation

PUC Approved Amount	5,021,440 [B]
2011 Plant Additions	5,009,888 [2]
2012 Plant Additions	119,081 [2]
2013 Anticipated Plant Additions	279,298 sum [5]
	5,408,267 Limited to PUC Approved Amount
Total Plant Addition - Excess	(386,827)
2012 Plant Addition - Excess	(107,529) HECO-WP-D2-001
2013 Plant Addition - Excess	(279,298)

[B] See Hawaiian Electric response to CA-IR-292, Attachment 8, p. 6, filed in Docket No. 2010-0080, Hawaiian Electric 2011 Test Year Rate Case.

NOTE3: W8 Boiler Controls Upgrade (P7650000) Reconciliation

PUC Approved Amount	5,236,138 [C]
2011 Plant Additions	6,165,261 [2]
2012 Plant Additions	118,460 [2]
2013 Anticipated Plant Additions	29,385 sum [6]
	6,313,106 Limited to PUC Approved Amount
Total Plant Addition - Excess	(1,076,968)
2012 Plant Addition - Excess	(1,047,583) HECO-WP-D2-001
2013 Plant Addition - Excess	(29,385)

[C] See Hawaiian Electric response to CA-IR-292, Attachment 8, p. 10, filed in Docket No. 2010-0080, Hawaiian Electric 2011 Test Year Rate Case.

NOTE4: SOURCE: HECO-WP-D3-002

[1] Source: Hawaiian Electric Companies' *Exemption From and Modification of General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2012*, in Docket No. 03-0257 filed on March 22, 2013. See HECO-WP-D2-001.

[2] Source: Hawaiian Electric Companies' *Exemption From and Modification of General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2012*, in Docket No. 03-0257 filed on March 22, 2013 and Hawaiian Electric Companies' *Exemption From and Modification of General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2011*, in Docket No. 03-0257 filed on March 30, 2012.

[3] Source: UI Planner Budget Files - Forecast obtained from the U1302 scenario.

[4] Source: UI Planner Budget Files. January based upon actual plant additions.

[5] See NOTE2.

[6] See NOTE3.

**Kaloi Substation - Land Transfer
Reconciliation**

Line	HECO 2011 TY Rate Base <u>Average Balance</u>	Kaloi Sub Land Portion	
1	Property Held for Future Use	4,090 Sch D1, Line 1	2,276 [A]
2	Unamortized CIAC	(197,797) Sch D1, Line 16	(2,276) [B]
3	Major Project Additions (2013)	6,791 HECO-WP-D3-001	2,276 [C]

NOTES:

- [A] Land related to the Kaloi Substation was included in the Hawaiian Electric response to CA-IR-292, Attachment 5, p. 1 & 2, filed in Docket No. 2010-0080, Hawaiian Electric 2011 Test Year Rate Case. Excerpt filed at HECO-WP-D3-003.
- [B] Land related to the Kaloi Substation was also included within the 12/31/09 Unamortized Contributions in Aid of Construction balance identified in the Hawaiian Electric response to CA-IR-292, Attachment 6, p. 1, filed in Docket No. 2010-0080, Hawaiian Electric 2011 Test Year Rate Case. Excerpt and G/L screenshot filed at HECO-WP-D3-004.
- [C] Land is anticipated to be transferred from Property Held for Future Use (PHFFU) into Plant in Service in June 2013 when construction will begin. To avoid double recovery, the Company determined to exclude the total 2013 major plant addition (\$2,276K) at Schedule D3 - Determination of Major Capital Project Additions, as the project was included in the Hawaiian Electric 2011 Test Year Rate Case within the PHFFU & Unamortized CIAC lines.

CA-IR-292
DOCKET NO. 2010-0080
ATTACHMENT 5
PAGE 1 OF 2

Hawaiian Electric Company, Inc.
2010 and 2011
Property Held for Future Use Formatted Similar to HECO-1905
(\$ Thousands)

Recorded balance - 12/31/09	\$4,607
Kalaeloa - Barbers Point Harbor Pipeline	<u>(517)</u>
Recorded balance - 12/31/10	\$4,090
No Estimated Changes in 2011	<u>\$0</u>
Estimated balance - 12/31/11	\$4,090
Estimated average balance for 2011 (Recorded 12/31/10 balance + Estimated 12/31/11 balance) / 2	\$4,090

CA-IR-292
DOCKET NO. 2010-0080
ATTACHMENT 5
PAGE 2 OF 2

Hawaiian Electric Company, Inc.
2010 and 2011
Property Held for Future Use Formatted Similar to HECO-1905
(\$ Thousands)

Name of Site	Size	Tax Map Key	Year Acquired	Proposed Service Date	Purchase Price
AES Substation Expansion/ Warehouse Parcel	1.76 acres	9-1-26:38	2007	2013 - 2014	\$1,810
Kapolei Substation	1.112 acres	9-1-16:90	2006	2012	\$4
Kaloi Substation	1 acre	9-1-16:129	2009	2012	\$2,276

CA-IR-292
DOCKET NO. 2010-0080
ATTACHMENT 6
PAGE 1 OF 1
(REVISED 5/24/11)

Hawaiian Electric Company, Inc.
Unamortized Contributions In Aid of Construction
Formatted Similar to HECO-1906
(\$ in thousands)

	Dkt No.	
	2010-0053	
	Depreciation	
	Rates	HECO Reference
Recorded Balance - 12/31/09	\$ 179,585	
Actual Changes in 2010:		
Cash Receipts	14,030	CA-IR-292, Attachment 9, p. 1
In-Kind Receipts	5,316	CA-IR-292, Attachment 9, p. 1
Transfer from Advances	(2)	CA-IR-292, Attachment 7, p. 1
Amortization	<u>(9,615)</u>	CA-IR-535, Attachment 1, p. 1
Recorded Balance - 12/31/10	189,314 A	
Estimated Changes in 2011:		
Cash Receipts	17,457	CA-IR-292, Attachment 9, p. 1
In-Kind Receipts	7,260	CA-IR-292, Attachment 9, p. 1
Transfer from Advances	33	CA-IR-292, Attachment 7, p. 1
Amortization	<u>(7,786) ⁽¹⁾</u>	CA-IR-535, Attachment 1, p. 1
Estimated Balance - 12/31/11	206,279 B	
Average Test Year 2011 Balance [(A+B)/2]	<u>\$ 197,796</u>	

⁽¹⁾ - Revised per response to CA-IR-535.

