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PUBLIC UTILITIES
COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAI'I

In the Matter of the Application of)	
)	
HAWAI'I ELECTRIC LIGHT COMPANY, INC.	)	Transmittal No. 17-03 (Decoupling)
)	
For approval to modify the RBA Rate Adjustment	)	Effective
in Its Revenue Balancing Account Provision Tariff	)	Date: June 1, 2017
_____)	

I

Hawai'i Electric Light Company, Inc. ("Hawai'i Electric Light" or "Company") files this transmittal to revise paragraph E (Tariff Revised Sheet No. 91C) of its Revenue Balancing Account ("RBA") Provision tariff ("RBA Tariff") to revise the RBA Rate Adjustment by \$0.000292 from the current rate of \$0.014241 per kilowatt-hour ("kWh") to the new rate of \$0.014533 per kWh, effective June 1, 2017 through May 31, 2018. The RBA Rate Adjustment is based on the Company's RBA balance at the end of 2016 and the Company's Rate Adjustment Mechanism ("RAM") Revenue Adjustment for calendar year 2017.

II

Hawai'i Electric Light, whose executive office is located at 1200 Kilauea Avenue, Hilo, Hawai'i, is a corporation duly organized under laws of the Republic of Hawai'i on or about December 5, 1894, and now exists under and by virtue of the laws of the State of Hawai'i.

Hawai'i Electric Light is an operating public utility engaged in the production, purchase, transmission, distribution and sale of electricity on the island of Hawai'i.

III

Correspondence and communications in regard to this Transmittal No. 17-03 are to be addressed to:

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Hawaiian Electric Company, Inc.
P. O. Box 2750
Honolulu, Hawai'i 96840

IV

Hawai'i Electric Light seeks Commission authorization of this tariff transmittal pursuant to Sections 6-61-111, 6-61-74, 6-61-75, and 6-61-86 of the *Rules of Practice and Procedure before the Public Utilities Commission*, Hawai'i Administrative Rules ("HAR"), Title 6, Chapter 61. The proposed tariff revisions are in accordance with the Final Decision and Order in Docket No. 2008-0274, Order No. 32735 in Docket No. 2013-0141 and other orders as explained herein.

V

Pursuant to HAR §6-61-76, Hawai'i Electric Light incorporates by reference its latest available balance sheet and income statement for the twelve months ending February 28, 2017 filed with the Commission on March 30, 2017.

VI

Beginning in 2012, Hawai'i Electric Light filed tariff transmittals to annually establish an RBA Rate Adjustment, which the Commission subsequently approved.¹ On May 31, 2013, the Commission issued Order No. 31289 in Docket No. 2013-0141 to open an investigative docket to review whether the decoupling mechanisms are functioning as intended, are fair to the Companies² and their ratepayers, and are in the public interest, and named the Hawaiian Electric Companies and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs ("Consumer Advocate") to be parties in this proceeding.³ The Commission later granted motions to intervene filed by the County of Hawai'i, Hawaii Solar Energy Association, Blue Planet Foundation and Hawaii Renewable Energy Alliance. In Order No. 31484 (pages 4 and 16), the Commission stated that it would divide the issues in this docket into two categories, Schedule A and Schedule B, and address them pursuant to separate procedural schedules.

On February 7, 2014, the Commission issued Decision and Order No. 31908 on the Schedule A issues, which directed the modification of certain provisions of the decoupling mechanisms. These modifications included the following: 1) effective March 1, 2014, the Companies shall use the short term debt rate, as established in deriving the consolidated cost of capital in each of the Companies' last full rate case, to compute interest on the outstanding RBA

¹ Refer to Transmittal Nos. 12-03, 13-02, 14-04, 15-04, and 16-02 filed April 11, 2012, March 28, 2013, March 31, 2014, March 31, 2015, and March 31, 2016 respectively, and approved in *Order No. 30435 Approving HELCO's Tariff Transmittal Filed on April 11, 2012, as Revised on April 18, 2012*, *Order No. 31287 Consolidating Proceedings and Approving Multiple Tariff Transmittals*, *Order No. 32112 Consolidating Proceedings and Approving Tariff Transmittals*, *Order No. 32883 Consolidating Proceedings and Approving Amended Tariff Transmittals*, as revised on June 3, 2015, and *Order No. 33724 Consolidating Proceedings, Providing Clarifications, and Approving Tariff Transmittals As Amended*, respectively. For information on past years' filings as well as additional background information on decoupling, refer to the transmittals cited here.

² The "Companies" or "Hawaiian Electric Companies" are Hawaiian Electric, Hawai'i Electric Light and Maui Electric Company, Limited ("Maui Electric").

³ See *Order No. 31289 Initiating Investigation*, issued May 31, 2013 in Docket No. 2013-0141.

balance, and 2) the rate base RAM return on investment adjustment (“Rate Base RAM Adjustment”) shall be equal to the prior RAM period’s rate base RAM return on investment calculation plus 90 percent of the amount that the current RAM period’s rate base RAM return on investment calculation exceeds the prior RAM period’s rate base RAM return on investment calculation.⁴ On February 28, 2014, the Companies filed amended tariffs implementing the provisions of the decision and order and on March 28, 2014, the Commission approved the Companies’ amended tariffs in Order No. 32001 in Docket No. 2013-0141.

In Decision and Order No. 31908, the Commission also ordered the Companies to investigate the possibility that they may be able to defer payment of income taxes on the accrued amounts of decoupling revenue and make recommendations as to deferred tax treatment. On May 6, 2014, the Companies notified the Commission that they received approval from the Internal Revenue Service (“IRS”) effective January 1, 2014 to change their accounting method from a book method of RBA revenue recognition to a recognition method based on when rates are adjusted for the RBA, and on May 19, 2014, provided information on how they will implement the change to reduce the amount of interest to be accrued.

On March 31, 2015, the Commission issued Order No. 32735 in Docket No. 2013-0141, which directed the Companies to make certain modifications to their decoupling mechanisms to be applied beginning with the Companies’ 2015 decoupling filings. Among other things, the Commission ordered the following:

- 1) The RBA shall be retained;
- 2) The RAM mechanism shall be modified to include a cap that shall be applied to the total annual RAM Revenue Adjustment. The cap shall limit

⁴ If the prior RAM period is a rate case test year, then the Rate Base RAM Adjustment shall be equal to 90 percent of the current RAM period’s rate base RAM return on investment calculation.

the automatic component of RAM adjustment increases to an amount equal to or lower than the Gross Domestic Product Price Index (“GDPPI”);

- 3) The 90% adjustment shall be removed in favor of the GDPPI cap;
- 4) The Commission will allow the Companies to apply for approval by the Commission, on a case by case basis, to recover revenues outside of and in addition to the capped RAM revenues.⁵ The Companies and the Consumer Advocate shall develop criteria for the Commission's review for recovery of these costs (which may include consolidated or “programmatic” baseline expenditures) through the RAM or the Renewable Energy Infrastructure Program (“REIP”) surcharge;⁶ and
- 5) The changes in items 1 through 4 above shall be made effective on an interim basis pending commission resolution of the proceedings concerning the Companies’ Power Supply Improvement Plans in Docket No. 2014-0183.⁷

Among the modifications to the RAM, the Commission amended the RAM Revenue Adjustment to be the lesser of (a) the RAM Revenue Adjustment determined according to “existing” tariffs and procedures (“Original RAM Methodology”) or (b) a RAM Revenue

⁵ The Commission remained “mindful of cautions expressed by the parties regarding the possible consequence of implementing caps or limits on RAM revenue recovery” and recognized the Companies’ “need to finance necessary capital investments[,]” while sharing concerns expressed by the Companies that increasing the revenue requirement by inflation alone is unlikely to provide the Companies with sufficient revenue to invest as needed to meet Hawai‘i’s goals while also providing the Companies a fair opportunity to earn their cost of capital. Order No. 32735 at 85-87.

⁶ On June 15, 2015, in Docket No. 2013-0141, 1) the Companies filed their proposed Hawaiian Electric Companies Standards and Guidelines for Eligibility of Projects for Cost Recovery through the RAM above the RAM Cap, and 2) the Companies and the Consumer Advocate filed their Joint Proposed Modified REIP Framework/Standards and Guidelines.

⁷ Order No. 32735 at 5-7.

Adjustment Cap (“RAM Cap”). The RAM Cap shall be based on the target revenues⁸ determined in accordance with the RBA and RAM tariffs times the cumulative annually compounded increase(s) in GDPPI for intervening years, adjusted to include applicable revenue taxes.⁹ The RAM Cap will apply to the entire RAM Revenue Adjustment including the Operation and Maintenance (“O&M”) RAM, Rate Base RAM (including major capital and baseline projects), and the Depreciation and Amortization RAM.¹⁰

For each of the Hawaiian Electric Companies, for the calculation of the RAM Cap for the 2015 RAM Revenue Adjustment and until issuance of a final decision and order in the next rate case for each Company, the target revenues that will serve as the basis for the incremented cap will be the 2014 annualized target revenues.¹¹ Following the issuance of a final decision and order in a rate case, the basis for the calculation of the RAM Cap shall be the target revenues determined in accordance with the RBA tariff based on the results of the Company's most recent final rate case decision.^{12 13}

VII

By this Transmittal, Hawai'i Electric Light proposes to revise its decoupling RBA Rate Adjustment from the current rate of \$0.014241 per kWh to the new rate of \$0.014533 per kWh, effective June 1, 2017 through May 31, 2018.

⁸ Order No. 32735 at 95-96.

⁹ Order No. 32735 at 94.

¹⁰ Order No. 32735 at 96.

¹¹ Order No. 32735 at 95.

¹² Order No. 32735 at 96.

¹³ On September 19, 2016, Hawai'i Electric Light filed its 2016 test year rate case in Docket No. 2015-0170 (“2016 Rate Case”). Upon receiving a final decision and order from the Commission, the following RAM will be calculated based on the target revenues established by the Commission's final decision and order in the 2016 Rate Case.

The Company calculated its RBA Rate Adjustment according to its RBA and RAM tariff provisions¹⁴ and the provisions of Order Nos. 32735 and 32866. The 2017 RBA Rate Adjustment includes the recovery of the RBA balance at year end 2016 and the calculated RAM revenue adjustment for calendar year 2017. Approximately 22% of the RBA Rate Adjustment includes the recovery of the RBA balance at year end 2016, while 78% corresponds to the 2017 RAM Revenue Adjustment. There are no adjustments to the RBA Rate Adjustment for earnings sharing revenue credits or for Commission-ordered major capital project credits or baseline capital project credits. (Refer to Schedule A of Attachment 2 described in Section VIII of this tariff transmittal.) Based on the revised rate, a monthly bill for a Hawai'i Electric Light residential customer using 500 kWh of electricity would increase by \$0.15.¹⁵

The 2017 RBA Rate Adjustment will replace the 2016 RBA Rate Adjustment in the Company's Revenue Balancing Account Provision tariff and, as more fully discussed below, reflects the RBA balance as of the end of 2016, and the RAM Revenue Adjustment based on the Original RAM Methodology. The following sections explain the amounts that make up the 2017 RBA Revenue Adjustment.

RBA Balance

The RBA revenue balance results from the sales decoupling component of the Commission-approved decoupling mechanism which breaks the linkage between the Company's sales and total electric revenue.¹⁶ The approved RBA tariff allows Hawai'i Electric Light to record revenues only at target revenue levels (i.e., those authorized in the 2010 test year rate case plus the effective RAM Revenue Adjustments, less any applicable earnings sharing and/or major

¹⁴ Refer to Tariff Revised Sheet Nos. 89, 89A – 89H, 91 and 91A – 91D.

¹⁵ The monthly bill impact for a household using 500 kWh with the revised rate would be \$7.27 as compared to \$7.12, based on the current rate.

¹⁶ Decision and Order No. 30168, issued February 8, 2012 in Docket No. 2009-0164, page 97.

or baseline capital project credits), independent of the level of sales experienced. The approved RBA tariff also requires interest to be recorded monthly to the RBA at the interest rate specified in accordance with Order No. 32001, dated March 28, 2014. As a result, effective March 1, 2014, the annual rate used to calculate interest on the RBA balance changed from 6% to 3.25%, which is the short term debt rate as established in computing the consolidated cost of capital in the Company's last full rate case. Additionally, based on Decision and Order No. 31908 and pursuant to IRS approval to change the tax treatment of its RBA revenues, effective January 1, 2014, the Company changed its basis for computing interest from a gross to a net-of-deferred income tax RBA balance.

The cumulative RBA balance at the end of 2016 was \$3.0 million, and consisted of revenues recorded in the RBA as a result of decoupling, net of the amounts recovered through the RBA Rate Adjustment, since the inception of decoupling at Hawai'i Electric Light in 2012. This is a decrease of \$2.3 million from the RBA balance at the end of 2015 of \$5.3 million, and was the result of Hawai'i Electric Light recovering \$6.5 million of the RBA balance through the RBA Rate Adjustment and recording \$4.3 million in revenues,¹⁷ adjustments, and interest for 2016. Therefore, the 2016 year-end balance of \$3.0 million represents the unrecovered cumulative RBA balance and additional amounts due to a shortfall in revenues¹⁸ resulting from lower sales in 2016. Because the revenues associated with the RBA balance have already been recorded, they have already been reflected in the Company's net income and will not contribute to the Company's earnings in 2017. The 2016 year-end RBA balance of \$3.0 million is grossed-up to \$3.3 million to include revenue taxes.

¹⁷ This represents the difference between target revenues and recorded adjusted revenues, plus any adjustments for 2016.

¹⁸ That is, "recorded adjusted revenue" as defined in the RBA Tariff.

Hawai'i Electric Light's 2016 recorded sales totaled 1,067.4 gigawatt-hours ("GWh"), which was 55.3 GWh, or 4.9% lower than the 1,122.7 GWh test year amount (based on the March 2009 forecast) adopted in the Hawai'i Electric Light 2010 test year rate case. The actual sales in 2016 was relatively flat when compared to sales in 2015 and 2014, however, it was lower than previous years 2013, 2012, 2011, and 2010.¹⁹

The residential and commercial sectors both experienced lower sales in 2016 compared to 2010 test year levels, with the larger shortfall of 9.6% in the residential sector where customers decreased their average monthly usage by 14.6%, as compared to the commercial sales shortfall of 2.0% (see Table 1 below).

¹⁹ The actual sales for 2010 totaled 1,109.7 GWh, a difference of 13.0 GWh, or -1.2%, from the test year estimate. The actual sales in 2011, 2012, 2013, 2014, 2015 and 2016 were 1,103.6 GWh, 1,085.1 GWh, 1,076.1 GWh, 1,062.5 GWh, 1,064.8 GWh and 1,067.4 GWh respectively. It should be noted that, if the 2010 test year sales estimate had been lower (e.g., closer to actual sales for 2010), then the current RBA balance would have been lower, but the interim and final base rates resulting from the rate case would have been higher. As a result, the net impact on customers over the period between rate cases would have been the same.

Table 1
Comparison of 2016 Actuals to TY2010

	2010	2011	2012	2013	2014	2015	2016	Difference		
TY2010	Actuals	2016 & TY2010	% Diff							
Residential Sector										
Sales (GWh)	427.2	430.9	426.8	409.8	395.7	386.6	388.4	386.0	(41.2)	-9.6%
Customers	67,509	67,278	68,055	68,786	69,461	70,108	70,812	71,518	4,009	5.9%
Average Mon	527	534	523	496	475	460	457	450	(77)	-14.6%
Renewable C	3.5	2.8	5.8	13.5	31.4	42.1	58.2	75.0	71.5	2042.9%
Energy Effic	11.7	17.7	27.2	38.7	47.0	53.5	61.0	49.3	421.5%	
Electricity P _h	35.3	35.3	41.9	42.5	42.1	41.9	34.6	31.5	(3.8)	-10.8%
Commercial Sector										
Sales (GWh)	695.5	678.8	676.8	675.3	680.4	675.9	676.4	681.4	(14.1)	-2.0%
Customers	13,574	12,894	12,752	12,729	12,807	12,996	13,048	13,090	(484)	-3.6%
Renewable C	7.2	2.9	10.1	12.5	23.3	25.2	31.2	35.6	28.4	394.4%
Energy Effic	30.3	26.6	28.2	33.0	37.1	40.7	45.1	44.8	14.8	48.9%
Electricity P _h	32.3	32.3	39.0	39.3	38.7	38.3	30.9	27.6	(4.7)	-14.6%
Total Sales (	1,122.7	1,109.7	1,103.6	1,085.1	1,076.1	1,062.5	1,064.8	1,067.4	(55.3)	-4.9%
% Difference		-1.2%	-0.5%	-1.7%	-0.8%	-1.3%	0.2%	0.2%		
Weather										
Cooling Degree Days ⁴ H _u	3,282	3,287	3,175	3,557	3,640	4,167	3,991			
Cooling Degree Days ⁴ K _o	4,336	4,655	4,595	4,908	5,170	5,448	5,272			
Average Dew Point Temp	63.6	64.8	64.6	65.2	67.2	67.4	67.0			
Average Dew Point Temp	63.5	64.9	64.0	65.2	66.5	67.4	67.7			

¹ Cumulative impacts are from systems installed under the NEM, SIA, FIT and CGS Tariffs. TY2010 did not include impacts under FIT. Data subject to change.

² Actuals include impacts provided by Hawaii Energy. Data subject to change.

Complete calendar year 2016 data was not available at time of this filing and therefore calendar year 2015 was used in the comparison to TY2010.

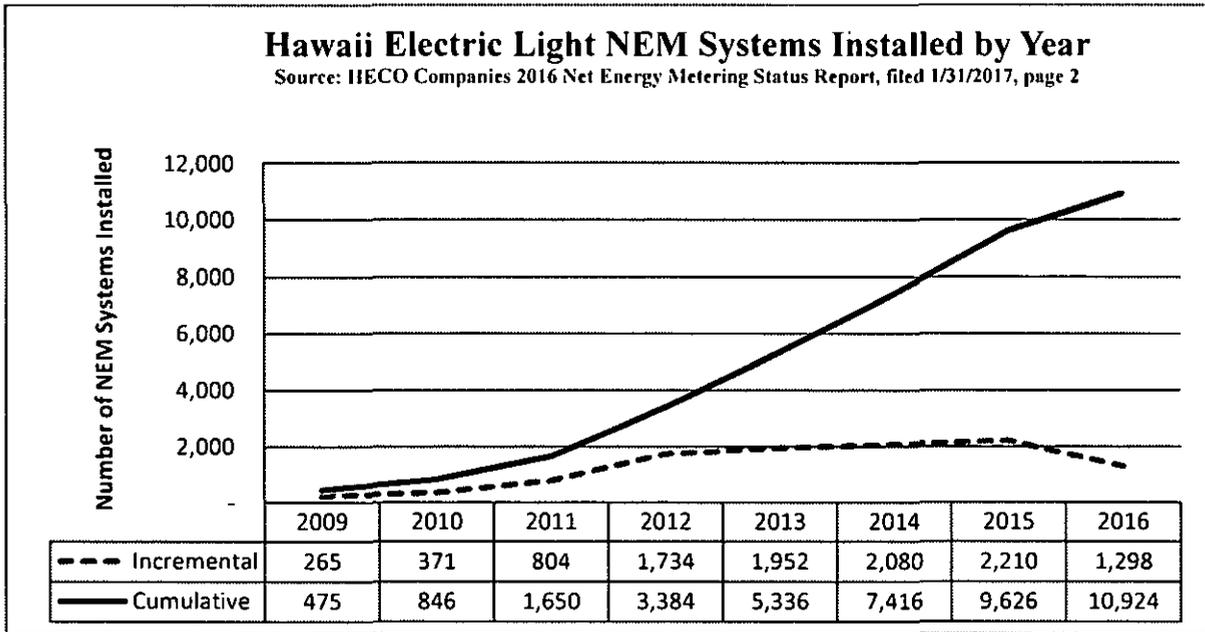
³ Actual average annual electricity price excluding Schedule F.