NOTE: Totals may not add exactly due to rounding.

Accounting Transaction Details Review (HAWAIIAN ELECTRIC COMPANY, INC.)

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Account Code:	24000000	CIAC
Acct Period:	05/09	

P0001504

	Transaction	Amount	Act
1	Type TranNo & Typ Man Vchr Description		
2	SPJ 34760360000 M PR4220509 Accrue GET-CIAC end Cust	130116.94	
3	MPJ 49271840000 M EA290509 IO RECORD KALOI LAND DONA	-2276439.00	
4	BPJ 70659750000 M PF20905295 05 P61791	85 0980136	-1146.00
5	BPJ 70659760000 M PF20905295 05 P61963	85 0980136	-989.00
6	BPJ 73104320000 M PF20905285 05 P62548	85 0980136	-459.00
7	BPJ 70954510000 M PF20905275 05 P55134	85 0980134	-1778.00
8	BPJ 70954430000 M PF20905275 05 P48828	85 0980133	-7564.00
9	BPJ 70954450000 M PF20905275 05 P61741	85 0980133	-7647.00
10	BPJ 70954470000 M PF20905275 05 P56923	85 0980133	-15368.00
11	BPJ 70954480000 M PF20905275 05 P62116	85 0980133	-1014.00
12	BPJ 70954490000 M PF20905275 05 P53348	85 0980134	-11782.00
13	BPJ 72937190000 M PF20905215 05 P62336	85 0980130	-2774.00
14	BPJ 72937210000 M PF20905215 05 P62341	85 0980130	-471.00
15	Balance C/Fwd		-2197315.06

MSM902A

Date Printed 8 March 2013 09:04:00
 Ellipse Userid mkoyanag
 Program Name msq000.exe
 Program Description Accounting Transaction Details Review (HAWAIIAN ELECTRIC COMPANY, INC.)
 Version 001A
 Revision 113 \$ Date: 24/04/08 10:21a \$
 Module 3001
 Product Version 5.2.3.2
 File Version 5.23.219.1
 Location L:\NZ3VCK8PX5E\WFS\CSIDL_{2\Mincom\MIM5OP~1\523~1.2\B\MSM902A.MSM
 Compiled Date 6 November 2009 14:26
 Form Name MSM902A

HAWAIIAN ELECTRIC CO., INC.		
DEFERRED INCOME TAXES		
FEDERAL		
		NOTE 1
		FEDERAL
(DR)CR		LIABILITY
LIAB	DESCRIPTION	12/31/2012
28311	Unearned Lease	(664.39)
28312	Accrued Vacation	1,272,846.46
28313	Uncollectible Acct	(1,586,054.17)
28314	Directors Def Comp	(21,536.79)
28317	Discounted Work Comp	(759,088.14)
28319	Cap to Construct (Cost of Remc	51,305,071.97
28321	Pension	7,150,215.55
28323	Excess Benefit Plan	(634,354.09)
28326	Def Exec Comp (Def EICP<II	(59,738.82)
28327	Software (no APPRISE & e busi	145,924.43
28328	G/L ACRS Retirements	13,521,445.20
28330	EICP	(500,870.78)
28331	CIAC	(27,390,062.20)
28332	Customer Advances	(850,470.20)
28333	Capitalized Interest	(14,498,038.00)
28335	Connection Fees	16,019.85
28336	Nondeductible Interest	(47,485.55)
28337	Supplemt Benefits - SERP	(632,024.61)
28338	Nondeductible Vac	(1,084,196.31)
28340	LTIP	(269,842.54)
28341	Waipahu Baseyard Int	(111,861.55)
28347	Waiau Water Well Pmts	(260,641.10)
28348	Nonutil Bad Debt	8,047.29
28401	Genl/Auto (& Accidents)	(882,268.44)
28403	CWIP Debt Transition	369,221.99
28404	CWIP Equity Trans	1,127,579.20
28405	Iolani Ct Plaza Sale	(89,087.15)
28406	Kaonohi Sale	37,751.68
28407	FAS 109 Flow Through	939,257.34
28408	Plant Transition	11,632,420.84
28409	CWIP Equity Net	25,249,031.48
28410	CWIP Equity Grossup	16,080,778.70
28411	CWIP Debt	12,078,330.99
28412	Genl/Auto Liability - Legal	(128,289.70)
28413	Post Retirement Ben	73,009.24
28414	Reg Liab Federal ITC	(495,552.87)
28418	IRP Costs	34,727.28
28419	Reg Liab Excess 283	(335,740.53)
28422	Miscellaneous	(28,511.61)
28427	Prepaid Expenses	971,335.59
28430	FMB X Premium	85,845.71
28434	EEO Claims	(16,688.26)
28435	Rev Bond Differential	546,707.77
28436	TIP/Rewards Programs	(63,942.33)
28440	Kalaeloa	(75,422.55)
28441	Sun Power	577.09
28442	Overhaul (Waiau 3 Turbine)	(51,104.16)
28512	Revenue Bond Cost Amort.	1,856,339.78
28516	Honolulu Harbor Reserve	(315,775.64)
28520	Deferred Comp - restricted stock	(303,002.94)