⁴ A cooling degree day is a measurement designed to reflect the demand for energy to cool a home or business. It is calculated by subtracting 65 from the day's average temperature.

Several factors contributed to the lower than forecasted sales in 2016. First, higher penetrations of customer-sited renewable generation systems installed under Net Energy Metering (“NEM”), Standard Interconnection Agreements (“SIA”), Customer Grid-Supply (“CGS”), Customer Self-Supply (“CSS”) and Feed-In-Tariffs (“FIT”) had a significant impact on sales. The cumulative 2016 impacts of systems installed under NEM, SIA, CGS, CSS and FIT²⁰ were higher than the 2010 test year assumed impacts by 2,042.9% for the residential sector and 394.4% for the commercial sector. As shown in the 2016 Net Energy Metering Status Report filed January 31, 2017, page 2, the cumulative number of NEM installed systems on Hawai'i

²⁰ The impacts to sales under FIT are associated with the output from the system that offsets a customer's load as opposed to what is sold to the Company.

Electric Light’s grid jumped from 475 in 2009 to 10,924 in 2016, a 2,200% increase over seven years. Refer to the graph below for the number of NEM systems installed by year.



Second, the actual impact to sales from the installation of energy efficient technologies was also greater than the 2010 test year rate case forecast. Impacts consistent with those filed in the Company’s Integrated Resource Planning (“IRP”) proceeding, Docket No. 04-0046, were used to develop the forecast as information on future program impacts were not available at that time. In the years 2010 through 2015²¹, the Public Benefits Fund Administrator’s programs achieved greater kWh reduction impacts than what was assumed in the test year.

The decline in sales in 2016 due to higher penetration of customer-sited renewable generation systems and energy efficiency measures was partially offset by the effects of warmer and more humid weather compounded by relatively lower electricity prices driven by lower fuel oil prices which resulted in relatively flat sales as compared to 2015.

²¹ Energy efficiency impacts were not available for calendar year 2016. Table 1 provides energy efficiency impacts through calendar year 2015.

In summary, declining sales in 2016 relative to forecast created a shortfall in electric sales revenue and the recovery of the Company’s fixed costs for the provision of electric service to its customers. Overall, the RBA balance decreased to \$3.0 million at the end of 2016.

RAM Revenue Adjustment

Order No. 32735 states that the RAM Revenue Adjustment will be the lesser of (a) the RAM Revenue Adjustment calculated according to the existing tariffs and procedures at the time of the issuance of the order (“Original RAM Methodology”) or (b) a RAM Cap. For the 2017 decoupling annual filing, the Company calculated the RAM Revenue Adjustment to be lower using the Original RAM Methodology so therefore the RAM Cap is not applied for the 2017 RAM Revenue Adjustment. See Schedule A1 and the summary table below.

	<u>RAM Cap</u> ²²	<u>Original RAM Methodology</u> ²³
2017 RAM Revenue Adjustment	\$12.6 million	\$11.8 million

The sections below further explain the calculations of both RAM Revenue Adjustment methodologies.

RAM Revenue Adjustment Cap

Order No. 32735 at 95-96, explains that the RAM Cap will be based on the 2014 adjusted target revenues multiplied by the cumulative annually compounded increases in the GDPPI for

²² 2017 RAM Cap \$12,621,414 is calculated as 2017 RAM Cap (\$12,249,300) + Exceptional And Other Matters (\$372,114). See Schedule A1.

²³ 2016 RAM Under Existing Tariffs \$11,775,699 calculated as: O&M RAM (\$5,782,944) less Rate Base RAM-Return on Investment (-\$2,481,749) + Depreciation and Amortization Expense (\$8,711,708) less an adjustment for Change in On-cost Clearing Allocation (-\$231,340) and 2016 revised adjustment for change in On-cost Clearing Allocation (\$-5,864). See Schedule A1.

Order No. 32866, paragraph 18 required the Company to adjust its 2015 RAM Revenue Adjustment to reflect the O&M expense reduction impact associated with the change in on-cost clearing allocation identified by the Company in its response to CA-IR-1(b). The RAM calculation for 2015 included an adjustment based on the actual 2014 O&M impact due to the change in on-cost clearing allocation. Therefore, in calculating the 2017 RAM revenue adjustment under the Original RAM Methodology, the adjustment has been updated to reflect the actual 2016 O&M impact of the change in on-cost clearing allocation. See HECO-WP-A1-001.

intervening years, adjusted to include applicable revenue taxes. As shown in Schedule J in Attachment 2, the adjusted 2015 Target Revenues is \$158.2 million. This amount is then added to the adjusted 2016 RAM Cap increase of \$2.4 million²⁴. This results in a 2016 target revenue total of \$160.6 million. The 2016 target revenue total is then multiplied by the 2017 GDPPI of 2.00% to calculate the 2017 RAM Cap increase (excluding Exceptional and Other Matters) of \$3.2 million.

The incremental 2017 RAM Cap increase of \$3.2 million is then added to the adjusted 2016 RAM Cap of \$9.0 million to calculate the 2017 RAM Cap total of \$12.2 million. \$0.4 million in “Exceptional and Other Matters” reflecting the RAM calculations for the Customer Information System (“CIS”) deferred project cost is then added to the \$12.2 million to arrive at a Total 2017 RAM Revenue Adjustment Cap of \$12.6 million.

RAM Revenue Adjustment- Original RAM Methodology

The RAM Revenue Adjustment determined under the Original RAM Methodology totaled \$11.8 million. Below is a description of the three components: 1) O&M RAM, 2) Rate Base RAM, and 3) Depreciation and Amortization RAM Expense. Because the total of the three components is lower than the 2017 RAM Cap shown above, the RAM Revenue Adjustment calculated under the existing tariffs and procedures is applied for the 2017 RAM Revenue Adjustment.

O&M RAM Adjustment

The O&M RAM calculations reflect such increases in utility bargaining unit labor and non-labor costs. The 2017 O&M RAM adjustment is \$5.8 million as calculated under the Original RAM Methodology. It includes the adjustments to the Commission-approved 2010 test

²⁴ The \$2.4 million 2016 RAM Cap increase is calculated by multiplying the 2015 target revenues of \$158.2 million by the 2016 GDPPI of 1.5%, as shown in Transmittal 16-02, Attachment 3, Schedule J, filed on May 19, 2016.

year rate case labor (bargaining unit only) and certain non-labor costs. As specified in the Rate Adjustment Mechanism Provision tariff, these adjustments, covering the escalation in costs for 2011 through 2017, are based on bargaining unit wage increases as provided for in the current Collective Bargaining Agreement²⁵ with labor productivity offsets, plus applicable payroll taxes, and the Gross Domestic Product Price Indicator (“GDPPI”) to escalate certain non-labor base expenses. (Refer to Attachment 2, Schedule C of this tariff transmittal.) The 2017 O&M RAM adjustment amount is higher than in 2016 because it covers seven years of inflation and wage increases compared to the 2016 filing, which covered those increases for only six years.

Non-bargaining unit labor is not subject to escalation in the RAM. Further, the non-labor cost escalation rate does not apply to any fuel, purchased power, IRP/Demand Side Management (“DSM”), pension, Other Post-Employment Benefits (“OPEB”), Clean Energy/Renewable Energy Infrastructure or any costs that are subject to recovery through separate rate tracking mechanisms.

Rate Base RAM

The 2017 Rate Base RAM Adjustment of -\$2.5 million is the result of the Company’s investments in plant for grid modernization and technology platform improvements, including the proactive replacement of aging plant and to address safety concerns, as well as investments to improve on quality customer experience and innovative energy solutions which includes costs to install new customer service or extend existing service.²⁶ The investments in plant were offset by

²⁵ The current Collective Bargaining Agreement was ratified by the IBEW, Local 1260, on November 1, 2012 and reflects a 3.00% increase effective January 1, 2014, January 1, 2015, and January 1, 2017, and a 3.25% increase effective January 1, 2016, based on January 1, 2013 wage rates.

²⁶ *Exemption From and Modification of General Order No. 7, Paragraph 2.3(g), Relating to Capital Improvements, Capital Projects Completed in 2016* (“2016 G.O. 7 Report”) in Docket No. 03-0257, dated March 30, 2017.

a much higher Accumulated Deferred Income Tax balance than what was anticipated in the 2010 test year.

The 2017 Rate Base RAM Adjustment as calculated under the Original RAM Methodology was based on information for the rate base components of plant in service, accumulated depreciation, contributions in aid of construction (“CIAC”) and accumulated deferred income taxes (“ADIT”) updated for actual December 31, 2016 balances (all other components of the rate base remain at the test year levels) compared to rate base balances from the Company’s approved 2010 test year rate base. The Rate Base RAM Adjustment reflects the Company’s investment of \$52.7 million²⁷ in plant additions in 2016. The 2017 rate base RAM also incorporates an estimate for 2017 baseline plant additions (based on an historical five-year average) of \$49.5 million.

Depreciation and Amortization RAM

The Depreciation and Amortization RAM adjustment of \$8.7 million, as calculated under the existing tariffs and procedures, reflects the increase to depreciation and amortization expense, net of CIAC, above amounts in current revenue due to the net plant additions in 2010, 2011, 2012, 2013, 2014, 2015, and 2016 and the inclusion of CIS deferred project costs amortization.

Earnings Sharing Calculation Issue

An issue in this year’s decoupling filing related to earnings sharing is discussed below along with the Company’s proposal to address the issue:

- Since the Earnings Sharing Mechanism was implemented in the decoupling filings in 2012 for Hawaiian Electric and in 2013 for Hawai’i Electric Light and Maui Electric, actual recorded cost of capital has been used for earnings sharing

²⁷ 2016 G.O. 7 Report, *op. cit.*

calculations. This practice was based on discussions with the parties and has resulted in the benefit of lower cost of capital being passed to customers via the Earnings Sharing Mechanism. However, this year it was noted that in its Final Decision and Order in Docket No. 2008-0274, page 61, filed on August 31, 2010, the Commission stated:

“Capital ratios and costs rates will be retained as authorized in either the most recently issued rate case interim or final decision, and synchronized interest will be updated using methods employed in that last rate case for purposes of the earnings sharing mechanism.”

In reviewing the previous years’ decoupling filings, in most years, the use of actual recorded cost of capital has resulted in larger cost savings being passed to customers through the Earnings Sharing Mechanism. Please see HELCO-WP-H-008 for more details.

The Company is proposing to revise Sheet No. 89C, subpart a, in its Rate Adjustment Mechanism Provision tariff, as shown in Attachment 1, to formally incorporate the use of the actual cost of capital in the earnings sharing calculation. This clarification would not impact any of the previous years’ decoupling filings.

RBA Revenue Adjustment

In total, Hawai’i Electric Light’s 2017 RBA Revenue Adjustment is \$15.1 million, consisting of \$3.3 million for the RBA balance for year-end 2016 and \$11.8 million in RAM revenue adjustment for 2017.

Customer Billing Adjustments

The Company also proposes to delete a provision in the Revenue Balancing Account Provision tariff on entries to the RBA to correct billing errors. In Transmittal Nos. 15-03, 15-04 and 15-05, the Consumer Advocate recommended that the “extensive manual analyses of out-of-

period customer billing adjustments, which [have] historically been undertaken by the Hawaiian Electric Companies, should be discontinued effective in 2015” and stated the following:

Customer billing adjustments will flow naturally through the billed revenue accounts feeding into the calculation of recorded, adjusted revenues on Schedule B2 and the proposed elimination of the manual analysis of each adjustment to determine prior period months affected will significantly simplify RBA accounting efforts for the Hawaiian Electric Companies and corresponding review efforts for the Consumer Advocate and the Commission. The Hawaiian Electric Companies should continue to report each customer billing adjustment within its standard data responses prepared and submitted with each monthly RBA packet, so that individual adjustments can be selected for review by the Consumer Advocate, as necessary.

The Company agrees with the Consumer Advocate’s recommendation and proposes a threshold on the Consumer Advocate’s reporting recommendation, as explained in HELCO-WP-B-006 and therefore proposes to delete the associated tariff provision on Revised Sheet No. 91B of the Revenue Balancing Account Provision tariff regarding entries to the RBA to correct individual billing errors.

Special Medical Needs Pilot Program

By virtue of the Commission’s approval of Transmittal No. 17-01, the Special Medical Needs Pilot Program (“SMNPP”) rates in the Schedule R Residential Service tariffs will be authorized based rates effective April 1, 2017.²⁸ Thus, the revenue from the lower SMNPP rates in the Schedule R Residential Service tariffs will be included in the recorded adjusted revenue²⁹ as a credit entry into the RBA. Because the base rates for the SMNPP customers will be lower than before for these customers, the recorded adjusted revenue for the Companies entered into

²⁸ On March 28, 2017, the Commission issued Decision and Order No. 34467, approving Transmittal No. 17-01, subject to certain conditions, and the SMNPP rates, effective April 1, 2017.

²⁹ The recorded adjusted revenue is defined to include the electric sales revenue from authorized base rates, plus revenue from any authorized interim rate increase, plus revenue from any RBA rate adjustment, but excluding revenue for fuel and purchased power expenses, IRP/DSM, any Commission Ordered one-time rate refunds or credits or other surcharges, and adjusted to remove amounts for applicable revenue taxes.

the RBA will be lower. As a result, the difference between target revenue and recorded adjusted revenue will be larger and will be reflected as a larger RBA balance, which in turn will be recovered through the RBA Rate Adjustment. The flow through of the larger difference between target revenue and recorded adjusted revenue resulting from the SMNPP rates in the Schedule R Residential Service tariffs would occur in accordance with the approved Schedule R (effective April 1, 2017) and the currently approved RBA Provision tariffs. Therefore, no changes to the Companies' tariffs would be required.

On January 18, 2017, the Hawaiian Electric Companies filed Transmittal No. 17-01, proposing a provision for the Special Medical Needs Pilot Program in each company's Schedule R tariff. The proposed tariff included discounted per kilowatt-hour rates on a pilot basis for up to 2,000 customers with special medical needs. Transmittal No. 17-01 stated the following: "The Companies also request that the bill adjustments provided to customers under the SMNPP be included as a reduction to recorded adjusted revenues for the determination of the monthly entry to the revenue balancing account per the Revenue Balancing Account Provision."³⁰

Regarding the revenue balancing account, Decision and Order No. 34467 stated the following:

Lastly, the Companies request that the commission "[a]llow the bill adjustments provided to customers under the [Special Medical Needs Pilot Program] Provision to be included as a reduction to recorded adjusted revenues for the determination of the monthly entry to the revenue balancing account per the Revenue Balancing Account Provision."

The Companies' transmittal, filed pursuant to HAR § 6-61-111, is limited to the proposed tariff revisions to their existing Schedule R. Thus, the Companies' Revenue Balancing Account-related request is outside the scope (i.e., "beyond the scope") of this non-docketed, transmittal matter. Accordingly, the commission takes no action on: (1) the Companies' Revenue Balancing Account-related request; or (2) the Consumer Advocate's related recommendations thereto.

³⁰ Transmittal No. 17-01 at 10.

[Footnotes omitted.] Decision and Order No. 34467 at 25-26.

The Companies appreciate the Commission's timely order approving the SMNPP rates proposed in Transmittal No. 17-01. Regarding the flow through of revenue reductions resulting from the approval of the Special Medical Needs Pilot Program rates in the Schedule R Residential Service tariffs into the Revenue Balancing Account, no change to the Companies' current Revenue Balancing Account ("RBA") Provision tariffs would be required. The RBA Provision tariffs state the following:

The purpose of the Revenue Balancing Account ("RBA") is to record 1) the difference between the Hawaiian Electric Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision over the subsequent June 1st through May 31st period.

Hawaiian Electric RBA Provision tariff, Revised Sheet No. 92, effective June 1, 2013; Maui Electric RBA Provision tariff, Revised Sheets 97 (Maui), 108 (Lana'i), and 152 (Moloka'i), effective June 1, 2013; Hawai'i Electric Light RBA Provision tariff, Revised Sheet No. 91, effective June 1, 2013.

The RBA Provision tariffs define target revenue as "the annual electric revenue approved by the Public Utilities Commission in the last issued Decision & Order in the Company's most recent test year general rate case,..." with certain exclusions and additions as specified in the tariff.³¹

³¹ Hawaiian Electric RBA Provision Tariff, Revised Sheet No. 92A, effective January 1, 2014; Maui Electric RBA Provision tariff, Revised Sheets No. 97A (Maui), 108A (Lana'i), and 152A (Moloka'i), effective June 1, 2013; Hawai'i Electric Light RBA Provision tariff, Revised Sheet No. 91A, effective June 1, 2013.

Regarding entries to the RBA and “recorded adjusted revenue,” the RBA Provision tariffs state the following:

Entries to the RBA will be recorded monthly. A debit entry to the RBA will be made equal to the target revenue as defined in Section B. above, times the appropriate monthly allocation factor in the table above. A credit entry to the RBA will be made equal to the recorded adjusted revenue. The recorded adjusted revenue is defined to include the electric sales revenue from authorized base rates, plus revenue from any authorized interim rate increase, plus revenue from any RBA rate adjustment, but excluding revenue for fuel and purchased power expenses, IRP/DSM, any Commission Ordered one-time rate refunds or credits or other surcharges, and adjusted to remove amounts for applicable revenue taxes.

[Emphasis added.] Hawaiian Electric RBA Provision tariff, Revised Sheet No. 92B, effective March 1, 2014; Maui Electric RBA Provision tariff, Revised Sheets No. 97B (Maui), 108B (Lanaʻi), and 152B (Molokaʻi), effective March 1, 2014; Hawaiʻi Electric Light RBA Provision tariff, Revised Sheet No. 91B, effective March 1, 2014.

Accordingly, since the revenue from the lower SMNPP rates in the Schedule R Residential Service tariffs will be included in the recorded adjusted revenue as a credit entry into the RBA, no changes to the Companies’ tariff are being made.

VIII

List of Attachments and Schedules

In Attachment 1 of this tariff transmittal, Hawaiʻi Electric Light submits its proposed revisions to its Revenue Balancing Account Provision tariff, including the proposed RBA Rate Adjustment rate in Section E of Revised Sheet No. 91C, and its proposed revisions to the Rate Adjustment Mechanism Provision tariff, including the revision to Sheet No. 89C discussed on pages 15-16. Attachment 1A provides the tariff sheets for the RBA and RAM Provision tariffs in blackline version.