HAWAIIAN ELECTRIC CO., INC.		
DEFERRED INCOME TAXES		
FEDERAL		
		NOTE 1
		FEDERAL
(DR)CR		LIABILITY
LIAB	DESCRIPTION	12/31/2012
28522	Perry reserve	(353.18)
28526	Emissions Fees	(464,730.48)
28530	AES Hawaii PPA	(45,512.47)
28532	CIS Project	1,621,635.73
28538	Rate Case Costs	248,848.12
28540	Kalaeloa PPA	(27,259.93)
28542	QUIPS amortization	388,917.14
28544	OPEB Exec Life	(4,003,660.60)
28546	Percentage Repairs Allowance	5,208,815.52
28548	Cap interest (D&T)	4,640,324.38
28550	E-Business hardware	32,884.47
28552	OMS project costs	16,131.59
28556	Substation Land - Waianae	(1,357.97)
28558	Substation Land - Aiea	(864.78)
28560	Solar tax credit	(1,050.66)
28564	HR Suites project costs	1,322,889.78
28568	Solar Saver Program	(348,199.68)
28570	Pension Tracker	3,149,700.82
28572	OPEB Tracker	(2,115,650.94)
28574	Substation Land - Barber's Pt	(1,369.86)
28576	Substation Land - Haiku	(17,554.58)
28580	Blue Earth reserve	(10,120.80)
28584	RO Water Pipeline	(130,026.91)
28586	Big Wind costs	940,863.71
28590	Repairs Adjustment	32,589,531.39
28592	Stimulus Funds	7,500.00
28594	Budget System Replacement	324,771.37
28596	EOTP interest / amort	283,176.37
28598	CIP interest	724,940.13
28600	ERP project costs	(102,648.36)
28602	Reg Liab Federal PV	(100,519.00)
28604	IVR project costs	(170,647.70)
28606	NOL	(641,201.00)
	AOCI - NQ Pension	(766,373.53)
	AOCI - OPEB Exec Life	251,094.32
	FIN 48 tax	(281,093.00)
FIN 48 int	FIN 48 interest	(2,665.53)
	Rounding	14.92
FED ACCOUNT 283, excluding state ITC		135,529,348.81
28310	State ITC	(12,784,512.99)
	FED ACCOUNT 28301000	122,744,835.82
28210000	Accelerated Depreciation	152,882,568.37
28210100	Accel. Depr. - Excess	0.00
28210200	Accel. Depr. - Deficit	491,856.02
	FED ACCOUNT 282100	153,374,424.39
EF INCOME TAX - UTILITY		276,119,260.21

HAWAIIAN ELECTRIC CO., INC.		
DEFERRED INCOME TAXES		
FEDERAL		
		NOTE 1
		FEDERAL
(DR)CR		LIABILITY
LIAB	DESCRIPTION	12/31/2012
RATE BASE CALCULATION		
Total 283 Deferred Federal Tax		122,744,835.82
Less:		
28312	Accrued Vacation	1,272,846.46
28313	Uncollectible Acct	(1,586,054.17)
28314	Directors Def Comp	(21,536.79)
28317	Discounted Work Comp	(759,088.14)
28323	Excess Benefit Plan	(634,354.09)
28326	Def Exec Comp (Def EICP<II	(59,738.82)
28330	EICP	(500,870.78)
28336	Nondeductible Interest	(47,485.55)
28337	Supplemt Benefits - SERP	(632,024.61)
28338	Nondeductible Vac	(1,084,196.31)
28340	LTIP	(269,842.54)
28341	Waipahu Baseyard Int	(111,861.55)
28347	Waiau Water Well Pmts	(260,641.10)
28348	Nonutil Bad Debt	8,047.29
28401	Genl/Auto (& Accidents)	(882,268.44)
28412	Genl/Auto Liability - Legal	(128,289.70)
28418	IRP Costs	34,727.28
28434	EEO Claims	(16,688.26)
28436	TIP/Rewards Programs	(63,942.33)
28516	Honolulu Harbor Reserve	(315,775.64)
28520	Deferred Comp - restricted stock	(303,002.94)
28522	Perry reserve	(353.18)
28538	Rate Case Costs	248,848.12
28544	OPEB Exec Life	(4,003,660.60)
28550	E-Business hardware	32,884.47
28580	Blue Earth reserve	(10,120.80)
	AOCI - NQ Pension	(766,373.53)
	AOCI - OPEB Exec Life	251,094.32
	FIN 48 tax	(281,093.00)
	FIN 48 interest	(2,665.53)
Total Exclusions		(10,893,480.47)
283 Deferred Fed Tax for Rate Base		133,638,316.29
282 Deferred Fed Tax for Rate Base		153,374,424.39
Total Deferred Fed Tax for Rate Base		287,012,740.68
NOTE 1> Tie out to trial balance:		
	Fed Account #282100	153,374,424.39
	Fed Account #283010	122,744,835.82
	State Account #282200	7,881,925.31
	State Account #283020	23,935,314.93
	Total	307,936,500.45
	Per trial balance	307,936,500.45
	Difference	0.00

HAWAIIAN ELECTRIC CO., INC.		
DEFERRED INCOME TAXES		
STATE		
(DR)CR		STATE
LIAB	DESCRIPTION	LIABILITY
		12/31/2012
28351	Unearned Lease	(43.51)
28352	Accrued Vacation	236,272.00
28353	Uncollectible Acct	(289,865.47)
28354	Directors Def Comp	(3,036.14)
28357	Discounted Work Comp	(139,056.98)
28359	Cap to Construct (Cost of Remc	9,391,018.84
28361	Pension	1,307,468.07
28363	Excess Benefit Plan	(111,468.55)
28366	Def Exec Comp (Def EICP<II	(10,924.75)
28367	Software (no APPRISE & e bus)	(923.40)
28368	G/L ACRS Retirements	2,520,131.39
28370	EICP	(75,417.10)
28371	CIAC	(6,608,240.69)
28372	Customer Advances	(154,851.26)
28373	Capitalized Interest	(3,354,854.22)
28375	Connection Fees	8,444.14
28376	Nondeductible Interest	(8,682.72)
28377	Supplent Benefits - SERP	(105,285.72)
28378	Nondeductible Vac	(195,605.00)
28380	LTIP	(49,342.51)
28381	Waipahu Baseyard Int	(20,452.91)
28387	Waiau Water Well Pmts	(47,675.92)
28388	Nonutil Bad Debt	1,317.69
28390	Outage Loss Adj Exp	24,509.00
28451	Genl/Auto (& Accidents)	(161,328.46)
28453	CWIP Debt Transition	67,517.13
28454	CWIP Equity Trans	206,186.71
28455	Iolani Ct Plaza Sale	(432.07)
28456	Kaonohi Sale	6,942.61
28457	FAS 109 Flow Through	171,706.06
28458	Plant Transition	2,127,104.52
28459	CWIP Equity Net	4,616,947.11
28460	CWIP Equity Grossup	2,940,472.47
28461	CWIP Debt	2,212,141.29
28462	Genl/Auto Liability - Legal	(21,029.72)
28463	Post Retirement Ben	(6,614.99)
28464	Reg Liab Federal ITC	(91,453.62)
28469	IRP Costs	5,510.76
28470	Reg Liab Excess 283	(62,032.64)
28473	Miscellaneous	16,969.99
28477	Prepaid Expenses	177,614.61
28480	FMB X Premium	15,698.80
28482	Coal Gasif Costs	11,273.00
28484	EEO Claims	(3,051.58)
28485	Rev Bond Differential	99,968.87
28486	TIP	(11,952.21)
RAR 88-89	HACOA	1,533.00
RAR 88-89	BONY Rev	148.00
RAR 88-89	GAQS Tel	255.00
RAR88-89	Kalaeloa	35,119.58