Attachment 2 provides the calculation of the RBA Rate Adjustment in the following schedules, along with supporting workpapers:

Schedule A – Determination of 2017 RBA Rate Adjustment (Summary)

Schedule A1 – Determination of Total RAM Revenue Adjustment Allowed

Schedule B – Summary of Accumulated Revenue Balancing Account

Schedule B1 – Determination of Target Revenues

Schedule B2 – Determination of Recorded Adjusted Revenues

Schedule C – Determination of O&M RAM Adjustment

Schedule C1 – Summary of Operations and Maintenance Labor and Non-Labor Expense

Schedule C2 – Non-Labor Exclusion Adjustment for O&M RAM

Schedule D – Determination of Rate Base RAM Adjustment – Return on Investment

Schedule D1 – Determination of Rate Base RAM Adjustment – Change in Rate Base

Schedule D2 – Determination of Baseline Capital Projects Additions

Schedule D3 – Determination of Major Capital Project Additions

Schedule D4 – Determination of Adjusted Recorded Deferred Income Taxes

Schedule E – Determination of Depreciation and Amortization RAM Adjustment

Schedule F – Determination of Change in Deferred Income Taxes

Schedule F1 – Determination of Tax Depreciation

Schedule F2 – Tax Depreciation on Major Capital Projects Additions

Schedule G – CIAC Summary

Schedule G1 – Baseline Capital Project CIAC Additions

Schedule G2 – Major Capital Project CIAC Additions

Schedule G3 – CIAC Amortization

Schedule H – Earnings Sharing Calculations³²

Schedule I – PUC-Ordered Adjustments

Schedule J – Determination of RAM Cap

Schedule K – Exceptional & Other Matters

Schedule K1 – Exceptional & Other Matters- CIS

The Hawaiian Electric Companies and the Consumer Advocate jointly developed the format of the schedules in Attachment 2, which the Companies have used for their annual RBA Rate Adjustment submissions since 2012.

WHEREFORE, Hawai'i Electric Light, consistent with the advance notice required by law, hereby respectfully requests that its proposed revisions to the Revenue Balancing Account Provision and Rate Adjustment Mechanism Provision tariffs be allowed to become effective on June 1, 2017.

DATED: Honolulu, Hawai'i, March 31, 2017.

HAWAI'I ELECTRIC LIGHT COMPANY, INC.

By: 
Joseph P. Viola
Vice President

³² The Company has provided its calculated ratemaking return on equity for year 2016 in Schedule H of this tariff transmittal as required by the Commission in its *Final Decision and Order* in the decoupling proceeding (Docket No. 2008-0274) on August 31, 2010.

ATTACHMENT 1

RATE SCHEDULES (Continued)

<u>Sheet</u>	<u>Schedule</u>	<u>Effective Date</u>	<u>Character of Service</u>
81	"Q"	March 1, 2017	Purchases From Qualifying Facilities-100 KW or Less
81A	"Q"	March 1, 2017	Purchases From Qualifying Facilities-100 KW or Less
82	Green Pricing	July 1, 2015	Green Pricing Provision
82A	Green Pricing	January 1, 1999	Green Pricing Provision
(PAGES 83-84 NOT ASSIGNED)			
85-85E	"FIT"	December 30, 2011	Schedule FIT Tier 1 and Tier 2
86-86AQ	"FIT"	December 30, 2011	Schedule FIT Appendix I Tier 1 and Tier 2 Agreements
87-87F	"FIT"	December 30, 2011	Schedule FIT Appendix II Queuing and Interconnection Procedures
88-88E	"FIT"	December 30, 2011	Schedule FIT Tier 3
88.1-88.1DX	"FIT"	December 30, 2011	Schedule FIT Tier 3 Agreement
88.2-88.2E	"FIT"	December 30, 2011	Schedule FIT Tier 3 Queuing and Interconnection Procedures
89	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
89A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
89B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89C	"RAM"	June 1, 2017	Rate Adjustment Mechanism Provision
89D	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision

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Superseding Sheet No. 50D
Effective March 1, 2017

REVISED SHEET No. 50D
Effective June 1, 2017

RATE SCHEDULES (Continued)

<u>Sheet</u>	<u>Schedule</u>	<u>Effective Date</u>	<u>Character of Service</u>
89F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89G	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89H	'RAM'	June 8, 2015	Rate Adjustment Mechanism Provision
90	"PPAC"	March 1, 2017	Purchased Power Adjustment Clause
90A	"PPAC"	March 1, 2017	Purchased Power Adjustment Clause
90B	"PPAC"	April 9, 2012	Purchased Power Adjustment Clause
91	"RBA"	June 1, 2017	Revenue Balancing Account Provision
91A	"RBA"	June 1, 2013	Revenue Balancing Account Provision
91B	"RBA"	June 1, 2017	Revenue Balancing Account Provision
91C	"RBA"	June 1, 2017	Revenue Balancing Account Provision
91D	"RBA"	June 1, 2013	Revenue Balancing Account Provision
92	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service
92A	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service
92B	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service
92C	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service

HAWAII ELECTRIC LIGHT COMPANY, INC.

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REVENUE BALANCING ACCOUNT ("RBA") PROVISION

Supplement To:

- Schedule R - Residential Service
- Schedule G - General Service - Non-Demand
- Schedule J - General Service - Demand
- Schedule P - Large Power Service
- Schedule F - Street Light Service
- Schedule U - Time-of-Use Service
- Schedule TOU-R - Residential Time-of-Use Service
- Schedule TOU-G - Small Commercial Time-of-Use Service
- Schedule TOU-J - Commercial Time-of-Use Service
- Schedule TOU-P - Large Power Time-of-Use Service
- Schedule SS - Standby Service
- Schedule TOU EV- Residential Time-of-Use Service with
Electric Vehicle Pilot
- Schedule EV-F - Commercial Public Electric Vehicle
Charging Facility Service Pilot
- Schedule TOU-RI- Residential Interim Time-of-Use Service

All terms and provisions of the above listed rate schedules are applicable except that the total base rate charges for each billing period shall be adjusted by the Revenue Balancing Account Rate Adjustments shown below:

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Hawaii Electric Light Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Hawaii Electric Light Company's 2010 test year rate case, Docket No. 2009-0164, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

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REVENUE BALANCING ACCOUNT ("RBA") PROVISION

B: TARGET REVENUE:

For the purpose of the RBA, the target revenue is the annual electric revenue approved by the Public Utilities Commission in the last issued Decision & Order in the Company's most recent test year general rate case, excluding revenue for fuel and purchased power expenses that are recovered either in base rates or in a purchased power adjustment clause; excluding revenue being separately tracked or recovered through any other surcharge or rate tracking mechanism; and excluding amounts for applicable revenue taxes;

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and

Less: Any applicable Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits calculated under the RAM provision.

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment for any previous period and for revisions to RAM Revenue Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments. For any corrections of errors in previously calculated RAM Revenue Adjustments, the target revenue shall be adjusted as of the date that the corrected information would have been reflected in target revenue. For changes in the RAM Revenue Adjustment as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of tariff rates that are implemented pursuant to the subsequently issued Commission order.

The Commission and the Consumer Advocate will be notified of the target revenue revisions or corrections prior to implementation by the Company. There is no presumption that the target revenue changes are ultimately warranted or correct. In the subsequent annual March 31 decoupling filing, the utility will have the burden to demonstrate that the interim changes are warranted and correctly applied. The Consumer Advocate will provide comments regarding the changes with its Statement of Position. The RBA balance and RBA Rate Adjustment for the following year will reflect any appropriate modifications to the change made by the utility in the prior year if necessary.

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.30%
February	7.57%
March	8.36%

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REVENUE BALANCING ACCOUNT ("RBA") PROVISION

April	8.00%
May	8.37%
June	8.17%
July	8.64%
August	8.84%
September	8.39%
October	8.60%
November	8.26%
December	8.50%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Hawaii Electric Light Company's 2010 test year rate case and shall be updated in any subsequent test year rate case.

C: BALANCING ACCOUNT ENTRIES:

Entries to the RBA will be recorded monthly. A debit entry to the RBA will be made equal to the target revenue as defined in Section B. above, times the appropriate monthly allocation factor in the table above. A credit entry to the RBA will be made equal to the recorded adjusted revenue. The recorded adjusted revenue is defined to include the electric sales revenue from authorized base rates, plus revenue from any authorized interim rate increase, plus revenue from any RBA rate adjustment, but excluding revenue for fuel and purchased power expenses, IRP/DSM, any Commission Ordered one-time rate refunds or credits or other surcharges, and adjusted to remove amounts for applicable revenue taxes.

Interest will be recorded monthly to the RBA by multiplying the simple average of the beginning and ending month balance in the RBA times the Interest Rate divided by 12. The Interest Rate shall be the short term debt rate as established in deriving the consolidated cost of capital in the Company's last full rate case. The Interest Rate prior to March 1, 2014 shall be 6 percent.

D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

At the Annual Evaluation Date provided in the Rate Adjustment Mechanism Provision, the Company will file with the Commission a statement of the previous calendar year-end balance in the RBA and the RAM Revenue Adjustment for the current calendar year, along with supporting calculations.

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Transmittal Letter Dated March 31, 2017.

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

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the 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.

RBA Rate Adjustment

All Rate Schedules 1.4533 ¢/kWh

HAWAII ELECTRIC LIGHT COMPANY, INC.

Superseding REVISED SHEET NO. 91D
Effective June 1, 2013

REVISED SHEET NO. 91D
Effective June 1, 2017

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

F. NOTICE

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

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

G: 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.

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Transmittal Letter Dated March 31, 2017.

RATE ADJUSTMENT MECHANISM PROVISION

Rate Adjustment Mechanism ("RAM") Provision

Purpose

This mechanism is subject to review and continuation, termination or modification in the utility's next base rate case proceeding, upon a showing by the utility and finding by the Commission that continuation or modification is appropriate. As part of its submitted testimony in the base rate case, the Company will include a summary report on the status of certain HCEI initiatives. The RAM mechanism is designed to determine the change in annual utility base revenue levels, recognizing certain estimated changes in the utility's cost to provide service. If, through the application of this mechanism, it is determined that annual utility base revenues should be decreased or increased, then the RAM Revenue Adjustment will be applied within the Revenue Balancing Account Provision. The RAM Revenue Adjustment established for a RAM Period calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that are implemented pursuant to a Commission Decision & Order for that test year.

Definitions

- a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.
- b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.
- c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.
- d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

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Transmittal Letter Dated May 1, 2013.

RATE ADJUSTMENT MECHANISM PROVISION

e) The Non-labor Cost Escalation Rate shall be the consensus estimated annual change in the Gross Domestic Product Price Indicator ("GDPPI") to escalate non-labor Base Expenses to determine the RAM Revenue Adjustment for each RAM Period. The GDPPI escalation rate shall be the consensus projection published by the Blue Chip Economic Indicators (Aspen Publishing) each February for the current RAM Period. In the event that the Blue Chip Economic Indicators forecast of the GDPPI is not available, the Consumer Advocate, Company, and other parties to the most recent rate case, with approval of the Commission, shall jointly select an alternative data source, or national economic index similar to GDPPI, as appropriate.

f) The annual Labor Productivity Offset shall be fixed at 0.76 percent (76/100 of one percent) and will be subtracted from the Labor Cost Escalation Rates applicable to Base Expenses to determine the authorized RAM Revenue Adjustment for each RAM Period. ,

g) The Base Expenses shall be the labor and non-labor operations and maintenance expense amounts approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. Base Expenses shall not include any fuel, purchased power, IRP/DSM, pension, Other Post-Employment Benefits ("OPEB"), or Clean Energy/Renewable Energy Infrastructure or any costs that are subject to recovery through separate rate tracking mechanisms.

h) The Major Capital Projects shall be those capital investment projects that require an application before and approval by the Commission under the Commission's General Order No. 7, but excluding those projects included in the Clean Energy Infrastructure Surcharge.

i) The Baseline Capital Projects shall be the total amounts of capital investment completed and closed to Plant in Service, excluding amounts related to Major Capital Projects.

j) The Return on Investment shall be the overall weighted percentage rate of return on debt and equity capital approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case.

k) The Authorized Return on Equity shall be the percentage rate of return on equity capital approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case.

l) The Exogenous Tax Changes shall be the changes in tax laws or regulations that are estimated to impact RBA Target Revenues by five hundred thousand dollars (\$500,000) or more.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated May 1, 2013.

RATE ADJUSTMENT MECHANISM PROVISION

m) The Rate Base shall be the average net investment estimated for the RAM Period, including each of the elements of rate base reflected within the most recent rate case Decision & Order issued by the Commission, quantified in the manner prescribed in part (f) of Section 2 of the Rate Adjustment Mechanism.

n) The RAM Revenue Adjustment to be applied to determine effective Target Revenues will be the lesser of a) the RAM Revenue Adjustment Calculation or b) the RAM Revenue Adjustment Cap.

o) The RAM Revenue Adjustment Calculation shall be the change in the annual amount of revenue required for the utility to recover the sum of the O&M RAM Adjustment, Depreciation & Amortization RAM Adjustment, and Rate Base RAM - Return on Investment Adjustment, using the ratemaking conventions and calculations reflected within the most recent rate case Decision & Order issued by the Commission, quantified in the manner prescribed herein.

p) The RAM Revenue Adjustment Cap shall be based on the Target Revenues determined in accordance with the RBA and RAM tariffs as provided below.

q) The RAM Revenue Adjustment determined by this RAM Provision is to be recovered through the RBA Provision commencing on June 1 and over the subsequent 12 months after June 1.

r) Earnings Sharing Revenue Credits shall be the amounts to be returned to customers as credits through the Revenue Balancing Account ("RBA") Provision, so as to implement the earnings sharing percentages and procedures described herein, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

s) Major Capital Projects Credits shall be the amounts to be returned to customers through the Revenue Balancing Account Provision, to reduce a preceding year's RAM Revenue Adjustment (including interest at the rate described in the RBA Provision) for specific major capital projects that were not placed into service within the first nine months of the preceding RAM Period as expected. Because the Commission's review of the Major Capital Projects' actual costs incurred may not occur until the rate case after the RAM Revenue Adjustment for these Major Capital Projects is collected, Major Capital Projects Credits (including interest) will be returned to customers for the amount of Major Capital Projects costs that the Commission disallows for cost recovery. The Major Capital Projects Credits are to be refunded through the RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

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Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

t) Baseline Capital Projects Credits shall be the amounts to be returned to customers through the RBA Provision, to reduce a preceding year's RAM Revenue Adjustment (including interest at the rate described in the RBA Provision) for specific baseline capital projects that are disallowed by the Commission in a subsequent rate case if the disallowance reduces actual Baseline Capital Projects costs below the Baseline Capital Projects cost estimate derived using the method identified in part (f)ii. of Section 2 of the Rate Adjustment Mechanism below. Because the Commission's review of baseline capital projects may not occur until the rate case after such baseline capital projects are included in one or more RAM Revenue Adjustment filings, Baseline Capital Projects Credits shall be used to refund to customers any prior collections (i.e., Return on Investment on Rate Base and Depreciation, plus interest) relating to the amount of Baseline Capital Projects costs that the Commission subsequently disallows for cost recovery. The Baseline Capital Projects Credits are to be refunded through the RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

Rate Adjustment Mechanism

The Company shall file with the Commission, the Consumer Advocate and each party to the Company's most recent rate case proceeding, the schedules specified below:

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no later than March 31, of the year following the conclusion of the Evaluation Period. 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 actual depreciation expense, operating and maintenance expense, income taxes, taxes other than income taxes, and other components of income for return, revenues, and actual 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.

b) All applicable accounting and pro forma adjustments historically required in annual reports filed with the Commission.

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major

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Transmittal Letter Dated March 31, 2017.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

Capital Projects Credits recorded during the Evaluation Period, and

- d) A calculation comparing the achieved return on average common equity to the following earnings sharing grid, and indicating the Earnings Sharing Revenue Credit that should be recorded within the Revenue Balancing Account to effect the prescribed sharing of earnings above authorized levels:

ROE at or below the Authorized ROE	Retained entirely by shareholders - no customer credits
First 100 basis points (one percent) over Authorized ROE	25% share credit to customers
Next 200 basis points (two percent) over Authorized ROE	50% share credit to customers
All ROE exceeding 300 basis points (three percent) over Authorized ROE	90% share credit to customers

RAM Period RAM Revenue Adjustment Calculation:

- 2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:
- a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:
- i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.
 - ii. The Non-labor components quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.
- b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded

HAWAII ELECTRIC LIGHT COMPANY, INC.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

Plant in Service balances at the end of the Evaluation Period.

- c) The Rate Base RAM - Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.
- d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.
- e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.
- f) Rate Base for the RAM Period shall be quantified as follows:
 - i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.
 - ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.
 - iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

- iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.
 - v. Accumulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.
 - vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.
- g.) See also Settlement Agreement section below.

RAM REVENUE ADJUSTMENT CAP

The RAM Basis for the calculation of the RAM Revenue Adjustment Cap shall be the target revenues determined in accordance with the RBA tariff based on the results of the Company's most recent final rate case decision. The RAM Basis shall be adjusted 1) as described below in the determination of the 2014 Rate Base RAM - Return on Investment Adjustment and the 2014 Depreciation and Amortization RAM Adjustment, and 2) to exclude or otherwise appropriately account for adjustments for the recovery of revenues for previously explicitly stipulated and approved exceptional matters or other matters specifically ordered by the Commission, which shall, in any event, be recovered fully without respect to any limitations resulting from application of the RAM Revenue Adjustment Cap.

The RAM Revenue Adjustment Cap shall be calculated as the RAM Basis, multiplied by the cumulative annually compounded increase(s) in the GDPPI for the years between the rate case calendar test year that established the RAM Basis and the RAM Period, adjusted to include applicable revenue taxes.

The RAM Revenue Adjustment Cap will apply to the entire RAM Revenue Adjustment, which includes the O&M RAM Adjustment, Depreciation and Amortization RAM Adjustment, and Rate Base RAM - Return on Investment Adjustment.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

Exception to the calculation of the RAM Revenue Adjustment Cap:

For the calculation of the RAM Revenue Adjustment Cap for the 2015 RAM Revenue Adjustment and for each subsequent year's calculation of RAM Revenue Adjustment until the issuance of a final decision and order in the next rate case, the Target Revenues that will serve as the RAM Basis will be the 2014 annualized target revenues adjusted as described below. The 2014 RAM Revenue Adjustment used to determine the adjusted 2014 target revenues will be adjusted to use recorded 2014 end-of-year actuals for plant in service, accumulated depreciation and amortization, CIAC and accumulated deferred income taxes in the determination of the 2014 Rate Base RAM - Return on Investment Adjustment. For the determination of the 2014 Depreciation and Amortization RAM Adjustment, the Company applies the Commission-approved accrual rates and methods to the 2014 end of year balances calculated above. There is no impact to the O&M RAM Adjustment. The RAM Basis shall be adjusted to exclude or otherwise appropriately account for adjustments for the recovery of revenues for previously explicitly stipulated and approved exceptional matters or other matters specifically order by the, Commission, as described above.

The RAM Revenue Adjustment Cap for year 2015 and for each subsequent year until the issuance of a final decision and order in the next rate case shall be calculated as the RAM Basis, multiplied by the cumulative annually compounded increase(s) in the GDPPI for the years between 2014 and the RAM Period, adjusted to include applicable revenue taxes.

Evaluation Procedures

Complete, indexed workpapers and electronic files supporting the RAM Adjustment, Earnings Sharing Revenue Credits, and Major and Baseline Capital Projects Credits Schedules 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.

The RAM Revenue Adjustment, and any prior year RAM Revenue Adjustments, shall be recalculated for errors in prior calculations and for subsequent Commission orders that change the basis of prior calculations. The effect of such changes to the RAM Revenue Adjustment shall be implemented as described in the Revenue Balancing Account Provision.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

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 the June 1 effective date of the RBA Rate Adjustment described in the RBA Provision tariff, the RBA Rate Adjustment incorporating the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, and Major and Baseline Capital Projects Credits shall go into effect on the June 1 effective date, and the Commission shall confirm the commencement of the RBA Rate Adjustment in its monthly Tariff Order.

Notice

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

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

SETTLEMENT AGREEMENT

The provisions in this section are for the sole and limited purpose of implementing the *Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters*, filed in Docket No. 2008-0083, which the Commission approved in Order No. 31126, issued on March 19, 2013.

The Company will include in the Rate Base RAM - Return on Investment Adjustment and the Depreciation and Amortization RAM Expense Adjustment, in 2013 and subsequent years, the recoverable costs of the Customer Information System ("CIS") project, net of the Stipulated and Commission approved project cost write-downs and as otherwise provided for in the Stipulated Settlement Agreement. Recovery of the CIS costs through the RAM Revenue Adjustment is for the sole purpose of this settlement agreement and does not constitute a precedent for the recovery of any other software or regulatory asset deferred costs through the RAM Revenue Adjustment.

HAWAII ELECTRIC LIGHT COMPANY, INC

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

COMMISSION'S AUTHORITY

The Commission may suspend any or all parts of this Rate Adjustment Mechanism Provision. Such suspension shall remain in place until removed by Commission Order.

ATTACHMENT 1A

Superseding Sheet No. 50C
Effective ~~March 1, 2017~~
~~2017~~ June 1, 2017

REVISED SHEET NO. 50C
Effective ~~March 1,~~

RATE SCHEDULES (Continued)

<u>Sheet</u>	<u>Schedule</u>	<u>Effective Date</u>	<u>Character of Service</u>
81	"Q"	March 1, 2017	Purchases From Qualifying Facilities-100 KW or Less
81A	"Q"	March 1, 2017	Purchases From Qualifying Facilities-100 KW or Less
82	Green Pricing	July 1, 2015	Green Pricing Provision
82A	Green Pricing	January 1, 1999	Green Pricing Provision
(PAGES 83-84 NOT ASSIGNED)			
85-85E	"FIT"	December 30, 2011	Schedule FIT Tier 1 and Tier 2
86-86AQ	"FIT"	December 30, 2011	Schedule FIT Appendix I Tier 1 and Tier 2 Agreements
87-87F	"FIT"	December 30, 2011	Schedule FIT Appendix II Queuing and Interconnection Procedures
88-88E	"FIT"	December 30, 2011	Schedule FIT Tier 3
88.1-88.1DX	"FIT"	December 30, 2011	Schedule FIT Tier 3 Agreement
88.2-88.2E	"FIT"	December 30, 2011	Schedule FIT Tier 3 Queuing and Interconnection Procedures
89	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
89A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
89B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89C	"RAM"	June 8, 2015 <u>June 1, 2017</u>	Rate Adjustment Mechanism Provision
89D	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated ~~February 24, 2017~~ March 31, 2017.

Superseding Sheet No. 50D

REVISED SHEET No. 50D

Effective ~~March 1, 2017~~ ~~February 1, 2017~~

Effective ~~March 1,~~

~~2017~~ June 1, 2017

RATE SCHEDULES (Continued)

<u>Sheet</u>	<u>Schedule</u>	<u>Effective Date</u>	<u>Character of Service</u>
89F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89G	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
89H	'RAM'	June 8, 2015	Rate Adjustment Mechanism Provision
90	"PPAC"	March 1, 2017	Purchased Power Adjustment Clause
90A	"PPAC"	March 1, 2017	Purchased Power Adjustment Clause
90B	"PPAC"	April 9, 2012	Purchased Power Adjustment Clause
91	"RBA"	June 1, 2013 June 1, 2017	Revenue
Balancing Account			Provision
91A	"RBA"	June 1, 2013	Revenue Balancing Account Provision
91B	"RBA"	June 1, 2017 March 1, 2014	Revenue
Balancing Account			Provision
91C	"RBA"	June 1, 2017 June 1, 2016	Revenue Balancing
Account			Provision
91D	"RBA"	June 1, 2013	Revenue Balancing Account Provision
92	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service
92A	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service
92B	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service
92C	"TOU-RI"	November 21, 2016	Residential Interim Time-of-Use Service

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated ~~February 17, 2017~~ March 31, 2017.

Superseding ~~REVISED SHEET~~ Sheet NO. 91
Effective ~~June 1, 2013~~ ~~April 9, 2012~~
~~2013~~ 2017

REVISED SHEET NO. 91
Effective June 1,

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

Supplement To:

Schedule R - Residential Service
Schedule G - General Service - Non-Demand
Schedule J - General Service - Demand
Schedule P - Large Power Service
Schedule F - Street Light Service
Schedule U - Time-of-Use Service
Schedule TOU-R - Residential Time-of-Use Service
Schedule TOU-G - Small Commercial Time-of-Use Service
Schedule TOU-J - Commercial Time-of-Use Service
Schedule TOU-P - Large Power Time-of-Use Service
Schedule SS - Standby Service
Schedule TOU EV- Residential Time-of-Use Service with
Electric Vehicle Pilot
~~Schedule EV R - Residential Electric Vehicle Charging
Service Pilot~~
~~Schedule EV C - Commercial Electric Vehicle Charging
Service Pilot~~ Schedule EV-F - Commercial
Public Electric Vehicle
Charging Facility Service Pilot
Schedule TOU-RI- Residential Interim Time-of-Use Service

All terms and provisions of the above listed rate schedules are applicable except that the total base rate charges for each billing period shall be adjusted by the Revenue Balancing Account Rate Adjustments shown below:

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Hawaii Electric Light Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Hawaii Electric Light

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated ~~May 1, 2013~~ March 31, 2017.

SHEET No. 91A
Effective

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

Company's 2010 test year rate case, Docket No. 2009-0164, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Docket No. 2009-0164; Order No. 30301, filed April 4, 2012.
Transmittal Letter Dated April 5, 2012.

Superseding Sheet No. 91A
Effective April 9, 2012

REVISED SHEET NO. 91A
Effective June 1, 2013

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

B: TARGET REVENUE:

For the purpose of the RBA, the target revenue is the annual electric revenue approved by the Public Utilities Commission in the last issued Decision & Order in the Company's most recent test year general rate case, excluding revenue for fuel and purchased power expenses that are recovered either in base rates or in a purchased power adjustment clause; excluding revenue being separately tracked or recovered through any other surcharge or rate tracking mechanism; and excluding amounts for applicable revenue taxes;

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and

Less: Any applicable Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits calculated under the RAM provision.

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment for any previous period and for revisions to RAM Revenue Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments. For any corrections of errors in previously calculated RAM Revenue Adjustments, the target revenue shall be adjusted as of the date that the corrected information would have been reflected in target revenue. For changes in the RAM Revenue Adjustment as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of tariff rates that are implemented pursuant to the subsequently issued Commission order.

The Commission and the Consumer Advocate will be notified of the target revenue revisions or corrections prior to implementation by the Company. There is no presumption that the target revenue changes are ultimately warranted or correct. In the subsequent annual March 31 decoupling filing, the utility will have the burden to demonstrate that the interim changes are warranted and correctly applied. The Consumer Advocate will provide comments regarding the changes with its Statement of Position. The RBA balance and RBA Rate Adjustment for the following year will reflect any appropriate modifications to the change made by the utility in the prior year if necessary.

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.30%
February	7.57%
March	8.36%

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated May 1, 2013.

Superseding Sheet--REVISED SHEET No. 91B REVISED SHEET NO. 91B
Effective March 1, 2014~~January 1, 2014~~ Effective March 1, 2014~~June~~
1, 2017

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

April	8.00%
May	8.37%
June	8.17%
July	8.64%
August	8.84%
September	8.39%
October	8.60%
November	8.26%
December	8.50%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Hawaii Electric Light Company's 2010 test year rate case and shall be updated in any subsequent test year rate case.

C: BALANCING ACCOUNT ENTRIES:

Entries to the RBA will be recorded monthly. A debit entry to the RBA will be made equal to the target revenue as defined in Section B. above, times the appropriate monthly allocation factor in the table above. A credit entry to the RBA will be made equal to the recorded adjusted revenue. The recorded adjusted revenue is defined to include the electric sales revenue from authorized base rates, plus revenue from any authorized interim rate increase, plus revenue from any RBA rate adjustment, but excluding revenue for fuel and purchased power expenses, IRP/DSM, any Commission Ordered one-time rate refunds or credits or other surcharges, and adjusted to remove amounts for applicable revenue taxes.

Interest will be recorded monthly to the RBA by multiplying the simple average of the beginning and ending month balance in the RBA times the Interest Rate divided by 12. The Interest Rate shall be the short term debt rate as established in deriving the consolidated cost of capital in the Company's last full rate case. The Interest Rate prior to March 1, 2014 shall be 6 percent.

~~Entries to the RBA to correct individual billing errors of \$5,000 or greater will be made as soon as possible. Such corrections to the RBA balance shall not require adjustments to prior calculated interest if the corrections are less than \$50,000 (in absolute value, plus or minus). In determining whether the corrections to the RBA balance are less than \$50,000 (in absolute value, plus or minus), all billing errors of \$5,000 or more that result from the same event shall be aggregated.~~

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D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

At the Annual Evaluation Date provided in the Rate Adjustment Mechanism Provision, the Company will file with the Commission a

HAWAII ELECTRIC LIGHT COMPANY, INC.

~~Decision and Order No. 31993, Filed February 7, 2014.~~
~~Transmittal Letter Dated February 28, 2014~~ March 31, 2017.

Superseding ~~Sheet~~ REVISED SHEET No. 91C
Effective ~~June 1, 2016~~ June 8, 2015
~~2016~~ 2017

REVISED SHEET No. 91C
Effective June 1,

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Cont)
statement of the previous calendar year-end balance in the RBA and
the RAM Revenue Adjustment for the current calendar year, along with
supporting calculations.

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the 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

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated ~~May 19, 2016~~ March 31, 2017.

Superseding ~~Sheet~~ REVISED SHEET No. 91C REVISED SHEET No. 91C
Effective ~~June 1, 2016~~ June 8, 2015 Effective June 1,
~~2016~~ 2017

REVENUE BALANCING ACCOUNT ("RBA") PROVISION (Cont)
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.

RBA Rate Adjustment
All Rate Schedules ~~1.424~~ 1.4533 ¢/kWh

HAWAII ELECTRIC LIGHT COMPANY, INC.

| Transmittal Letter Dated ~~May 19, 2016~~ March 31, 2017.

Superseding ~~REVISED SHEET NO. 91D~~ REVISED SHEET NO. 91D
Effective ~~June 1, 2013~~ ~~April 9, 2012~~ Effective ~~June 1, 2013~~ June 1, 2017

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

F. NOTICE

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

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

~~G. SETTLEMENT AGREEMENT~~

~~This section recognizes that provisions of the Stipulated Settlement Agreement Between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed in Docket No. 2008-0093, which the Commission approved in Order No. 31126, issued on March 19, 2013 apply to the RBA Provision where appropriate.~~

HG: 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.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated ~~May 1, 2013~~ March 31, 2017.

RATE ADJUSTMENT MECHANISM PROVISION

Rate Adjustment Mechanism ("RAM") Provision

Purpose

This mechanism is subject to review and continuation, termination or modification in the utility's next base rate case proceeding, upon a showing by the utility and finding by the Commission that continuation or modification is appropriate. As part of its submitted testimony in the base rate case, the Company will include a summary report on the status of certain HCEI initiatives. The RAM mechanism is designed to determine the change in annual utility base revenue levels, recognizing certain estimated changes in the utility's cost to provide service. If, through the application of this mechanism, it is determined that annual utility base revenues should be decreased or increased, then the RAM Revenue Adjustment will be applied within the Revenue Balancing Account Provision. The RAM Revenue Adjustment established for a RAM Period calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that are implemented pursuant to a Commission Decision & Order for that test year.

Definitions

- a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.
- b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.
- c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.
- d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated May 1, 2013.

RATE ADJUSTMENT MECHANISM PROVISION

e) The Non-labor Cost Escalation Rate shall be the consensus estimated annual change in the Gross Domestic Product Price Indicator ("GDPPI") to escalate non-labor Base Expenses to determine the RAM Revenue Adjustment for each RAM Period. The GDPPI escalation rate shall be the consensus projection published by the Blue Chip Economic Indicators (Aspen Publishing) each February for the current RAM Period. In the event that the Blue Chip Economic Indicators forecast of the GDPPI is not available, the Consumer Advocate, Company, and other parties to the most recent rate case, with approval of the Commission, shall jointly select an alternative data source, or national economic index similar to GDPPI, as appropriate.

f) The annual Labor Productivity Offset shall be fixed at 0.76 percent (76/100 of one percent) and will be subtracted from the Labor Cost Escalation Rates applicable to Base Expenses to determine the authorized RAM Revenue Adjustment for each RAM Period.

g) The Base Expenses shall be the labor and non-labor operations and maintenance expense amounts approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. Base Expenses shall not include any fuel, purchased power, IRP/DSM, pension, Other Post-Employment Benefits ("OPEB"), or Clean Energy/Renewable Energy Infrastructure or any costs that are subject to recovery through separate rate tracking mechanisms.

h) The Major Capital Projects shall be those capital investment projects that require an application before and approval by the Commission under the Commission's General Order No. 7, but excluding those projects included in the Clean Energy Infrastructure Surcharge.

i) The Baseline Capital Projects shall be the total amounts of capital investment completed and closed to Plant in Service, excluding amounts related to Major Capital Projects.

j) The Return on Investment shall be the overall weighted percentage rate of return on debt and equity capital approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case.

k) The Authorized Return on Equity shall be the percentage rate of return on equity capital approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case.

l) The Exogenous Tax Changes shall be the changes in tax laws or regulations that are estimated to impact RBA Target Revenues by five hundred thousand dollars (\$500,000) or more.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated May 1, 2013.

RATE ADJUSTMENT MECHANISM PROVISION

m) The Rate Base shall be the average net investment estimated for the RAM Period, including each of the elements of rate base reflected within the most recent rate case Decision & Order issued by the Commission, quantified in the manner prescribed in part (f) of Section 2 of the Rate Adjustment Mechanism.

n) The RAM Revenue Adjustment to be applied to determine effective Target Revenues will be the lesser of a) the RAM Revenue Adjustment Calculation or b) the RAM Revenue Adjustment Cap.

o) The RAM Revenue Adjustment Calculation shall be the change in the annual amount of revenue required for the utility to recover the sum of the O&M RAM Adjustment, Depreciation & Amortization RAM Adjustment, and Rate Base RAM - Return on Investment Adjustment, using the ratemaking conventions and calculations reflected within the most recent rate case Decision & Order issued by the Commission, quantified in the manner prescribed herein.

p) The RAM Revenue Adjustment Cap shall be based on the Target Revenues determined in accordance with the RBA and RAM tariffs as provided below.

q) The RAM Revenue Adjustment determined by this RAM Provision is to be recovered through the RBA Provision commencing on June 1 and over the subsequent 12 months after June 1.

r) Earnings Sharing Revenue Credits shall be the amounts to be returned to customers as credits through the Revenue Balancing Account ("RBA") Provision, so as to implement the earnings sharing percentages and procedures described herein, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

s) Major Capital Projects Credits shall be the amounts to be returned to customers through the Revenue Balancing Account Provision, to reduce a preceding year's RAM Revenue Adjustment (including interest at the rate described in the RBA Provision) for specific major capital projects that were not placed into service within the first nine months of the preceding RAM Period as expected. Because the Commission's review of the Major Capital Projects' actual costs incurred may not occur until the rate case after the RAM Revenue Adjustment for these Major Capital Projects is collected, Major Capital Projects Credits (including interest) will be returned to customers for the amount of Major Capital Projects costs that the Commission disallows for cost recovery. The Major Capital Projects Credits are to be refunded through the RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

t) Baseline Capital Projects Credits shall be the amounts to be returned to customers through the RBA Provision, to reduce a preceding year's RAM Revenue Adjustment (including interest at the rate described in the RBA Provision) for specific baseline capital projects that are disallowed by the Commission in a subsequent rate case if the disallowance reduces actual Baseline Capital Projects costs below the Baseline Capital Projects cost estimate derived using the method identified in part (f)ii. of Section 2 of the Rate Adjustment Mechanism below. Because the Commission's review of baseline capital projects may not occur until the rate case after such baseline capital projects are included in one or more RAM Revenue Adjustment filings, Baseline Capital Projects Credits shall be used to refund to customers any prior collections (i.e., Return on Investment on Rate Base and Depreciation, plus interest) relating to the amount of Baseline Capital Projects costs that the Commission subsequently disallows for cost recovery. The Baseline Capital Projects Credits are to be refunded through the RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

Rate Adjustment Mechanism

The Company shall file with the Commission, the Consumer Advocate and each party to the Company's most recent rate case proceeding, the schedules specified below:

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no later than March 31, of the year following the conclusion of the Evaluation Period. 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 actual depreciation expense, operating and maintenance expense, income taxes, taxes other than income taxes, and other components of income for return, revenues, and actual 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.

b) All applicable accounting and pro forma adjustments historically required in annual reports filed with the Commission.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Superseding ~~Sheet No.~~ REVISED SHEET NO. 89C

REVISED SHEET NO.

Effective ~~October 11, 2012~~ June 8, 2015
~~2015~~ June 1, 2017

Effective ~~June 8,~~

RATE ADJUSTMENT MECHANISM PROVISION (continued)

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated ~~June 3, 2015~~ March 31, 2017.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

Capital Projects Credits recorded during the Evaluation Period, and

- d) A calculation comparing the achieved return on average common equity to the following earnings sharing grid, and indicating the Earnings Sharing Revenue Credit that should be recorded within the Revenue Balancing Account to effect the prescribed sharing of earnings above authorized levels:

ROE at or below the Authorized ROE	Retained entirely by shareholders - no customer credits
First 100 basis points (one percent) over Authorized ROE	25% share credit to customers
Next 200 basis points (two percent) over Authorized ROE	50% share credit to customers
All ROE exceeding 300 basis points (three percent) over Authorized ROE	90% share credit to customers

RAM Period RAM Revenue Adjustment Calculation:

- 2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:
- a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:
- i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.
 - ii. The Non-labor components quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.
- b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded

HAWAII ELECTRIC LIGHT COMPANY, INC.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

Plant in Service balances at the end of the Evaluation Period.