HAWAIIAN ELECTRIC CO., INC.		
DEFERRED INCOME TAXES		
STATE		
		STATE
(DR)CR		LIABILITY
LIAB	DESCRIPTION	12/31/2012
28492	Overhaul (Waiau 3 Turbine)	(9,345.29)
28513	Revenue Bond Cost Amort.	339,444.25
28515	Software (APPRISE only)	50,607.54
28517	Honolulu Harbor Reserve	(85,799.32)
28521	Deferred Comp - restricted stock	(55,405.73)
28523	Perry reserve	(64.09)
28527	Emissions Fees	(84,979.40)
28531	AES Hawaii PPA	(8,322.46)
28533	CIS Project	197,298.08
28539	Rate Case Costs	45,503.99
28541	Kalaeloa PPA	(4,984.39)
28543	QUIPS amortization	71,116.61
28545	OPEB Exec Life	(732,166.00)
28547	Percentage Repairs Allowance	1,149,648.43
28549	Cap interest (D&T)	996,701.86
28551	E-Business hardware	8,206.93
28553	OMS project costs	1,649.62
28557	Substation Land - Waianae	282.46
28559	Substation Land - Aiea	2,470.89
28561	Solar Tax Credit	(192.12)
28565	HR Suites project costs	242,096.37
28569	Solar Saver Program	(63,670.49)
28571	Pension Tracker	575,941.43
28573	OPEB Tracker	(386,859.90)
28575	Substation Land - Barber's Pt	29.21
28577	Substation Land - Haiku	(519.59)
28581	Blue Earth reserve	(1,850.68)
28585	RO Water Pipeline	(23,776.25)
28587	Big Wind costs	172,042.61
28591	Repairs Adjustment	9,248,123.95
28593	Stimulus Funds	1,371.42
28595	Budget System Replacement	59,386.40
28597	EOTP interest / amort	51,780.88
28599	CIP interest	132,559.93
28601	ERP project	(18,769.87)
28603	Reg Liab Federal PV	(18,381.00)
28605	IVR project costs	(31,203.96)
28607	NOL	-
	AOCI - NQ Pension	(140,139.31)
	AOCI - OPEB Exec Life	45,916.19
	FIN 48 tax	(137,634.00)
FIN 48 int	FIN 48 interest	(490.43)
STATE ACCOUNT 283, excluding state ITC		26,256,273.25
28300	State ITC	(2,320,958.32)
STATE ACCOUNT 28302000		23,935,314.93
28220000	Accelerated Depr	7,792,400.69
28220100	Accel. Depr. - Excess	0.00
28220200	Accel. Depr. - Deficit	89,524.62
STATE ACCOUNT 282200		7,881,925.31

HAWAIIAN ELECTRIC CO., INC.		
DEFERRED INCOME TAXES		
STATE		
		STATE
(DR)CR		LIABILITY
LIAB	DESCRIPTION	12/31/2012
RATE BASE CALCULATION		
Total 283 Deferred State Tax		23,935,314.93
Less:		
28352	Accrued Vacation	236,272.00
28353	Uncollectible Acct	(289,865.47)
28354	Directors Def Comp	(3,036.14)
28357	Discounted Work Comp	(139,056.98)
28363	Excess Benefit Plan	(111,468.55)
28366	Def Exec Comp (Def EICP<II)	(10,924.75)
28370	EICP	(75,417.10)
28376	Nondeductible Interest	(8,682.72)
28377	Supplemt Benefits - SERP	(105,285.72)
28378	Nondeductible Vac	(195,605.00)
28380	LTIP	(49,342.51)
28381	Waipahu Baseyard Int	(20,452.91)
28387	Waiau Water Well Pmts	(47,675.92)
28388	Nonutil Bad Debt	1,317.69
28390	Outage Loss Adj Exp	24,509.00
28451	Genl/Auto (& Accidents)	(161,328.46)
28462	Genl/Auto Liability - Legal	(21,029.72)
28469	IRP Costs	5,510.76
28484	EEO Claims	(3,051.58)
28486	TIP	(11,952.21)
28517	Honolulu Harbor Reserve	(85,799.32)
28521	Deferred Comp - restricted stoc	(55,405.73)
28523	Perry reserve	(64.09)
28539	Rate Case Costs	45,503.99
28545	OPEB Exec Life	(732,166.00)
28551	E-Business hardware	8,206.93
28581	Blue Earth reserve	(1,850.68)
	AOCI - NQ Pension	(140,139.31)
	AOCI - OPEB Exec Life	45,916.19
	FIN 48 tax	(137,634.00)
	FIN 48 interest	(490.43)
Total Exclusions		(2,040,488.74)
283 Deferred State Tax for Rate Base		25,975,803.67
282 Deferred State Tax for Rate Base		7,881,925.31
Total Deferred State Tax for Rate Base		33,857,728.98