- c) The Rate Base RAM - Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.
- d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.
- e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.
- f) Rate Base for the RAM Period shall be quantified as follows:
 - i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.
 - ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.
 - iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

- iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.
 - v. Accumulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.
 - vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.
- g.) See also Settlement Agreement section below.

RAM REVENUE ADJUSTMENT CAP

The RAM Basis for the calculation of the RAM Revenue Adjustment Cap shall be the target revenues determined in accordance with the RBA tariff based on the results of the Company's most recent final rate case decision. The RAM Basis shall be adjusted 1) as described below in the determination of the 2014 Rate Base RAM - Return on Investment Adjustment and the 2014 Depreciation and Amortization RAM Adjustment, and 2) to exclude or otherwise appropriately account for adjustments for the recovery of revenues for previously explicitly stipulated and approved exceptional matters or other matters specifically ordered by the Commission, which shall, in any event, be recovered fully without respect to any limitations resulting from application of the RAM Revenue Adjustment Cap.

The RAM Revenue Adjustment Cap shall be calculated as the RAM Basis, multiplied by the cumulative annually compounded increase(s) in the GDPPI for the years between the rate case calendar test year that established the RAM Basis and the RAM Period, adjusted to include applicable revenue taxes.

The RAM Revenue Adjustment Cap will apply to the entire RAM Revenue Adjustment, which includes the O&M RAM Adjustment, Depreciation and Amortization RAM Adjustment, and Rate Base RAM - Return on Investment Adjustment.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

Exception to the calculation of the RAM Revenue Adjustment Cap:

For the calculation of the RAM Revenue Adjustment Cap for the 2015 RAM Revenue Adjustment and for each subsequent year's calculation of RAM Revenue Adjustment until the issuance of a final decision and order in the next rate case, the Target Revenues that will serve as the RAM Basis will be the 2014 annualized target revenues adjusted as described below. The 2014 RAM Revenue Adjustment used to determine the adjusted 2014 target revenues will be adjusted to use recorded 2014 end-of-year actuals for plant in service, accumulated depreciation and amortization, CIAC and accumulated deferred income taxes in the determination of the 2014 Rate Base RAM - Return on Investment Adjustment. For the determination of the 2014 Depreciation and Amortization RAM Adjustment, the Company applies the Commission-approved accrual rates and methods to the 2014 end of year balances calculated above. There is no impact to the O&M RAM Adjustment. The RAM Basis shall be adjusted to exclude or otherwise appropriately account for adjustments for the recovery of revenues for previously explicitly stipulated and approved exceptional matters or other matters specifically order by the Commission, as described above.

The RAM Revenue Adjustment Cap for year 2015 and for each subsequent year until the issuance of a final decision and order in the next rate case shall be calculated as the RAM Basis, multiplied by the cumulative annually compounded increase(s) in the GDPPI for the years between 2014 and the RAM Period, adjusted to include applicable revenue taxes.

Evaluation Procedures

Complete, indexed workpapers and electronic files supporting the RAM Adjustment, Earnings Sharing Revenue Credits, and Major and Baseline Capital Projects Credits Schedules 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.

The RAM Revenue Adjustment, and any prior year RAM Revenue Adjustments, shall be recalculated for errors in prior calculations and for subsequent Commission orders that change the basis of prior calculations. The effect of such changes to the RAM Revenue Adjustment shall be implemented as described in the Revenue Balancing Account Provision.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

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 the June 1 effective date of the RBA Rate Adjustment described in the RBA Provision tariff, the RBA Rate Adjustment incorporating the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, and Major and Baseline Capital Projects Credits shall go into effect on the June 1 effective date, and the Commission shall confirm the commencement of the RBA Rate Adjustment in its monthly Tariff Order.

Notice

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

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

SETTLEMENT AGREEMENT

The provisions in this section are for the sole and limited purpose of implementing the *Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters*, filed in Docket No. 2008-0083, which the Commission approved in Order No. 31126, issued on March 19, 2013.

The Company will include in the Rate Base RAM - Return on Investment Adjustment and the Depreciation and Amortization RAM Expense Adjustment, in 2013 and subsequent years, the recoverable costs of the Customer Information System ("CIS") project, net of the Stipulated and Commission approved project cost write-downs and as otherwise provided for in the Stipulated Settlement Agreement. Recovery of the CIS costs through the RAM Revenue Adjustment is for the sole purpose of this settlement agreement and does not constitute a precedent for the recovery of any other software or regulatory asset deferred costs through the RAM Revenue Adjustment.

HAWAII ELECTRIC LIGHT COMPANY, INC

Transmittal Letter Dated June 3, 2015.

RATE ADJUSTMENT MECHANISM PROVISION (continued)

COMMISSION'S AUTHORITY

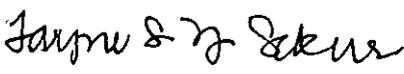
The Commission may suspend any or all parts of this Rate Adjustment Mechanism Provision. Such suspension shall remain in place until removed by Commission Order.

HAWAII ELECTRIC LIGHT COMPANY, INC

Transmittal Letter Dated June 3, 2015.

ATTESTATION

Tayne S. Y. Sekimura, is the Financial Vice President of Hawai'i Electric Light Company, Inc., and says that she certifies that the attached Schedules supporting the proposed changes in customer rates pursuant to the Revenue Balancing Account ("RBA") Provision have been prepared in compliance with the Rate Adjustment Mechanism Provision and the RBA Provision, and prior Commission rate orders are true, correct and complete to the best of her knowledge and belief.



Tayne S. Y. Sekimura

Attachment 2 – List of Schedules and Workpapers

Schedule A	HELCO-WP-A-001
Schedule A1	HELCO-WP-A1-001
Schedule B	HELCO-WP-A1-002
Schedule B1	HELCO-WP-B-001
Schedule B2	HELCO-WP-B-002
Schedule C	HELCO-WP-B-003
Schedule C1	HELCO-WP-B-004
Schedule C2	HELCO-WP-B-005
Schedule D	HELCO-WP-B-006
Schedule D1	HELCO-WP-C-001
Schedule D2	HELCO-WP-C-002
Schedule D3	HELCO-WP-C-003
Schedule D4	HELCO-WP-D1-001
Schedule E	HELCO-WP-D4-001a
Schedule F	HELCO-WP-D4-001b
Schedule F1	HELCO-WP-D4-002
Schedule F2	HELCO-WP-F-001
Schedule G	HELCO-WP-F1-001
Schedule G1	HELCO-WP-F1-002
Schedule G2	HELCO-WP-H-001
Schedule G3	HELCO-WP-H1-001
Schedule H	HELCO-WP-H-002
Schedule I	HELCO-WP-H-003
Schedule J	HELCO-WP-H-004
Schedule K	HELCO-WP-H-005
Schedule K1	HELCO-WP-H-006
	HELCO-WP-H-007
	HELCO-WP-H-008
	HELCO-WP-K1-001
	HELCO-WP-K1-002

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF 2017 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	\$ 3,018,216	
2	Revenue Tax Factor	Schedule C	1.0975	
3	Revenue for RBA Balance			\$ 3,312,492
<u>RATE ADJUSTMENT MECHANISM "RAM" AMOUNT:</u>				
4	Total RAM Revenue Adjustment Allowed (Note 2)	Schedule A1		\$ 11,775,699
5	<u>EARNINGS SHARING REVENUE CREDITS - 2015 ROE:</u>	Schedule H		\$ -
6	<u>PUC-ORDERED MAJOR OR BASELINE CAPITAL PROJECTS CREDITS:</u>	Schedule I		\$ -
7	TOTAL RBA REVENUE ADJUSTMENT	Sum Col. (d)		\$ 15,088,191
8	GWH SALES VOLUME ESTIMATE JUNE 2017 - MAY 2018	HELCO-WP-A-001		1,038,203
9	RBA RATE ADJUSTMENT - cents per kWh	Note (1)		1.4533
10	MONTHLY BILL IMPACT @ 500 KWH			\$ 7.27

Note (1): 2017 RBA Rate Adjustment Breakdown

	Col. (d)	Rate Adjustment cents per kWh	Percentage Share
RBA Balance	\$ 3,312,492	0.31906015	21.9542%
RAM Amount	\$ 11,775,699	1.13423857	78.0458%
Earnings Sharing Revenue Credits	\$ -	0.00000000	0.0000%
Major or Baseline Capital Projects Credits	\$ -	0.00000000	0.0000%
	\$ 15,088,191	1.45329872	100.0000%

Note (2): Total RAM Revenue Adjustment Allowed is the sum of the RAM Cap + Exceptional and Other Projects. See Order No. 32735, filed March 31, 2015, paragraph 107, page 94, which states that the Total RAM Revenue Adjustment is to be comprised of the RAM Cap plus recovery of Exceptional And Other Matters.

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF TOTAL RAM REVENUE ADJUSTMENT ALLOWED

Line No.	Description (a)	Reference (b)	Amount (c)
RAM REVENUE ADJUSTMENT DETERMINED ACCORDING TO EXISTING TARIFFS AND PROCEDURES			
1	O&M RAM	Schedule C	\$ 5,782,944
2	Rate Base RAM - Return on Investment (Note 2)	Schedule D	\$ (2,481,749)
3	Depreciation & Amortization RAM Expense	Schedule E	\$ 8,711,708
4	Total RAM Revenue Adjustment		\$ 12,012,903
5	Less: Adjustment for Change in On-cost Clearing Allocation	Note 3	\$ (231,340)
6	Less: 2016 Revised Adjustment for Change in On-cost Clearing Alloc	Note 4	\$ (5,864)
7	Total Adjusted RAM Revenue Adjustment		\$ 11,775,699
RAM REVENUE ADJUSTMENT CAP			
8	RAM Cap for 2017 RAM Revenue Adjustment	Schedule J	\$ 12,249,300
9	Plus: Exceptional and Other Matters	Schedule K	372,114
10	2017 Cap - Total RAM Revenue Adjustment		\$ 12,621,414
11	Total RAM Revenue Adjustment Allowed (Note 1)	Lesser of Line 6 or Line 9	\$ 11,775,699 To Sch A

- Note 1 RAM Revenue Adjustment Allowed:
See Order No. 32735, filed March 31, 2015, paragraph 106, page 94:
"The RAM Revenue Adjustment to be applied to determine effective Target Revenues will be the lesser of (a) the RAM Revenue Adjustment determined according to existing tariffs and procedures or (b) a RAM Revenue Adjustment Cap ("RAM Cap) to be calculated as specified."
- Note 2 Total RAM Cap:
See Order No. 32735, filed March 31, 2015, paragraph 110, page 96:
"The RAM Cap will apply to the entire RAM Revenue Adjustment including the O&M RAM, Rate Base RAM (including Major Capital Projects and Baseline Projects), and the Depreciation and Amortization RAM."
- Note 3 Order No. 32866, par. 18 required the Company to adjust its 2015 RAM Revenue Adjustment to reflect the O&M expense reduction impact associated with the change in on-cost clearing allocation identified by the Company. The adjustment made to the 2015 RAM revenue adjustment was based on the 2014 O&M expense impact of the change in on-cost clearing allocation. In calculating the 2017 RAM revenue adjustment determined according to existing tariffs and procedures, the adjustment has been updated to reflect the 2016 O&M impact of the change in on-cost clearing allocation. See HELCO-WP-A1-001 for the calculation.
- Note 4 Adjustments to the 2016 Decoupling filing on-cost clearing allocation calculation were identified in 2017 and corrected. The 2016 Schedule A1 and HELCO-WP-A1-001 were corrected and included as HELCO-WP-A1-002 for reference. Revisions did impact the 2016 Decoupling filing because the RAM Revenue Adjustment Tariff calculation was utilized in determining the Total RAM Revenue Adjustment Allowed. Therefore, in 2017 the Company is recognizing the adjustment as a reduction to the RAM Revenue Allowed.

Hawaii Electric Light Company, Inc.
DECOUPLING CALCULATION WORKBOOK
SUMMARY OF ACCUMULATED REVENUE BALANCING ACCOUNT

Line No.	Month	Beginning Balance	Target Revenues	Recorded Adjusted Revenue	Variance to RBA	Adjustment for prior year RBA accrual	Adjustment	Tax-effected Balance Subject to Interest	Interest at 3.25%/year	Ending Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Monthly RBA Balance and Activity (Monthly PUC Rpt., Pg. 9A)										
1	2015 December	\$ 5,385,685	\$ 12,227,848	\$ 11,717,628	\$ 510,220	\$ (656,372)	\$ 6,577	\$ 3,249,491	\$ 8,801	\$ 5,254,911
2										
3	2016 January	\$ 5,254,911	\$ 11,939,793	\$ 11,520,530	\$ 419,263	\$ (638,938)	\$ -	\$ 3,143,125	\$ 8,513	\$ 5,043,749
4	February	\$ 5,043,749	\$ 10,889,898	\$ 10,938,100	\$ (48,202)	\$ (599,292)	\$ -	\$ 2,883,449	\$ 7,809	\$ 4,404,064
5	March	\$ 4,404,064	\$ 12,026,039	\$ 11,738,019	\$ 290,020	\$ (648,155)	\$ -	\$ 2,581,050	\$ 6,990	\$ 4,052,919
6	April	\$ 4,052,919	\$ 11,508,563	\$ 11,431,994	\$ 76,569	\$ (632,139)	\$ -	\$ 2,306,229	\$ 6,248	\$ 3,503,595
7	May	\$ 3,503,595	\$ 12,040,414	\$ 11,611,450	\$ 428,964	\$ (639,573)	\$ -	\$ 2,076,016	\$ 5,623	\$ 3,298,609
8	June	\$ 3,298,609	\$ 11,915,194	\$ 11,438,489	\$ 476,705	\$ (457,630)	\$ 35,136	\$ 2,042,411	\$ 5,532	\$ 3,358,352
9	July	\$ 3,358,352	\$ 12,600,846	\$ 12,294,769	\$ 305,877	\$ (489,809)	\$ -	\$ 1,995,435	\$ 5,404	\$ 3,179,824
10	August	\$ 3,179,824	\$ 12,892,327	\$ 12,638,242	\$ 254,085	\$ (504,602)	\$ 1,703	\$ 1,867,074	\$ 5,057	\$ 2,938,067
11	September	\$ 2,938,067	\$ 12,236,044	\$ 11,698,773	\$ 537,271	\$ (469,538)	\$ 56,356	\$ 1,848,760	\$ 5,007	\$ 3,065,163
12	October	\$ 3,065,163	\$ 12,542,309	\$ 12,229,994	\$ 312,315	\$ (493,000)	\$ -	\$ 1,817,318	\$ 4,922	\$ 2,889,400
13	November	\$ 2,889,400	\$ 12,046,450	\$ 11,352,550	\$ 693,900	\$ (452,599)	\$ -	\$ 1,838,840	\$ 4,980	\$ 3,135,681
14	December	\$ 3,135,681	\$ 12,396,468	\$ 12,033,954	\$ 362,514	\$ (485,066)	\$ -	\$ 1,878,154	\$ 5,087	\$ 3,018,216
15										To Sch A
16	2017 January	\$ -	\$ 12,104,787	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	February	\$ -	\$ 11,040,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	March	\$ -	\$ 12,192,291	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	April	\$ -	\$ 11,667,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	May	\$ -	\$ 12,206,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	June	\$ -	\$ 12,156,545	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	July	\$ -	\$ 12,855,881	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	August	\$ -	\$ 13,153,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	September	\$ -	\$ 12,483,894	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	October	\$ -	\$ 12,796,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	November	\$ -	\$ 12,290,461	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	December	\$ -	\$ 12,647,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Sources of Data: Sch. B1 Sch. B2 Col (c) - (d) Note (2) Note (1) Cols (b)-(e)+(f)+(g)+(i)

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

Note (1): Adjustment Summary

Year	Month	Workpaper Reference	RBA True-up Adjustment Sch B2, Line 16	RBA Interest Adjustments	Total Adjustment	Adjustment Description:
2016	June	HELCO-WP-B-002	\$ 835	\$ -	\$ 835	Adj to correct customer rate schedule from G to H
2016	June	HELCO-WP-B-003	\$ 34,301	\$ -	\$ 34,301	Adj to correct Sched F SAP power factor
2016	August	HELCO-WP-B-004	\$ 1,703	\$ -	\$ 1,703	Adj to correct customer rate schedule from G to R
2016	September	HELCO-WP-B-005	\$ 54,674	\$ 1,682	\$ 56,356	Adj to correct Sched J incorrect consumptive value

Note (2)

Amounts represent recovery of prior years' RBA balance through the RBA rate adjustment effective June 8, 2015 for the period January 1, 2016 through May 31, 2016 and June 1, 2016 for the period June 1, 2016 through May 31, 2017. See WP-B-001.

**HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF TARGET REVENUES**

Line No.	Description (a)	Reference (b)	Docket No. 2009-0164 Amounts (c)	Docket No. 2009-0164 Amounts (d)	Docket No. 2009-0164 Amounts (e)	Docket No. 2009-0164 Amounts (f)	Docket No. 2009-0164 Amounts (g)	Docket No. 2009-0164 Amounts (h)
1	Last Rate Case Annual Electric Revenue at Approved Rate Levels	Note (1)	\$000s	\$ 355,605	\$ 355,605	\$ 355,605	\$ 355,605	\$ 355,605
2	Less: Fuel Expense	Note (1)	\$000s	\$ (80,078)	\$ (80,078)	\$ (80,078)	\$ (80,078)	\$ (80,078)
3	Purchased Power Expense	Note (1)	\$000s	\$ (105,866)	\$ (105,866)	\$ (105,866)	\$ (105,866)	\$ (105,866)
4	Revenue Taxes on Line 1 (8.885% statutory rates)		\$000s	\$ (31,596)	\$ (31,596)	\$ (31,596)	\$ (31,596)	\$ (31,596)
5	Last Rate Order Target Annual Revenues	Sum Lines 1 thru 4	\$000s	\$ 138,065	\$ 138,065	\$ 138,065	\$ 138,065	\$ 138,065
6	Add: Authorized RAM Revenues - Transmittal No. 15-04	Note (2)	\$000s	\$ 6,232	\$ 6,232	\$ -	\$ -	\$ -
7	Less: Revenue Taxes on Line 6 at 8.885%		\$000s	\$ (554)	\$ (554)	\$ -	\$ -	\$ -
8	Net RAM Adjustment - Test Year +5	Line 6 + Line 7	\$000s	\$ 5,678	\$ 5,678	\$ -	\$ -	\$ -
9	Authorized RAM Revenues - Transmittal No. 16-02	Note (3)	\$000s	\$ -	\$ -	\$ 8,534	\$ 8,534	\$ -
10	Less: Revenue Taxes on Line 9 at 8.885%		\$000s	\$ -	\$ -	\$ (758)	\$ (758)	\$ -
11	Net RAM Adjustment - Test Year +6	Line 9 + Line 10	\$000s	\$ -	\$ -	\$ 7,776	\$ 7,776	\$ -
12	Authorized RAM Revenue	Sch A, Line 4	\$000s	\$ -	\$ -	\$ -	\$ -	\$ 11,776
13	Less: Revenue Taxes on Line 12 at 8.885%		\$000s	\$ -	\$ -	\$ -	\$ -	\$ (1,048)
14	Net RAM Adjustment - Test Year +7	Line 12 + Line 13	\$000s	\$ -	\$ -	\$ -	\$ -	\$ 10,728
15	Less: EARNINGS SHARING REVENUE CREDITS	Sch A, Line 5 or Sch I	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -
16	Less: Revenue Taxes on Line 15 at 8.885%		\$000s	\$ -	\$ -	\$ -	\$ -	\$ -
17	Net Earnings Sharing Revenue Credits	Line 15 + Line 16	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -
18	PUC-ORDERED MAJOR OR BASELINE CAPITAL CREDITS	Sch A, Line 6 or Sch	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -
19	Total Annual Target Revenue:							
20	HELCO TY 2010 Final Annualized Revenue	Line 5	\$000s	\$ 138,065	\$ 138,065	\$ 138,065	\$ 138,065	\$ 138,065
21	HELCO TY 2010 + 2014 RAM Annualized Revenue:	Line 5 + Line 8	\$000s	\$ 143,743	\$ 143,743			
22	HELCO TY 2010 + 2015 RAM Annualized Revenue:	Line 5 + Line 11	\$000s			\$ 145,841	\$ 145,841	
23	HELCO TY 2010 + 2016 RAM Annualized Revenue:	Line 5 + Line 14	\$000s					\$ 148,795
24	Distribution of Target Revenues by Month:	Note (4)	Note (5)	2015	2016	2016	2017	2017
25	January	8.30%	8.48%	\$ 11,838,783	\$ 12,104,787	\$ 12,104,787	\$ 12,349,979	\$ 12,349,979
26	February	7.57%	7.72%	\$ 10,889,898	\$ 11,040,149	\$ 11,040,149	\$ 11,263,776	\$ 11,263,776
27	March	8.36%	8.52%	\$ 12,026,039	\$ 12,182,291	\$ 12,182,291	\$ 12,439,256	\$ 12,439,256
28	April	8.00%	8.16%	\$ 11,508,563	\$ 11,667,294	\$ 11,667,294	\$ 11,903,594	\$ 11,903,594
29	May	8.37%	8.53%	\$ 12,040,414	\$ 12,206,875	\$ 12,206,875	\$ 12,454,135	\$ 12,454,135
30	June- effective date of RAM Change is June 8, 2011	8.17%	8.39%	\$ 11,842,774	\$ 11,915,104	\$ 11,915,104	\$ 12,156,545	\$ 12,156,545
31	July	8.84%	8.81%	\$ 12,429,089	\$ 12,600,648	\$ 12,600,648	\$ 12,855,881	\$ 12,855,881
32	August	8.84%	9.00%	\$ 12,716,008	\$ 12,892,327	\$ 12,892,327	\$ 13,153,471	\$ 13,153,471
33	September	8.39%	8.55%	\$ 12,069,182	\$ 12,238,044	\$ 12,238,044	\$ 12,483,694	\$ 12,483,694
34	October	8.00%	8.77%	\$ 12,371,592	\$ 12,542,309	\$ 12,542,309	\$ 12,786,363	\$ 12,786,363
35	November	8.28%	8.42%	\$ 11,882,298	\$ 12,048,450	\$ 12,048,450	\$ 12,290,481	\$ 12,290,481
36	December	8.50%	8.67%	\$ 12,227,848	\$ 12,398,468	\$ 12,398,468	\$ 12,647,569	\$ 12,647,569
37	Total Distributed Target Revenue:	100.00%	100.00%	\$ 85,338,769	\$ 86,404,707	\$ 86,829,438	\$ 89,211,386	\$ 89,384,164

Footnotes:

- See Letter to Commission, Subject: HELCO Revised Schedules Resulting from Decision and Order No. 30186, Exhibit 1A, page 1, filed February 21, 2012, in Docket No. 2009-0164.
- Transmittal 15-04 filed June 3, 2015 establishing 2014 RAM effective June 8, 2015.
- Transmittal 16-02 filed May 19, 2016 establishing 2015 RAM effective June 1, 2016.
- Source: HELCO RBA Provision Tariff effective June 1, 2013 based on 2010 test year.
- Derivation of RAM Revenue Allocation, for June 8, 2015 to May 31, 2016.

	Scale to total 100.00%
June is a partial month	
January	8.30%
February	7.57%
March	8.36%
April	8.00%
May	8.37%
June- effective date of RAM Change is June 8, 2015	8.28%
July	8.84%
August	8.84%
September	8.39%
October	8.00%
November	8.28%
December	8.50%
Total Distributed Target Revenue:	89.05%

HAWAII ELECTRIC LIGHT COMPANY, INC.
 DECOUPLING CALCULATION WORKBOOK
 DETERMINATION OF RECORDED ADJUSTED REVENUES

Line No.	Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
		January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	July 2016	August 2016	September 2016	October 2016	November 2016	December 2016	
BILLED REVENUES:														
1	Current month's billed revenues (BAP014e)	26,474,703	25,964,378	25,159,243	25,402,253	23,822,304	24,862,512	25,808,427	27,488,485	28,200,157	28,120,549	27,032,738	27,880,539	
2	Remove PIF revenue	(13,550,345)	(241,852)	(237,170)	(248,588)	(238,108)	(258,108)	(288,916)	(300,231)	(327,026)	(313,394)	(308,791)	(311,067)	
3	Remove Solar Share non-revenues	-	-	-	38,251	44,713	-	-	-	-	-	-	-	
4	Other electric revenues adjustments	-	-	-	-	-	-	-	-	388,538	(388,538)	-	-	
5*		-	-	-	-	-	-	-	-	-	-	-	-	
sum 1-4		26,224,254	25,722,747	24,822,073	25,159,218	23,830,849	24,570,261	25,449,509	27,160,258	28,269,658	27,408,409	26,722,848	26,748,912	
UNBILLED REVENUES:														
6	Current month's unbilled revenues (Unbilled Sales and Revenue Est)	12,802,732	13,055,498	12,875,525	12,378,999	12,890,480	11,908,856	12,888,356	14,462,170	12,916,905	13,251,807	12,110,861	13,378,230	
7	Reverse prior month's unbilled revenues (Unbilled Sales and Revenue Est)	(13,550,345)	(12,802,732)	(12,875,525)	(12,378,999)	(12,890,480)	(11,908,856)	(12,888,356)	(14,462,170)	(12,916,905)	(13,251,807)	(12,110,861)	(13,378,230)	
8 = 6-7	Unbilled revenues per Unbilled Sales and Revenue Estimate	752,387	(747,234)	600,027	(313,081)	313,081	(991,029)	977,500	1,000,000	(1,000,000)	330,500	(1,441,720)	(1,661,191)	
9	Recovery of 13-1-14 RBA balance through RBA Rate Adjustment beginning 6-6-15	(701,243)	(687,731)	(711,356)	(683,781)	(701,940)	(502,235)	(537,572)	(553,606)	(515,223)	(541,074)	(480,734)	(532,367)	WP-8-001 p 1
10	Recovery of 13-1-14 RBA balance through RBA Rate Adjustment beginning 6-1-16	(1,284,800)	(511,400)	(141,000)	(177,500)	(431,800)	(96,800)	(321,300)	(221,200)	(319,500)	(627,200)	(259,400)	(813,000)	WP-8-001 p 2
11	Recovery of ECAC accrual	289,332	(103,367)	(103,367)	(103,367)	849,000	848,058	848,058	238,033	238,033	238,033	238,033	287,334	
12	Recovery of PPAC accrual	(142,700)	(1,015,000)	(178,200)	(238,400)	(385,800)	(150,800)	(305,800)	(142,100)	(13,000)	(13,000)	2,400	(94,400)	
13	Recovery of PPAC accrual	172,800	285,733	285,733	285,733	444,834	444,834	444,834	218,600	218,600	218,600	153,034	153,034	
14	Recovery of DSM revenues	-	-	-	-	-	-	-	-	-	-	-	-	
15	Adjust prior period RBA balance	-	-	-	-	-	35,138	-	1,703	54,574	-	-	-	
16	Adjust prior period RBA related revenue taxes	-	-	-	-	-	145	-	145	5,322	-	-	-	
17	Adjust prior month's RBA related revenue taxes	419,283	(48,202)	780,020	78,568	428,064	478,708	305,877	254,085	537,771	312,313	693,900	362,914	
18	Adjust prior month's RBA related revenue taxes (PUC Monthly Financial Report pg. 8A)	40,884	(4,700)	7,407	7,407	41,834	40,435	29,827	24,777	52,291	30,455	67,655	35,350	
19	RBA gross up for revenue taxes	-	-	-	-	-	-	-	-	-	-	-	-	
20 = 9-19	Miscellaneous unbilled amounts	(1,816,384)	(2,654,067)	(527,882)	(844,277)	384,856	1,102,800	484,728	(181,745)	256,478	(552,870)	448,788	(404,835)	
21 = 6-20	UNBILLED REVENUES	(1,563,877)	(2,891,901)	294,135	(1,343,203)	878,837	124,778	1,422,228	1,444,068	(1,317,185)	(218,648)	(882,827)	1,081,214	
22 = 5-21	TOTAL REVENUES PER GA (PUC Monthly Financial Report pg. 3)	24,660,377	22,920,844	25,214,208	23,848,024	24,509,485	24,892,437	27,071,737	28,604,316	26,952,473	27,184,740	26,030,022	27,830,128	
Electricity Determining Adjusted Revenues for RBA:														
23	Add back other electric revenue adjustment - billing adjustment account/reversal	2,650,325	2,833,334	3,101,335	3,975,533	4,337,556	4,431,682	4,481,682	3,405,013	2,919,240	2,985,217	3,135,020	3,470,023	
24	Remove ECAC revenues	(1,738,318)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	(1,029,721)	
25	Remove PPAC revenues	140	140	140	140	140	140	140	140	140	140	140	140	
26	Remove RBA related revenue taxes	140	140	140	140	140	140	140	140	140	140	140	140	
27	Remove RBA related revenue taxes (adjusted for revenue taxes)	(17,941)	(16,481)	(16,176)	(16,034)	(16,121)	(17,320)	(19,568)	(21,841)	(22,205)	(21,506)	(21,129)	(21,254)	
28	Remove Solar Share revenues	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	
29	Remove revenue taxes on billed revenue	(2,409,342)	(2,373,173)	(2,350,432)	(2,445,029)	(2,503,301)	(2,503,301)	(2,540,431)	(2,565,603)	(2,612,013)	(2,641,021)	(2,493,133)	(2,454,177)	
30	Remove revenue taxes on unbilled revenue	(8,173,473)	(8,023,377)	(8,062,150)	(8,223,378)	(8,377,017)	(8,414,835)	(8,502,194)	(8,582,966)	(8,712,154)	(8,533,273)	(8,413,879)	(8,344,023)	
31	Remove base fuel (adjusted for revenue taxes)	(6,388,004)	(6,427,865)	(6,383,604)	(6,541,288)	(6,318,366)	(6,345,380)	(6,428,830)	(6,428,830)	(6,428,830)	(6,428,830)	(6,428,830)	(6,428,830)	
32	Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	
33		-	-	-	-	-	-	-	-	-	-	-	-	
Unbilled Adjustments to Determine Adjusted Revenues for RBA:														
34	Remove ECAC revenues	188,418	(188,418)	343,810	122,353	552,728	(108,425)	(508,215)	(418,247)	(188,751)	227,084	(102,207)	(288,658)	
35	Remove ECAC accrual	1,019,847	1,019,847	244,747	244,747	244,747	244,747	244,747	244,747	244,747	244,747	244,747	244,747	
36	Remove PPAC accrual	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	(19,854)	
37	Remove DSM revenues	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	(30,100)	
38	Remove excess DSM revenue	-	-	-	-	-	-	-	-	-	-	-	-	
39	Remove prior period RBA adjustment(s)	-	-	-	-	-	-	-	-	-	-	-	-	
40	Remove RBA accruals	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	(419,283)	
41	Remove RBA gross up for revenue taxes	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	(4,084)	
42	Remove revenue taxes on unbilled revenue	24,088	24,088	24,088	24,088	24,088	24,088	24,088	24,088	24,088	24,088	24,088	24,088	
43	Remove base fuel (adjusted for revenue taxes)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	(8,173,473)	
44	Remove power purchase energy (adjusted for revenue taxes)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	(88,012)	
45		-	-	-	-	-	-	-	-	-	-	-	-	
46 =	Total billed and unbilled adjustments to determine adjusted revenue for RBA	(13,140,340)	(11,982,746)	(13,478,189)	(12,414,029)	(12,898,033)	(13,253,848)	(14,778,868)	(15,060,063)	(15,253,705)	(14,956,747)	(14,877,471)	(15,796,171)	
47 =	RECORDED ADJUSTED REVENUES FOR RBA DETERMINATION	11,520,036	10,938,100	11,736,019	11,434,000	11,611,452	11,438,589	12,294,769	12,833,242	11,698,773	12,228,894	11,352,550	12,033,854	
48 =	(PUC Monthly Financial Report pg. 9A.1)	-	-	-	-	-	-	-	-	-	-	-	-	

NOTE: Totals may not add exactly due to rounding

**HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF O&M RAM ADJUSTMENT
(\$ In Thousands)**

Line No.	Description (a)	Reference (b)	Docket No. 2009-0164 Approved (c)	Footnote 4 Previously Approved RAM (d)	O&M Subject to Escalation Col (c) + (d) (e)	Net Inflation Indices Footnote 2 (f)	2017 O&M RAM Adjustment Col (e) * (f) (g)	
1	Base BU Labor Expenses	Schedule C1	\$ 12,930		\$ 12,930	14.30%	\$ 1,849	
2	Base Non-Labor Expense	Schedule C2	\$ 28,371		\$ 28,371	11.53%	\$ 3,271	
3	Payroll Taxes	Footnote 1	\$ 1,043		\$ 1,043	14.30%	\$ 149	
4	Subtotal Expense Increase - RAM Adjustment before revenue taxes							\$ 5,269
5	Revenue Tax Factor (Footnote 3)							1.0975
6	O&M RAM (Subtotal Expenses x Rev Tax Factor)							<u>\$ 5,783</u> To Sch A1

Footnotes:

1: See Letter to Commission, Subject: HELCO Revised schedules Resulting from Decision and Order No. 30168, dated February 21, 2012, in Docket No. 2009-0164, Exhibit 1A, p.11
 \$ 1,523
 Less: Portion of payroll taxes related to non-BU labor* (31.55% * 1,523) \$ (480)
 Payroll Taxes related to Bargaining Unit labor \$ 1,043

* see Schedule C1 for calculation of percentage related to non-BU labor.

2: Escalation Rates

Labor:	2011	2012	2013	2014	2015	2016	2017
Bargaining Unit Wage Increase	1.75%	2.46%	2.88%	3.00%	2.91%	3.07%	2.75% (See HELCO-WP-C-001)
Less: Labor Productivity Offset	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%
Labor Cost Escalation Rate	<u>0.99%</u>	<u>1.70%</u>	<u>2.12%</u>	<u>2.24%</u>	<u>2.15%</u>	<u>2.31%</u>	<u>1.99%</u>

Approved in Final D&O in
Docket No. 2008-0274, page
51, filed on August 31, 2010

Calculation of 2011-2017 Compounded Labor Cost Escalation

2011 Labor Cost Escalation	1.0099	A (2011 labor escalation plus 1)
2012 Labor Cost Escalation	1.0170	B (2012 labor escalation plus 1)
2013 Labor Cost Escalation	1.0212	C (2013 labor escalation plus 1)
2014 Labor Cost Escalation	1.0224	D (2014 labor escalation plus 1)
2015 Labor Cost Escalation	1.0215	E (2015 labor escalation plus 1)
2016 Labor Cost Escalation	1.0231	F (2016 labor escalation plus 1)
2017 Labor Cost Escalation	1.0199	G (2017 labor escalation plus 1)
2011-2017 Compounded Labor Cost Escalation	1.14	H = A * B * C * D * E * F * G
2011-2017 Compounded Labor Cost %	0.1430	I = H - 1

Non-Labor:	2011	2012	2013	2014	2015	2016	2017
GDP Price Index	1.40%	1.70%	1.70%	1.60%	1.10%	1.50%	2.00% (See HELCO-WP-C-002)

Calculation of 2011-2017 Compounded Non-Labor Cost Escalation

2011 Non-Labor Cost Escalation	1.0140	A (2011 non-labor escalation plus 1)
2012 Non-Labor Cost Escalation	1.0170	B (2012 non-labor escalation plus 1)
2013 Non-Labor Cost Escalation	1.0170	C (2013 non-labor escalation plus 1)
2014 Non-Labor Cost Escalation	1.0160	D (2014 non-labor escalation plus 1)
2015 Non-Labor Cost Escalation	1.0110	E (2015 non-labor escalation plus 1)
2016 Non-Labor Cost Escalation	1.0150	F (2016 non-labor escalation plus 1)
2017 Non-Labor Cost Escalation	1.0200	G (2017 non-labor escalation plus 1)
2011-2017 Compounded Non-Labor Cost Escalation	1.12	H = A * B * C * D * E * F * G
2011-2017 Compounded Non-Labor Cost %	0.1153	I = H - 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	<u>0.08885</u>

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 footnote 2.