HAWAIIAN ELECTRIC CO., INC.
ADIT ON EXCESS DEPRECIATION
DECEMBER 31, 2012

	source	W8 BOILER	W7 CONTROLS	W8 MAIN	KAHUKU WIND	TOTAL
FEDERAL DEFERRED TAXES						
1 State Tax Depreciation		106,357	3,199	30,418	7,501	147,475
2 Book Depreciation	Prop Acctg	(18,861)		(6,574)	(5,161)	(30,596)
3 Subtotal	Line 1 + Line 2	87,496	3,199	23,844	2,340	116,879
4 Effective Federal Tax Rate		32.8947%	32.8947%	32.8947%	32.8947%	32.8947%
5 Federal Deferred Tax on State Depreciation	Line 3 * Line 4	28,782	1,052	7,843	770	38,447
6 Addback State Tax Depreciation	Line 3	(87,496)	(3,199)	(23,844)	(2,340)	(116,879)
7 Federal Tax Depreciation		576,971	55,363	160,376	7,331	800,041
8 Book Depreciation	Line 2	(18,861)	-	(6,574)	(5,161)	(30,596)
9 Federal State Difference	Line 6 + 7 + 8	470,614	52,164	129,958	(170)	652,566
10 Tax Rate on Federal Only Adjustment		35%	35%	35%	35%	35%
11 Federal Deferred Tax Adjustment	Line 9 * Line 10	164,715	18,257	45,485	(60)	228,398
12 Total Federal Deferred Taxes	Line 5 + Line 11	193,497	19,309	53,328	710	266,845
STATE DEFERRED TAXES						
13 State Tax Depreciation	Line 1	106,357	3,199	30,418	7,501	147,475
14 Book Depreciation	Line 2	(18,861)	-	(6,574)	(5,161)	(30,596)
15 Subtotal	Line 1 + Line 2	87,496	3,199	23,844	2,340	116,879
16 Effective State Tax Rate		6.0150376%	6.0150376%	6.0150376%	6.0150376%	6.0150376%
17 Total State Deferred Taxes	Line 15 * Line 16	5,263	192	1,434	141	7,030
18 TOTAL DEFERRED TAXES	Line 12 + Line 17	198,760	19,501	54,762	851	273,875

HAWAIIAN ELECTRIC CO., INC.
EXCESS TAX DEPRECIATION
W8 BOILER

Project No.	DIS	Description	Total Basis	Less PUC Approved Amt	Disallowable Costs	Plant Acct	Life	Bonus	2011	2012
FEDERAL										
P7650000	8/23/2011	W8 Boiler Controls Upgrade	6,165,261	5,236,138	929,123	Steam	20	50	481,983	33,537
	v2012	W8 Boiler Controls Upgrade	118,460	-	118,460	Steam	20	50		61,451
									<u>481,983</u>	<u>94,988</u>
			<u>6,283,721</u>	<u>5,236,138</u>	<u>1,047,583</u>				<u>481,983</u>	<u>576,971</u>
HAWAII										
P7650000	8/23/2011	W8 Boiler Controls Upgrade	6,165,261	5,236,138	929,123	Steam	20	0	34,842	67,073
	v2012	W8 Boiler Controls Upgrade	118,460	-	118,460	Steam	20	0		4,442
									<u>34,842</u>	<u>71,515</u>
			<u>6,283,721</u>	<u>5,236,138</u>	<u>1,047,583</u>				<u>34,842</u>	<u>106,357</u>

HAWAIIAN ELECTRIC CO., INC.
EXCESS TAX DEPRECIATION
W7 CONTROLS UPGRADE

Project No.	DIS	Description	Total Basis	Less PUC Approved Amt	Disallowed Costs	Plant Acct	Life	Bonus	2011	2012
FEDERAL										
P7590000	11/2/2011	W7 Controls Upgrade	5,009,888	5,021,440	(11,552)	Steam	20	50	(5,993)	(417)
	v2012	W7 Controls Upgrade	119,081	-	119,081	Steam	20	50		61,773
		Total	5,128,969	5,021,440	107,529				(5,993)	61,356
		Cumulative							(5,993)	55,363
HAWAII										
P7590000	11/2/2011	W7 Controls Upgrade	5,009,888	5,021,440	(11,552)	Steam	20	0	(433)	(834)
	v2012	W7 Controls Upgrade	119,081	-	119,081	Steam	20	0		4,466
		Total	5,128,969	5,021,440	107,529				(433)	3,632
		Cumulative							(433)	3,199

HAWAIIAN ELECTRIC CO., INC.
EXCESS TAX DEPRECIATION
W8 MAIN

Project No.	DIS	Description	Total Basis	Less PUC Approved Amt	Disallowed Costs	Plant Acct	Life	Bonus	2011	2012
FEDERAL										
P0001399	8/-/11	W8 Main Transformer Replace	2,627,959	2,357,425	270,534	Steam	20	50	140,340	9,765
	v2012	W8 Main Transformer Replace	19,800	-	19,800	Steam	20	50		10,271
		Total	2,647,759	2,357,425	290,334				140,340	20,036
		<i>Cumulative</i>							140,340	160,376
HAWAII										
P0001399	8/-/11	W8 Main Transformer Replace	2,627,959	2,357,425	270,534	Steam	20	0	10,145	19,530
	v2012	W8 Main Transformer Replace	19,800	-	19,800	Steam	20	0		743
		Total	2,647,759	2,357,425	290,334				10,145	20,273
		<i>Cumulative</i>							10,145	30,418

HAWAIIAN ELECTRIC CO., INC.
EXCESS TAX DEPRECIATION
KAHUKU WIND

Project No.	DIS	Description	Total Basis	Less PUC Approved Amt	Disallowed Costs	Plant Acct Life	Bonus	2011	2012
FEDERAL									
Y00138	12/-/10 v2012	Kahuku Wind Power Interconnect	2,225,842 (93,030)	2,125,651 (93,030)	100,191 Various	20	50	51,974	3,616
		Total	2,132,812	2,125,651	7,161	20	50	(48,259)	
		Cumulative						51,974	(44,643)
								51,974	7,331
HAWAII									
Y00138	12/-/10 v2012	Kahuku Wind Power Interconnect	2,225,842 (93,030)	2,125,651 -	100,191 (93,030)	Various	20	0	3,757
		Total	2,132,812	2,125,651	7,161	Various	20	0	7,233
		Cumulative							(3,489)
								3,757	7,501

Hawaiian Electric Company, Inc.
2012 Major Projects Excess Cost

Grandparent # or Project #	Project	DIS	{1}	{1}	{A}	{B}	{C}	{D} = {A} * {C}	{E} = {B} * {C}	{F}	{G} = {A} * {F}	{H} = {B} / {D}	{I} = {G} / {A} * {B}	2012 Dpr			2013 Dpr				
					Net Plant Adds Thru 12/31/11	Net Plant Adds Thru 12/31/12	Docket No 2010- 0053 Dpr Rate							PUC Approved	PUC Approved	2012 Dpr	2013 Dpr	2012 Dpr Excess of Docket	2013 Dpr Excess of Docket	2012 Dpr Related to Excess	2013 Dpr Related to Excess
P7650000	W8 Boiler Controls Upgrade	2011/08	6,165,261	6,283,721	312	0.02930	125,155	127,560	5,236,138	929,123	1,047,583	18,861	21,266								
P7590000	W7 Controls Upgrade	2011/11	5,009,888	5,128,569	312	0.02930	101,701	104,118	5,021,440	111,552	107,529		2,183								
P0001399	W8 Main Transformer Replace	2011/08	2,637,959	2,647,759	315	0.02930	63,859	64,341	2,257,425	270,534	290,334	6,574	7,055								
Y00138	Kahuku Wind Power	2010/12	2,225,842	2,132,812	397	0.06670	{3}	353,724	{2}	338,940	{3}	2,125,651	100,191	7,161	5,161	478	{3}				

[1] Source:HECO-WP-D2-001

[2] Transmittal No. 12-02 [Decoupling RBA Rate Adjustment Hawaiian Electric Revisions to Tariff Filing], HECO-WP-E-005, filed on May 23, 2012.