HAWAII ELECTRIC LIGHT 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. 2009-0164 .
 (\$ in Thousands)

Line No.	DESCRIPTION	(a)	(b)	(c)=(a)+(b)	(d)	(e)
		BU LABOR (Note 1)	Non-BU LABOR (Note 1)	Total LABOR	NON-LABOR (Note 1)	TOTAL (Note 1)
1	Production	\$ 6,456	\$ 1,764	\$ 8,220	\$ 11,475	\$ 19,695
2	Transmission	841	89	930	1,468	2,398
3	Distribution	2,895	143	3,038	4,948	7,986
4	Customer Accounts	2,017	328	2,346	1,386	3,732
5	Allowance for Uncoll Accounts	-	-	0	749	749
6	Customer Service	-	758	758	649	1,407
7	Administrative & General	721	2,877	3,598	12,378	15,976
8	Austerity Adjustment	-	-	0	-365	-365
9	Operation and Maintenance	\$ 12,930	\$ 5,959	\$ 18,890	\$ 32,689	\$ 51,579

Percentage of Total O&M Labor 68.45% 31.55% 100%

* amounts may not add due to rounding

(1) See HELCO Letter dated March 9, 2012, Subject: HELCO O&M Expenses Breakdown for RAM Calculation, filed in Docket No. 2009-0164, Attachment 2, p. 1. (Note: letter inadvertently shown as Docket No. 2010-0164)

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK

Non-Labor Exclusion
Adjustment for O&M RAM
(\$ in Thousands)

<u>Line No.</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Reference</u> (c)
1	Pension Expense	\$ 5,429	See Stipulated Settlement Letter filed Sep. 16, 2010, HELCO T-11 Attachment 5, page 1 Final Settlement Docket No. 2009-0164.
2			
3			
4			
5			
6	Other Post-Employment Benefits (OPEB) Expense	\$ 337	Id., HELCO T-11, Attachment 5, page 1, Final Settlement.
7			
8			
9			
10	Total before amounts transferred	\$ 5,766	
11			
12	O&M %	74.88%	Id., HELCO T-11, Attachment 1, page 1, Final Settlement
13	(1- transfer rate of 25.12%)		
14			
15			
16	Adjustment to Non-Labor O&M Expense		
17	for O&M RAM base	\$ 4,317	
18			
19			
20	Non-Labor O&M Expense per Final D&O	\$ 32,689	Schedule C1
21			
22			
23	Non-Labor O&M Expense Base for		
24	O&M RAM base	\$ 28,371	

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RATE BASE RAM ADJUSTMENT - RETURN ON INVESTMENT
(\$ in Thousands)

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 (2) (f)	PRETAX WEIGHTED EARNINGS REQMTS (g)
1	PUC APPROVED CAPITAL STRUCTURE & COSTS (Note 1):						
2	Short-Term Debt	\$ 7,040	1.41%	3.25%	0.05%	1.000000	0.05%
3	Long-Term Debt	196,838	39.48%	6.15%	2.43%	1.000000	2.43%
4	Hybrid Securities	9,297	1.86%	7.38%	0.14%	1.000000	0.14%
5	Preferred Stock	6,623	1.33%	8.29%	0.11%	1.63693	0.18%
6	Common Equity	278,722	55.91%	10.00%	5.59%	1.63693	9.15%
7	Total Capitalization	<u>\$ 498,520</u>	<u>100.00%</u>		<u>8.31%</u>		<u>11.94%</u>
8	RAM CHANGE IN RATE BASE (From Schedule D1)						\$ (18,938)
9	PRETAX RATE OF RETURN (Line 7, Col g)						11.94%
10	PRETAX RETURN REQUIREMENT						\$ (2,261.2)
11	REVENUE TAX FACTOR (1/(1-8.885%))						1.0975
12	RATE BASE RAM - RETURN ON INVESTMENT						<u>\$ (2,481.7)</u>

To Sch A1

Footnotes:

1 See Letter to Commission, Subject: HELCO Revised schedules Resulting from Decision and Order No. 30168, dated February 21, 2012, in Docket No. 2009-0164, Exhibit 1A, p.2.

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

See Letter to Commission, Subject: HELCO Revised schedules Resulting from Decision and Order No. 30168, dated February 21, 2012, in Docket No. 2009-0164, Exhibit 1A, p.12.

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RATE BASE RAM ADJUSTMENT - CHANGE IN RATE BASE
(\$ in Thousands)

Line No.	Description (a)	HELCO 2010 Test Year Rate Base		HELCO 2017 RAM Rate Base		
		Beg Balance 12/31/2009 (b)	Budgeted Balance 12/31/2010 (c)	Adjusted Recorded at 12/31/2016 (d) Note (1)	RAM Projected Amounts (e) See Detail Below	Estimated at 12/31/2017 (f)
1	Net Cost of Plant in Service	\$ 567,375	\$ 597,486	\$ 661,243	\$ 7,237	\$ 668,480
2	Property Held for Future Use	-	-			
3	Fuel Inventory	8,848	8,848			
4	Materials & Supplies Inventories	3,944	3,944			
5	Unamort Net SFAS 109 Reg Asset	11,803	11,633			
6	Unamort Sys Dev Costs	1,184	1,455			
7	Pension Asset	4,888	2,668			
8	ARO Reg Asset	205	209			
9	CIS Deferred Costs			1,797	(214)	1,583
10						
11						
12						
13	Pension Reg Asset	4,156	4,916			
14	Total Additions	\$ 602,403	\$ 631,159	\$ 697,391	\$ 7,023	\$ 704,413
15	Unamortized CIAC	\$ (69,566)	\$ (73,019)	\$ (97,211)	\$ (3,677)	\$ (100,887)
16	Customer Advances	(27,912)	(29,995)			
17	Customer Deposits	(2,703)	(2,751)			
18	Accumulated Def Income Taxes	(31,776)	(46,003)	(110,550)	(7,287)	(117,837)
19	Unamortized State ITC (Gross)	(12,301)	(13,314)			
20	Unamortized Gain on Sale	-	-			
21	Pension Reg Liability	-	-			
22	OPEB Reg Liability	(100)	(319)			
23	Total Deductions	\$ (144,358)	\$ (165,401)	\$ (252,458)	\$ (10,963)	\$ (263,421)
24	Working Cash	\$ 3,238	\$ 3,238	\$ 3,238	Not Updated	\$ 3,238
25	Rate Base at Proposed Rates	\$ 461,283	\$ 468,996	\$ 448,170		\$ 444,230
26	Average Rate Base		\$ 465,139			\$ 446,200
27	Change in Rate Base					\$ (18,938)
28	<u>Column (e) Projected Changes to Rate Base:</u>					
29	Plant - Baseline Capital Project Additions		Reference	Amount		
30	Major CIP Project Additions		Schedule D2	\$ 49,545		
31	Accumulated Depreciation/Amortization Change		Schedule D3	1,207		
32	Net Plant		Schedule E	(43,515)		
			Sum Lines 29-31	\$ 7,237		
33	Accum. Deferred Income Taxes - Baseline and Major Capital Projects		Schedule F	\$ (7,287)		
34	Projected CIAC Additions - Baseline		Schedule G	\$ (7,034)		
35	Projected CIAC Additions - Major CIP		Schedule G	-		
36	Less: Amortization of CIAC		Schedule G	3,358		
37	Total Change in CIAC in Rate Base		Sum: Lines 34-36	\$ (3,677)		

Footnotes:

1 Amounts are recorded, except for the following adjustments:

	Plant in Service	Acc. Depr.	CIAC Net	ADIT
			Schedule G	Schedule D4
[A] Unadjusted Balance	\$ 1,260,611	\$ (509,836)	\$ (97,211)	\$ (110,550)
[A] Add: Asset Retirement Obligation		\$ (226)		
[A] Reg Liab-Cost of Removal (net salvage)		\$ (89,308)		
<u>Major Project Adjustments:</u>				
NA				
Total Adjustments	\$ -	\$ -	\$ -	\$ -
Adjusted Balance	\$ 1,260,611	\$ (599,368)	\$ (97,211)	\$ (110,550)

[A] SOURCE: Hawaii Electric Light Company, Inc. Monthly Financial Report - December 2016, pages 8 and 10, filed February 24, 2017.

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF BASELINE CAPITAL PROJECTS ADDITIONS

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

Line No.	Description (a)	3/22/2013		3/31/2014		3/27/2015		3/29/2016		3/29/2017	
		2012 (b)	2013 (c)	2014 (d)	2015 (e)	2016 (f)					
1	Total Plant Additions	\$ 45,983,990	\$ 59,016,572	\$ 51,615,842	\$ 51,663,728	\$ 52,675,304					
2											
3											
4	<u>Less Major Projects: (+\$2.5 Million)</u>										
5											
6	2012 In-Service										
7	None										
8											
9	2013 In-Service										
10	None										
11											
12	2014 In-Service										
13	Keamuku-Keahole 6800 kV Line Recon Ph 1 - Note A		2012-0392	H0002509	(2,730,442)	141,116	10				
14	Keahole CT-4 Major Overhaul - Note B		2013-0144	H0002725	(1,622,930)	(19,335)	-				
15											
16	2015 In-Service										
17	None										
18											
19	2016 In-Service										
20	Keamuku-Keahole 6800 69 kV Line Recon Phase 2		2012-0392	H0002612			(2,961,593)				
21	Keamuku-Keahole 6800 69 kV Line Recon Phase 3		2012-0392	H0002668			(2,703,182)				
22	Keahole CT-5 Major Overhaul		2013-0144	H0002724			(3,333,467)				
23											
24											
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											
41	Total Net Plant Additions (excluding major projects)	\$ 45,983,990	\$ 59,016,572	\$ 47,262,470	\$ 51,785,510	\$ 43,677,072					
42											
43	Last Five-Year Average						\$ 49,545,123				
							To Sch D1				

NOTE (A):

Docket No. 2012-0392, Keamuku-Keahole 6800 kV Line Reconstruction Phase 1 Final Cost Report filed September 29, 2014, \$2,659,753 plus straggling costs of \$70,689 in 2014, less straggling credits of \$141,116 in 2015 and \$10 in 2016.

NOTE (B):

Docket No. 2013-0144, Keahole CT-4 Major Overhaul Final Cost Report filed January 29, 2015, \$1,622,930 plus straggling costs of \$19,335.

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

<u>Line No.</u>	<u>Description</u> (a)	<u>PUC Docket Reference</u> (b)	<u>Estimated In Service Date</u> (c)	<u>Amount</u> (d)
	<u>2017 Major Capital Project Additions by Project:</u>			
	Keamuku-Keahole 6800 69 kV Line Reconstruction			
1	Phase 4 (Note 1)	Docket No. 2013-0153	06/2017	\$ 1,206,833
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	Total Major Capital Projects Qualifying for 2016 RAM			\$ 1,206,833
				To Sch D1

See Schedule G2 for related CIAC (if applicable)

Note 1

Application filed on June 13, 2013 under Docket No. 2013-0153 as project costs were estimated to exceed \$2.5 million. Decision and Order No. 32930 issued on June 24, 2015 approving \$1,206,833 in funds to reconstruct the Keamuku-Keahole 6800 Line Phase 4 (at 45).

HAWAII ELECTRIC LIGHT 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, 2016 Recorded Balances				
2	Depreciation Related Account 282	HELCO-WP-D4-001	\$ (67,066,239)	\$ (3,628,191)	\$ (70,694,430)
3	Other Deferred Income Taxes	HELCO-WP-D4-001	<u>(32,280,340)</u>	<u>(7,575,439)</u>	<u>(39,855,779)</u>
4	Total Recorded Deferred Income Taxes - Utility		(99,346,579)	(11,203,630)	(110,550,209) <i>To Schedule D1</i>

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF DEPRECIATION & AMORTIZATION RAMP ADJUSTMENT

Line No.	NARUC Account (a)	Recorded Depreciable/Amort. Balance (Footnote 2) (b)	Adjustments (c)	Adjusted Depreciable/Amort. Balance (d)	PUC Approved Accrual Rate in Dkt No. 2009-0321 (e)	Annual Accrual (f)
1	Plant Accounts					
2	311	18,512,026		\$ 18,512,026	0.02900	\$ 536,849
3	312	68,569,550		68,569,550	0.03080	2,111,942
4	314	48,168,201		48,168,201	0.02540	1,223,472
5	315	9,005,139		9,005,139	0.03350	301,672
6	Tot - Steam	144,254,916	-	144,254,916	0.02893	4,173,935
7						
8	331	97,513		97,513	0.00940	917
9	332	6,233,976		6,233,976	0.02030	126,550
10	333	2,107,816		2,107,816	0.02130	44,896
11	334	748,324		748,324	0.00620	4,640
12	336	121,311		121,311	0.00000	-
13	Tot - Hydro	9,308,940	-	9,308,940	0.01901	177,002
14						
15	341	24,657,744		24,657,744	0.02640	650,964
16	342	12,632,323		12,632,323	0.01990	251,383
17	343	71,709,455		71,709,455	0.02220	1,591,950
18	344	54,240,065		54,240,065	0.01910	1,035,985
19	345	7,798,226		7,798,226	0.01710	133,350
20	Tot - Other Prod	171,037,813	-	171,037,813	0.02142	3,663,632
21						
22	Tot - Prod	324,601,669	-	324,601,669		8,014,570
23						
24	350.1	3,242,961		3,242,961	0.01460	47,347
25	352	3,109,238		3,109,238	0.00890	27,672
26	353	66,871,479		66,871,479	0.01980	1,324,055
27	354	60,041		60,041	0.02120	1,273
28	355	62,444,275		62,444,275	0.01750	1,092,775
29	356	43,068,842		43,068,842	0.04430	1,907,950
30	357	305,800		305,800	0.00000	-
31	358	672,020		672,020	0.00180	1,210
32	359	128,935		128,935	0.01350	1,741
33	Tot - Transm	179,903,592	-	179,903,592	0.02448	4,404,022
34						
35	360.1	675,771		675,771	0.01990	13,448
36	361	3,838,114		3,838,114	0.01600	61,410
37	362	65,184,036		65,184,036	0.01820	1,186,349
38	363	1,194,003		1,194,003	0.03960	47,283
39	364	127,246,725		127,246,725	0.03780	4,809,926
40	365	109,885,078		109,885,078	0.03400	3,736,093
41	366	35,342,524		35,342,524	0.02870	1,014,330
42	367	116,405,213		116,405,213	0.04080	4,749,333
43	368	103,849,380		103,849,380	0.06870	7,134,452
44	369.1	43,108,852		43,108,852	0.03470	1,495,877
45	369.2	31,028,398		31,028,398	0.02850	884,309
46	370	20,886,428		20,886,428	0.04840	1,010,903
47	Tot - Distr	658,644,521	-	658,644,521	0.03969	26,143,714
48						
49	Tot - T & D	838,548,112	-	838,548,112		30,547,736
50						
51	390	20,590,823		20,590,823	0.01290	265,622
52	Tot - General	20,590,823	-	20,590,823	0.01290	265,622
53						
54	Sub-Total	1,183,740,604	-	1,183,740,604		38,827,928
55						
56	390.2 (Kanoelehua)	778,563		778,563	0.01540	11,990
57	Tot - LH Impr	778,563	-	778,563	0.01540	11,990
58						
59	392.1	7,140,932		7,140,932	0.15120	1,079,709
60	392.2	14,733,571		14,733,571	0.02720	400,753
61	Tot - Vehicles	21,874,503	-	21,874,503	0.06768	1,480,462
62						
63						
64	Utility Total Depreciation	\$ 1,208,393,669	\$ -	\$ 1,206,393,669	0.03342	\$ 40,320,380

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF DEPRECIATION & AMORTIZATION RAM ADJUSTMENT

Line No.	NARUC Account (a)	Recorded Depreciable/Amort. Balance (Footnote 2) (b)	Adjustments (c)	Adjusted Depreciable/Amort. Balance (d)	PUC Approved Accrual Rate in Dkt No. 2009-0321 (e)	Annual Accrual (f)
65						
66						
67	Amortization Amounts					
68						
69	316	2,015,383		\$ 2,015,383	0.05000	\$ 100,769
70	Tot - Steam	2,015,383	-	2,015,383	0.05000	100,769
71						
72	335	137,873		137,873	0.05000	6,894
73	Tot - Hydro	137,873	-	137,873	0.05000	6,894
74						
75	346	3,105,436		3,105,436	0.05000	155,272
76	Tot - Other Prod	3,105,436	-	3,105,436	0.05000	155,272
77						
78	Tot - Prod	5,258,692	-	5,258,692	0.05000	262,935
79						
80	391.1	2,509,182		2,509,182	0.20000	501,836
81	391.2	304,558		304,558	0.10000	30,456
82	391.3	869,779		869,779	0.06670	58,014
83	393	831,088		831,088	0.04000	33,244
84	394	10,962,413		10,962,413	0.04000	438,497
85	395	367,483		367,483	0.06670	24,511
86	396	667		667	0.05560	37
87	397	23,012,295		23,012,295	0.06670	1,534,920
88	398	4,651,534		4,651,534	0.06670	310,257
89	Tot - General	\$ 43,509,000	\$ -	\$ 43,509,000	0.06738	\$ 2,931,772
90						
91						
92						
93						
94						
95	Utility Total Amortization	\$ 48,767,692	\$ -	\$ 48,767,692	0.06551	\$ 3,194,707
96						
97	TOTAL RAM DEPRECIATION / AMORTIZATION				Line 64 + Line 95	\$ 43,515,086
98	LESS: Vehicle Depreciation (A/C 392 above)				Line 61	\$ (1,480,482)
99	LESS: Depreciation & Amortization in Current Revenues				Footnote 1	\$ (33,208,900)
100						
101	RAM Adjustment for Depreciation & Amortization					\$ 8,825,724
102	RAM Adjustment for CIAC Amortization				Schedule G, line 15	\$ (1,101,514)
103	RAM Adjustment for CIS Deferred Cost Amortization				HELCO-WP-D1-001, page 1	\$ 213,463
104	Total RAM Adjustment for Depreciation & Amortization					\$ 7,937,673
105	Times: Factor for Revenue Taxes				Schedule C Line 5	1.0975
106						
107	RAM DEPRECIATION & AMORTIZATION				Line 104 x Line 105	\$ 8,711,708
						To Sch A1

Footnotes:

1	Depreciation & Amortization in Current Revenues (ii):	Depr/Amort Expense
	Total Depreciation	\$ 34,376,700
	LESS: Vehicle Depreciation (A/C 392)	(1,167,800)
	Net Depreciation in Current Revenues	\$ 33,208,900
	(ii) HELCO Revised Schedules Resulting from Decision and Order No. 30168, HELCO T-13, Attachment 1, page 1, Response to Final D&O, filed 2/21/12, Docket No. 2009-0164.	
2	Utility Total Depreciable Plant Balance - Line 64	\$ 1,206,393,669
	Utility Total Amortizable Plant Balance - Line 95	48,767,692
	Total Utility Depreciation and Amortization Plant Balance	\$ 1,255,161,361
	Total Utility Plant in Service Balance (iii)	\$ 1,260,610,646
	less: Land Balance (iv)	(5,426,223)
	less: ARO Asset Balance (A/C 10100001)	(23,062)
	Total	\$ 1,255,161,361

(iii) December 2016 Monthly Financial Report PUC, page 8
(iv) Accounting Records

HAWAII ELECTRIC LIGHT 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	1,700,756
2	Effective Federal Tax Rate	HELCO-WP-F-001	32.8947%
3	Federal Deferred Tax on State Tax Depreciation		<u>559,459</u>
4	Addback State Tax Depreciation		(1,700,756)
5	Federal Tax Depreciation	Schedule F1	<u>20,629,068</u>
6	Federal/State Difference		18,928,311
7	Tax Rate on Federal Only Adjustment	HELCO-WP-F-001	35%
8	Federal Deferred Tax Adjustment		<u>6,624,909</u>
9	Total Federal Deferred Taxes		<u>7,184,368</u>
	STATE DEFERRED TAXES		
10	State Tax Depreciation		1,700,756
11	Effective State Tax Rate	HELCO-WP-F-001	6.0150%
12	Total State Deferred Taxes		<u>102,301</u>
13	TOTAL FED AND STATE DEFERRED TAXES		<u>7,286,669</u> To Sch D1