[3] 2013 Dpr estimated using proportion of Net Plant Adds Thru 12/31/12 to Net Plant Adds Thru 12/31/11 applied to 2012 Dpr. 2013 Dpr Related to Excess calculated using {C} Docket No 2010-0053 Dpr Rate * {H} 2012 Cost in Excess of Docket.

HAWAIIAN ELECTRIC COMPANY, INC.
 TAX REPAIRS ADJUSTMENT
 2013

		A	B	C = A x B	D = A - C
	HECO-WP-F1-002 5 YR Allocation	Plant Adds	HECO-WP-F1-001, pg 2 Repairs Allocation	Repairs Deduction	Depreciable Basis
LIFE	AVERAGE				
Communication	20	3,877			
Comp/Off/Furn/Tools	7	6,970			
Distribution	20	57,540	57,540,000	26.64%	15,328,607
Land	-	1,504			
Non-Steam Production	15	2,201	2,201,000	0.25%	5,449
Steam Production	20	28,468	28,468,000	16.14%	4,593,364
Structural	39	1,586			
Transmission	20	22,836	22,836,000	9.64%	2,201,052
Vehicles	-	6,270			
TOTAL		131,252	0.00%	111,045,000	22,128,472
					88,916,528

NOTE 1: This schedule computes the estimated amount of deductible tax repairs related to the 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 HECO-WP-F1-001, page 2.

NOTE 2: This allocation is no longer required because the 5 year average of additions is only baseline plant additions (excluding major additions). Previously we began with total plant additions, computed the allocation percentages, and then applied these percentages to the total RAM year baseline additions. By starting with the average baseline plant additions, the need for this allocation is eliminated.

**HAWAIIAN ELECTRIC COMPANY, INC.
 REPAIRS DEDUCTION**

	Distribution	Non Steam	Steam	Transmission
Repairs %:				
Total book basis repairs				
2008	10,778,554	431,923	4,847,721	4,157,324
2009	10,418,863	17,975	11,978,165	4,818,251
2010	12,083,904	-	537,281	1,397,088
2011	22,408,659	-	5,154,632	2,763,643
2012	29,418,955	-	6,074,873	4,182,277
	85,108,935	449,898	28,592,672	17,318,583
Total book basis adds				
2008 HECO-WP-F1-002	39,830,000	1,726,000	23,791,000	13,901,000
2009 HECO-WP-F1-002	46,079,000	170,241,000	28,936,000	29,414,000
2010 HECO-WP-F1-002	51,409,000	5,082,000	27,087,000	71,280,000
2011 HECO-WP-F1-002	80,297,000	3,048,000	43,732,000	17,624,000
2012 HECO-WP-F1-002	101,864,000	1,628,000	53,661,000	47,462,000
	319,479,000	181,725,000	177,207,000	179,681,000
AVERAGE %	26.639915%	0.247571%	16.135182%	9.638517%

NOTE 1> With the assistance of Price Waterhouse Coopers, the repairs deduction analysis was performed in 2010 and 2012 in connection with changing HECO's method of identifying deductible repairs for tax accounting purposes. The repairs percentage for each functional group represents the five year weighted average of the identified repairs costs.

HAWAIIAN ELECTRIC COMPANY, INC.
 BASELINE PLANT ADDS

	LIFE	2008 ACTUAL			2009 ACTUAL			2010 ACTUAL		
		PROJECTS	PROGRAMS	TOTAL	PROJECTS	PROGRAMS	TOTAL	PROJECTS	PROGRAMS	TOTAL
Communication	20	1,304	1,056	2,360	3,766	402	4,168	2,581	1,441	4,022
Comp/Off/Furn/Tools	7	402	2,823	3,225	1,937	2,798	4,735	1,243	3,383	4,626
Distribution	20	7,834	31,996	39,830	13,201	32,878	46,079	14,241	37,168	51,409
Land	-	6,120	4	6,124		23	23	-	44	44
Non-Steam Production	15	1,726		1,726	170,241		170,241	5,082	-	5,082
Steam Production	20	22,131	1,660	23,791	25,955	2,981	28,936	22,719	4,368	27,087
Structural	39	953	368	1,321	556		556	231	20	251
Transmission	20	7,918	5,983	13,901	24,108	5,306	29,414	66,596	4,684	71,280
Vehicles	-	924	3,255	4,179		3,610	3,610	-	6,253	6,253
TOTAL		49,312	47,145	96,457	239,764	47,998	287,762	112,693	57,361	170,054

	LIFE	2011 ACTUAL			2012 ACTUAL			LESS MAJOR PROJECTS		
		PROJECTS	PROGRAMS	TOTAL	PROJECTS	PROGRAMS	TOTAL	PROJECTS	PROGRAMS	TOTAL
Communication	20	2,126	1,232	3,358	7,175	806	7,981	(2,502)		(2,502)
Comp/Off/Furn/Tools	7	1,901	7,646	9,547	5,009	7,709	12,718	-		-
Distribution	20	35,689	44,608	80,297	43,704	58,160	101,864	(31,781)		(31,781)
Land	-	1,162	91	1,253	-	77	77	-		-
Non-Steam Production	15	3,048		3,048	1,628		1,628	(170,719)		(170,719)
Steam Production	20	43,426	306	43,732	47,762	5,899	53,661	(34,870)		(34,870)
Structural	39	1,595	758	2,353	3,265	182	3,447	(1)		(1)
Transmission	20	8,809	8,815	17,624	35,695	30,015	65,710	(83,753)		(83,753)
Vehicles	-	-	8,413	8,413	-	8,892	8,892	-		-
TOTAL		97,756	71,869	169,625	144,238	111,740	255,978	(323,626)	-	(323,626)

	LIFE	TOTAL (2008 - 2012)			AVERAGE (2008-2012)			AVERAGE (2008-2012)		
		PROJECTS	PROGRAMS	TOTAL	PROJECTS	PROGRAMS	TOTAL	PROJECTS	PROGRAMS	TOTAL
Communication	20	14,450	4,937	19,387	2,890	987	3,877	2.20%	0.75%	2.95%
Comp/Off/Furn/Tools	7	10,492	24,359	34,851	2,098	4,872	6,970	1.60%	3.71%	5.31%
Distribution	20	82,888	204,810	287,698	16,578	40,962	57,540	12.63%	31.21%	43.84%
Land	-	7,282	239	7,521	1,456	48	1,504	1.11%	0.04%	1.15%
Non-Steam Production	15	11,006	-	11,006	2,201	-	2,201	1.68%	0.00%	1.68%
Steam Production	20	127,123	15,214	142,337	25,425	3,043	28,468	19.37%	2.32%	21.69%
Structural	39	6,599	1,328	7,927	1,320	266	1,586	1.01%	0.20%	1.21%
Transmission	20	59,373	54,803	114,176	11,875	10,961	22,836	9.05%	8.35%	17.40%
Vehicles	-	924	30,423	31,347	185	6,085	6,270	0.14%	4.64%	4.78%
TOTAL		320,137	336,113	656,250	64,028	67,224	131,252	48.79%	51.22%	100.01%

(A)

NOTE A> The actual baseline plant additions is \$131,249,293 (Schedule D2). The \$131,252 is a result of rounding.

Hawaiian Electric Company, Inc.
2013 CIAC Additions - Major Projects Support

Grandparent	Project	Functional Category	Project to Date		2013 CIAC Additions	Future Years
			Project > Plant Addition Date	Recorded 12/31/12		
Y48500	P0001949: SmartTech Install (EOTP Ph2)	Distribution	201208	(812,546) N1	<u>(54,766)</u> N2	- N2
See Schedule G2 - Major Capital Project CIAC Additions <u>(54,766)</u>						

N1 Source: Hawaiian Electric Companies' *Exemption From and Modification of General Order No. 7 Paragraph No. 2.3(g), Relating to Capital Improvements Capital Projects Completed in 2012*, in Docket No. 03-0257, filed on March 22, 2013. See HECO-WP-D2-001.

N2 Source: UI Planner Budget Files - Forecast obtained from the U1302 scenario.

HAWAIIAN ELECTRIC COMPANY, INC.
 AVERAGE RATE BASE
 2012
 (\$ THOUSANDS)

	<u>12/31/2012</u>	<u>12/31/2011</u>	<u>Average</u>
<u>Investments in Assets Serving Customers</u>			
Net Cost of Plant in Service *	1,910,296	1,693,258	1,801,777
Property Held for Future Use	4,086	4,090	4,088
Fuel Inventory	123,176	128,037	125,607
Materials & Supplies Inventories	28,617	22,024	25,321
Unamortized Net SFAS 109 Regulatory Asset	64,857	63,357	64,107
Unamortized System Development Costs	8,953	8,297	8,625
Unamortized Deferred CIS	14,232	0	7,116
Unamortized EOTP Regulatory Asset	1,863	0	932
Unamortized CIP-CT1 Regulatory Asset	4,546	0	2,273
RO Water Pipeline Regulatory Asset	5,424	5,540	5,482
Contributions in Excess of NPPC Regulatory Asset	19,411	19,411	19,411
Working Cash	29,098	28,898	28,998
Total Investment in Assets	2,214,559	1,972,912	2,093,736
<u>Funds from Non-Investors</u>			
Unamortized CIAC	238,510	204,795	221,653
Customer Advances	2,247	2,141	2,194
Customer Deposits	12,313	11,745	12,029
Accumulated Deferred Income Taxes	320,871	249,502	285,187
Unamortized Investment Tax Credit	38,719	33,856	36,288
Unamortized Gain on Sales	316	580	448
Pension Regulatory Liability	(9,575)	2,746	(3,415)
OPEB Regulatory Liability	6,432	8,721	7,577
Total Deductions	609,833	514,086	561,960
Average Rate Base	1,604,726	1,458,826	1,531,776

* Excludes amounts in excess of prior approved CIP CT-1 costs in 2011.

HAWAIIAN ELECTRIC COMPANY, INC.
AVERAGE RATE BASE AND RATE OF RETURN
($\$$ Thousands)

RATE BASE	Month End			Simple Average
	Dec-12	Dec-11		
TOTAL UTILITY PLANT	2,313,477	2,111,010		
Adjustments:				
Franchise & Organizational Costs				
Construction Work in Progress	(130,143)	(117,624)		
Retirement Work in Progress	(10,140)	(11,018)		
Excess CIP CT-1 Capital Costs (net)		(30,636)		
Excess EOTP Phase 1 Capital Costs (net)				
Asset Retirement Obligation	(47,975)	(50,409)		
Regulatory Liability for Cost of Removal	(203,569)	(196,152)		
Other	(7,268)	(7,823)		
DEPRECIATED COST OF UTILITY PLANT IN SERVICE *	<u>1,914,382</u>	<u>1,697,348</u>	1,805,865	
REGULATORY ASSETS - SFAS 109	64,857	63,357	64,107	
REG ASSET- CONTRIB vs. NPPC	19,411	19,411	19,411	
REGULATORY ASSET - PENSION NPPC vs. Rates	17,315	7,203	12,259	
REGULATORY ASSET - OPEB NPBC vs. Rates	380	0	190	
REGULATORY ASSET - RO PIPELINE	5,424	5,540	5,482	
MATERIALS & SUPPLIES (Excluding Stores Expense)	30,360	24,978	27,669	
MATERIALS & SUPPLIES ADJUSTMENT	(1,743)	(2,954)	(2,349)	
FUEL STOCK	123,176	128,037	125,607	
UNAMORTIZED DEFERRED OMS COSTS	3,101	3,572	3,337	
UNAMORTIZED DEFERRED HR SUITE-PHASE 1	3,089	3,446	3,268	
UNAMORTIZED DEFERRED HR SUITE-PHASE 2	1,151	1,279	1,215	
UNAMORTIZED DEFERRED BUDGET SYSTEM PROJECT	1,612	0	806	
UNAMORTIZED DEFERRED CIS COSTS	14,232	0	7,116	
UNAMORTIZED EOTP REGULATORY ASSET	1,863	0	932	
UNAMORTIZED CIP REGULATORY ASSET	4,546	0	2,273	
WORKING CASH:	29,098	28,898	28,998	
DEDUCTIONS:				
Unamortized Contributions in Aid of Construction	238,510	204,795	221,653	
Customer Advances for Construction	2,247	2,141	2,194	
Deferred Income Taxes	320,871	249,502	285,187	
Unamortized Investment Tax Cr - 1962 Revenue Act & STC	38,719	33,856	36,288	
Rental Premiums - Kamoku	0	0	0	
Customer Deposits	12,313	11,745	12,029	
Unamortized Gain on Sales	316	580	448	
Regulatory Liability Tracker True-up	7,740	9,949	8,845	
Regulatory Liability OPEB True-up	6,812	8,721	7,767	
TOTAL DEDUCTIONS	<u>627,528</u>	<u>521,289</u>	<u>574,409</u>	
MONTH ENDED RATE BASE	1,604,726	1,458,826	1,531,776	

* Includes Property Held for Future Use balance of: 4,086 4,090 4,088

HAWAIIAN ELECTRIC COMPANY, INC.
 Ratemaking Adjustments For Incentive Compensation And Other Non-Recoverable Expenses
 2012

<u>Account/Activity No.</u>	<u>Description</u>	<u>YTD</u>	<u>Net of Tax</u>	<u>Rounded 000s</u>
P8M723PHENENPZZZZZ150*	LTIP expense (credit)	(22,960)		
P8M723PHENENPZZZZZ150*	EICP expense (credit)	1,209,708		
P8M723PHENENPZZZZZ150*	Manager award plan (credit)	645,324		
P8M723PHENENPZZZZZ900	LTIP share expense (credit)	833,695		
Incentive awards excel worksheet	New merit award	1,301,728		
Restricted stock report	Other incentive awards	580,523		Incentive
Provided by HEI	HEI charges for incentive compensation	1,643,594	3,782,470	3,782
P#R0001202	Executive life insurance(COLI) expense (credit) <i>not tax deduct</i>	(322,463)		
93022 Schedule WO#AD000945	Company memberships (portion of EEI dues related to EEI's Government Affairs group, Communication, Marketing, Customer, and Employee Relations group)	79,220		
WO#IR000121	Ho'ola'a - service awards program	42,219		
WO#HR000034	HEIRS 401K	0		
WO#HR000035	HEIRS 401K-Fidelity Recordkeeping	25,192		
P#R0001091	Directors	7,881		
P#R0001087	Excess	330,605		
P#R0001088	SERP	147,144		
P#R0010240	OPEB (Executive life portion only)	937,769		
408040	Payroll taxes related to incentive compensation	172,460		
AUW excel spreadsheet	Community service adm - AUW	156,509	868,464	Other 868
	Total adjustment to operating income	7,768,148		
	Tax on adjustments	(3,117,214)		
	Net adjustment to operating income	4,650,934	4,650,934	4,650

For HEIRS-Fidelity recordkeeping, applied the following percentage as disallowed (only fee for matched contribution allowed)
 1-(117/1596*.7041) 94.84%

HECO-WP-H-003
(WITH SETTLEMENT)
PAGE 1 OF 1

HAWAIIAN ELECTRIC COMPANY, INC.
Income Tax On Items To Be Replaced By Synchronized Interest
2012

	<u>Source</u>	<u>YTD</u>	
Total Interest Charges	PUC report	40,843,311	
Less: Int on Customer Deposits	Account 43105000	(773,785)	
AFUDC-Debt	NARUC 420030	(3,642,083)	
Amort of Inv Inc Differential	NARUC 403030	194,264	➡ Line 2c
Equity in net income of trust	NARUC 421070	<u>(100,516)</u>	
		36,521,191	
	Tax rate	<u>38.9097744%</u>	
	Rounded (000s)	14,210	➡ Line 2d

HAWAIIAN ELECTRIC COMPANY, INC.
 Ratemaking Capitalization
 2012

	<u>Simple Average Balance*</u>	<u>Ratios</u>	<u>Cost Rate</u>	<u>Weighted Cost of Debt</u>
Short-Term Debt:	73,702	4.26%	0.52%	0.02%
Long-Term Debt	676,936	39.10%	5.79%	2.26%
Hybrid Securities	28,104	1.62%	7.33%	0.12%
Preferred Stock	20,862	1.21%	5.44%	0.07%
Common Equity	931,512	53.81%	10.00%	5.38%
	1,731,116	100.00%		7.85%

	<u>NARUC/ GL Code</u>	<u>YTD Dec 2011</u>	<u>Rounded (000s)</u>	<u>Cost Rate</u>
Short-Term Debt:				
430	430	2,101,979		
Less: Interest on QUIDS		(2,050,516)		
Int Exp-Commercial Paper	43100000	359,839		
Int Exp-SCF Loans	43108000	0		
Int Inc-Assoc Cos.	419300	(25,219)		
		386,083	386	0.52%
Long-Term Debt:				
Amort of Debt Disc & Exp	428	1,951,109		
Less: Hybrid Sec Amort of Iss Exp		(109,414)		
Interest on Long-Term Debt	427	37,152,345		
Amort Inv Inc Differential	403030	194,264		
		39,188,304	39,188	5.79%
Hybrid Securities:				
Interest on QUIDS	43006000	2,050,516		
Amort Exp-QUID1 Iss Exp	428QUID1	40,416		
Amort Exp-QUID2 Iss Exp	428QUID2	37,899		
Amort Exp-QUID3 Iss Exp	428QUID3	31,099		
Equity in Net Inc of Trust	421070	(100,516)		
		2,059,414	2,059	7.33%
Preferred Stock:				
Amort of Pfd Stk Iss Exp	42501000	55,085		
Preferred Stock dividends	437	1,079,907		
		1,134,992	1,135	5.44%

* Short-Term Debt based on a 12 month average.

HAWAIIAN ELECTRIC COMPANY, INC.
Earning Sharing Credits Recorded (net of tax)
2012

Earnings Sharing Credits Recorded	2,078
Revenue Taxes @ 8.885%	(185)
	1,893
Income Taxes @ 38.9097744%	(737)
Reduction to operating income	1,156