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

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

Line No.	LIFE (a)	HELCO-WP-FI-002		TOTAL (d)	PROGRAMS		TOTAL (g)
		PROJECTS (b)	PROGRAMS (c)		PROJECTS (e)	PROGRAMS (f)	
1	5	417,209	-	417,209	0.84%	-	0.84%
2	20	1,949,549	-	1,949,549	3.93%	-	3.93%
3	7	562,218	-	562,218	1.13%	-	1.13%
4	20	34,904,449	-	34,904,449	70.45%	-	70.45%
5	-	148,187	-	148,187	0.30%	-	0.30%
6	15	2,544,933	-	2,544,933	5.14%	-	5.14%
7	20	69,337	-	69,337	0.20%	-	0.20%
8	39	2,312,848	-	2,312,848	4.67%	-	4.67%
9	15	4,154,685	-	4,154,685	8.39%	-	8.39%
10	20	278,188	-	278,188	0.56%	-	0.56%
11	-	2,177,528	-	2,177,528	4.40%	-	4.40%
12	-	\$ 49,545,123	\$ -	\$ 49,545,123	100%	-	100%

Projects and Program % Totals by Depreciable Life:		Vintage 2017 - 50% Bonus Depreciation		Vintage 2017 - Regular Depreciation		
		Basis	FED YR 1 DEPR RATE	FED YR 1 TAX DEPR	STATE YR 1 DEPR RATE	STATE YR 1 TAX DEPR
5 yr	0.84%	158,087	60.00%	213,840	20.00%	71,213
7 yr	1.13%	479,828	57.14%	274,187	14.29%	68,567
15 yr	13.52%	5,717,902	52.50%	3,091,846	5.00%	285,800
20 yr	75.14%	31,773,618	51.87%	16,482,565	3.75%	1,191,511
Land	0.30%	-	-	-	-	-
Vehicles	4.40%	-	-	-	-	-
Total	100.00%	-	-	-	-	-

Basis subject to 50% bonus		Total less amounts subject to 50% bonus	
5 yr	0.84%	-	0.00%
7 yr	1.13%	-	0.00%
15 yr	13.52%	-	0.00%
20 yr	75.14%	-	0.00%
Land	n/a	n/a	n/a
Vehicles	n/a	n/a	n/a
Total	90.64%	0.00%	4.87%

Basis subject to regular depreciation		TOTAL ASSETS	
5 yr	0.00%	\$ -	85.31%
7 yr	0.00%	-	-
15 yr	0.00%	-	-
20 yr	0.00%	-	-
39 yr	4.87%	1,873,905	-
Land	n/a	-	-
Vehicles	n/a	-	-
Total	4.87%	-	85.31%

Net Depreciable Baseline Plant Adds		Major Capital Projects from Schedule F2	
		\$ 40,301,219	\$ 19,985,487
		1,206,833	633,597
		\$ 41,508,052	\$ 20,619,084

Reconciliation from Baseline Plant Adds to Net Depreciable Plant Adds
 Baseline Capital Projects Plant Adds \$ 49,545,123 Schedule D2
 Less: Repairs deduction HELCO-WP-FI-001, PG. 1 7,260,740 <<supported by Special Study each year.
 Net plant add basis 42,284,383
 Less: Land and Vehicles (4.70% x \$42,284,383) 1,983,163
 \$ 40,301,219

NOTE (1) The Protecting Americans from Tax Hikes (PATH) Act of 2015 extended bonus depreciation for property acquired and placed in service from 2015 through 2019. The bonus depreciation percentage is 50 percent for property placed in service during 2017.

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
TAX DEPRECIATION ON MAJOR CAPITAL PROJECTS ADDITIONS

Line No.	Description	PUC Docket	Estimated In Service Date	Amount
	(a)	(b)	(c)	(d)
1	Assumed Value of 2017 Major Capital Projects - Plant Items			\$ 1,206,833
2	Assumed Value of 2017 Major Capital Projects - CIAC nontaxable			\$ -
3	Assumed Value of 2017 Major Capital Projects - Total			<u>\$ 1,206,833</u> Schedule D3

4	Tax Classification of Major Capital Project Additions	Tax Basis Distribution	FED	FED	STATE	STATE
			YR 1	YR 1	YR 1	YR 1
			DEPR RATE	TAX DEPR	DEPR RATE	TAX DEPR
5	5 yr	\$ -	60.000%	\$ -	20.00%	\$ -
6	7 yr	-	57.145%	-	14.29%	-
7	15 yr - Transmission	1,206,833	52.500%	633,587	5.00%	60,342
8	20 yr		51.875%	-	3.75%	-
9	39 yr	n/a				
10	Land	n/a				
11	Vehicles	n/a				
12	Total	<u>\$ 1,206,833</u>		<u>\$ 633,587</u>		<u>\$ 60,342</u>
		To Sch F1		To Sch F1		To Sch F1

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
CIAC SUMMARY

Line No.	Description (a)	Reference (b)	Unamortized CIAC (c)	CIAC Amortization (d)
1	12/31/16 Beginning Balance	Schedule G1	\$ (97,210,550)	
2				
3	<u>2017 CIAC Additions:</u>			
4	Baseline 5-Yr Average	Schedule G1	\$ (7,034,215)	
5	Major Projects	Schedule G2	-	
6	Net Additions		<u>\$ (7,034,215)</u>	
7				
8	<u>2017 CIAC Amortization:</u>			
9	Estimated Amortization	Schedule G3	<u>\$ 3,357,714</u>	<u>\$ (3,357,714)</u>
10				
11	12/31/17 Ending Balance		<u>\$ (100,887,050)</u>	(3,357,714)
12			To Sch D1 Line 15	
13	LESS: CIAC Amortization in Current Revenues	NOTE 1		<u>(2,256,200)</u>
14				
15	RAM Adjustment for CIAC Amortization			<u>\$ (1,101,514)</u>
				To Sch E, p. 2, Line 102

NOTE 1: See HELCO Revised Schedules Resulting from Decision and Order No. 30168, filed 2/21/2012, Exhibit 1A, page 34 of 37, Docket No. 2009-0164.

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK

BASELINE CAPITAL PROJECTS CIAC ADDITIONS

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

Line No.	Description (a)	2/19/2013	2/21/2014	2/26/2015	2/23/2016	2/23/2017
		2012 (b)	2013 (c)	2014 (d)	2015 (e)	2016 (f)
1	CIAC Balance, January 1 (Dec Rpt. pg. 10)	\$ (76,641,653)	\$ (84,799,042)	\$ (89,762,888)	\$ (94,474,624)	\$ (95,297,753)
2	Less: CIAC Amortization (Dec Rpt. pg. 2)	2,506,398	2,766,490	2,955,035	3,142,029	3,232,226
3	Less: CIAC Balance, December 31 (Dec Rpt. pg. 10)	84,799,042	89,762,888	94,474,624	95,297,753	97,210,550
4						
5	Total CIAC Additions	\$ 10,663,787	\$ 7,730,336	\$ 7,666,771	\$ 3,965,158	\$ 5,145,023
6						
7	Less Major Projects:					
8						
9	2012 In-service:					
10	None					
11						
12	2013 In-service:					
13	None					
14						
15	2014 In-Service:					
16	Keamuku-Keahole 6800 69 kV Line Phase 1	2012-0392	H0002509			
17	Keahole CT-4 Major Overhaul	2013-0144	H0002725			
18						
19	2015 In-service:					
20	None					
21						
22	2016 In-service:					
23	Keamuku-Keahole 6800 69 kV Line Phase 2	2012-0392	H0002612			
24	Keamuku-Keahole 6800 69 kV Line Phase 3	2012-0392	H0002668			
25	Keahole CT-5 Major Overhaul	2013-0144	H0002724			
26						
27						
28						
29	Total Net CIAC Additions	\$ 10,663,787	\$ 7,730,336	\$ 7,666,771	\$ 3,965,158	\$ 5,145,023
30						
31	Last Five-Year Average					\$ 7,034,215

To Sch G

GENERAL NOTE:

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.

HAWAII ELECTRIC LIGHT 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>2017 Major Capital Project CIAC Additions by Project:</u>			
2	None			\$ -
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	Total Major Project CIAC Additions for 2017 RAM			<u>\$ -</u>

HAWAII ELECTRIC LIGHT COMPANY, INC
DECOUPLING CALCULATION WORKBOOK
CIAC AMORTIZATION

Line No.	Description	2015	2016		2017
		Balance	Amortization	Balance	Amortization
	(a)	(b)	(c)	(d)	
1	<u>CIAC by Vintage:</u>				
2	1981	\$ 32,121.46	\$ (4,566.00)	\$ 27,555.46	\$ (4,566.00)
3	1982	42,135.11	(5,244.00)	36,891.11	(5,244.00)
4	1983	35,219.17	(3,898.00)	31,321.17	(3,898.00)
5	1984	246,345.75	(24,547.00)	221,798.75	(24,547.00)
6	1985	158,654.88	(14,376.00)	144,278.88	(14,376.00)
7	1986	262,224.24	(21,787.00)	240,437.24	(21,787.00)
8	1987	602,395.57	(46,211.00)	556,184.57	(46,211.00)
9	1988	326,401.17	(23,255.00)	303,146.17	(23,255.00)
10	1989	611,669.03	(40,681.00)	570,988.03	(40,681.00)
11	1990	1,786,146.18	(111,386.00)	1,674,760.18	(111,386.00)
12	1991	1,216,779.07	(71,425.00)	1,145,354.07	(71,425.00)
13	1992	2,583,822.84	(143,251.00)	2,440,371.84	(143,251.00)
14	1993	900,124.59	(47,286.00)	852,838.59	(47,286.00)
15	1994	1,311,834.01	(65,475.00)	1,246,359.01	(65,475.00)
16	1995	927,017.54	(44,069.00)	882,948.54	(44,069.00)
17	1996	1,402,605.10	(83,652.00)	1,338,953.10	(83,652.00)
18	1997	863,398.60	(38,349.00)	845,049.60	(38,349.00)
19	1998	450,144.06	(18,728.00)	431,416.06	(18,728.00)
20	1999	3,483,609.00	(139,146.00)	3,344,463.00	(139,146.00)
21	2000	2,614,822.29	(100,432.00)	2,514,390.29	(100,432.00)
22	2001	2,333,879.43	(86,328.00)	2,247,553.43	(86,328.00)
23	2002	2,295,359.38	(81,873.00)	2,213,486.38	(81,873.00)
24	2003	3,174,465.69	(109,330.00)	3,065,135.69	(109,330.00)
25	2004	1,916,770.91	(63,817.00)	1,852,953.91	(63,817.00)
26	2005	2,534,717.22	(81,671.00)	2,453,046.22	(81,671.00)
27	2006	4,539,553.69	(141,703.00)	4,397,850.69	(141,703.00)
28	2007	4,920,485.95	(148,945.00)	4,771,540.95	(148,945.00)
29	2008	5,225,876.91	(153,541.00)	5,072,335.91	(153,541.00)
30	2009	6,082,898.88	(173,620.00)	5,909,278.88	(173,620.00)
31	2010	5,562,166.11	(154,907.00)	5,427,259.11	(154,907.00)
32	2011	6,279,194.33	(169,708.00)	6,109,486.33	(169,708.00)
33	2012	9,883,511.00	(260,092.00)	9,623,419.00	(260,092.00)
34	2013	7,353,246.00	(188,545.00)	7,164,701.00	(188,545.00)
35	2014	7,479,777.00	(186,994.00)	7,292,783.00	(186,994.00)
36	2015	3,698,062.06	(90,197.00)	3,607,865.06	(90,197.00)
37	2015 - Land	267,096.00	-	267,096.00	-
38	2016			5,145,022.87	(125,488.00)
39					
40	<u>CIAC GET Adjustment:</u>				
41	-adj 92-96 GET				
42	-adj 97 GET				
43	-adj 98 GET				
44	-adj 99 GET				
45	-adj 00 GET				
46	-adj 01 GET				
47	-adj 02 GET				
48	-adj 03 GET				
49	-adj 04 GET				
50	-adj 05 GET				
51	-adj 06 GET				
52	-adj 07 GET				
53	-adj 08 GET				
54	-adj 09 GET				
55	-adj 10 GET				
56	-adj 11 GET				
57	-adj 12 GET				
58					
59					
60	<u>In - Kind CIAC:</u>				
61	1988	145,149.95	(10,341.00)	134,808.95	(10,341.00)
62	1989	195,472.09	(13,001.00)	182,471.09	(13,001.00)

HAWAII ELECTRIC LIGHT COMPANY, INC
DECOUPLING CALCULATION WORKBOOK
CIAC AMORTIZATION

Line No.	Description (a)	2015	2016		2017
		Balance (b)	Amortization (c)	Balance (d)	Amortization
63	1990	602,879.84	(37,584.00)	565,095.84	(37,584.00)
64	1991	554,108.50	(32,527.00)	521,581.50	(32,527.00)
65	1992	358,014.26	(19,740.00)	338,274.26	(19,740.00)
66	1993				
67	1994				
68	1995				
69	1996				
70	1997				
71	1998				
72	1999				
73	2000				
74	2001				
75	2002				
76	2003				
77	2004				
78	2005				
79	2006				
80	2007				
81	2008				
82	2009				
83	2010				
84	2011				
85	2012				
86	2013				
87	2014				
88	2015				
89					
90	Total CIAC Amortization for 2017 RAM	\$ 95,297,753	\$ (3,232,226)	\$ 97,210,550	\$ (3,357,714)

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
EARNINGS SHARING CALCULATIONS
(\$ in Thousands)

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 adj.	Dec 2016 Monthly PUC Report, p. 2A, filed 2/24/17 & HELCO-WP-H-001	\$ 32,087	\$ 482,254	
2	Ratemaking Adjustments to Line 1:				
2a	Incentive Compensation Expenses (net of tax)	HELCO-WP-H-002	318		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)	HELCO-WP-H-002	215		
2c	Amortization of investment income differential	HELCO-WP-H-003	24		
2d	Income tax on items to be replaced by synchronized interest	HELCO-WP-H-003	(4,443)		
2e	Remove Accrued Earnings Sharing Refund	HELCO-WP-H-005	0		
3	Ratemaking Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 28,200	\$ 482,254	
4	Ratemaking Capitalization		Balances	Ratios	Cost Rate
5	Short-Term Debt (12 mo. Avg)		\$ -	0.00%	0.00%
6	Long-Term Debt (Simple Avg)		\$ 202,362	39.63%	5.40%
7	Hybrid Securities (Simple Avg)		\$ 9,515	1.86%	7.21%
8	Preferred Stock (Simple Avg)		\$ 6,713	1.31%	8.17%
9	Common Equity (Simple Avg)		\$ 292,003	57.19%	10.00%
10	Total Capitalization	HELCO-WP-H-004	\$ 510,593	100.00%	8.10%
11	Line 3 Rate Base Amount			\$ 482,254	
12	Weighted Cost of Debt (Sum Lines 5-7)			2.27%	
13	Synchronized Interest Expense			\$ 10,962	
	Income Tax Factor (Note 1)			1.636929121	
13a	Synchronized Interest Expense, net of tax			\$ 6,697	
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)			\$ 21,504	
15	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)			\$ 518	
16	Income Available for Common Stock			\$ 20,985	
17	Ratemaking Equity Investment (Line 9 Ratio times Rate Base)			\$ 275,796	
18	Return on Equity for Decoupling Earnings Sharing (Line 16/Line 17)			7.61%	
19	Earnings Sharing Revenue Credits:		Basis Points		
20	Achieved ROE (basis points)		761		
21	Authorized Return (basis points) (D&O 30168 in Dkt No. 2009-0164, filed on 2/8/2012)		1,000		
22	ROE for sharing (basis points)		-		
23	Sharing Grid per RAM Provision		First 100 bp	Next 200 bp	All over 300 bp
24	Distribution of Excess ROE (basis points)		0	0	0
25	Ratepayer Share of Excess Earnings		25%	50%	90%
26	Ratepayer Earnings Share - Basis Points		-	-	-
27	Revenue Credit per Basis Point (Note 2)				\$ 50
28	Earnings Sharing Revenue Credits (thousands)				\$ -

To Sch A

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)	\$ 275,796
	Basis Point = 1/100 of a percent	0.01%
	Earnings Required per Basis Point (thousands)	\$ 27.58
	Times: Income Tax Conversion Factor	1.636929121
	Pretax Income Required per Basis Point (thousands)	\$ 45
	Times: Revenue Tax Conversion Factor	1.0975
	Revenue Requirement per Basis Point (thousands)	\$ 50

HAWAII ELECTRIC LIGHT 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.

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RAM CAP

Line No.	Description (a)	Reference (b)	Amount \$000 (c)	
1	2015 Target Revenues subject to escalation	5/19/16 Decoupling, Sch J	158,192	
2	2016 RAM Cap Increase excluding Exceptional & Other Matters	5/19/16 Decoupling, Sch J	2,373	
3	2016 Target Revenues subject to escalation		160,565	
4	2017 GDP Price Index	Sch C	2.0%	
5	2017 RAM Cap Increase excluding Exceptional & other Matters	Line 3 x Line 4	3,211	
6	RAM Cap for 2016 RAM Revenue Adjustment	5/19/16 Decoupling, Sch J	9,038	
7	RAM Cap for 2017 RAM Revenue Adjustment	Line 5 + Line 6	12,249	Sch A1

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
EXCEPTIONAL & OTHER MATTERS

<u>Line No.</u>	<u>Description</u> (a)	<u>Reference</u> (b)	<u>Amount \$000</u> (c)
1	CIS Deferred Cost	Schedule K1	<u>372.1</u>
2	2017 Revenue Adjustment for Exceptional & Other Matters		<u>\$ 372.1</u> To Sch A1

Note 1 **Exceptional and Other Matters:**
See Order No. 32735, filed March 31, 2015, paragraph 107, page 94 - 95:
"The Basis used in determining the RAM Cap shall be adjusted to exclude or otherwise appropriately account for adjustments for the recovery of revenues for previously explicitly stipulated and approved exceptional matters or other matters specifically ordered by the commission, which shall, in any event, be recovered fully without respect to any limitations resulting from application of the RAM Cap."

Footnote 149 stipulates that such applicable matters include adjustments accounting for CT-1 costs (for Hawaiian Electric) and CIS costs (for all of the Hawaiian Electric Companies) as provided in a stipulated agreement approved by the Commission as amended in Order No. 31126 in Docket No. 2008-0083.

HAWAII ELECTRIC LIGHT COMPANY, INC
DECOUPLING CALCULATION WORKBOOK
EXCEPTIONAL & OTHER MATTERS - CIS
\$ in thousands

Line No.	Description (a)	Reference (b)	HELCO 2010 Test Year Rate Base		HELCO 2017 RAM Rate Base (Note 1)		
			Beg. Balance 12/31/2009 (c)	Budgeted Balance 12/31/2010 (d)	Recorded at 12/31/2016 (e)	RAM Projected Amounts (f)	Estimated at 12/31/2017 (g)
1	CIS Def Cost	HELCO-WP-D1-001	\$ -	\$ -	1,797	(214)	1,583
2	CIS ADIT		-	-			
3	28532 - CIS Project	Note 2			(676)	80	(596)
4	28612 - CIS Interest	Note 3			(16)	2	(14)
5	Adjustment	HELCO-WP-D4-002			9	(1)	8
6	Total	Sum Line 1 - Line 5	\$ -	\$ -	\$ 1,114	\$ (133)	\$ 981
7	2017 Average Balance						\$ 1,047.7
8	Change in Rate Base						\$ 1,047.7
9	Pretax Rate of Return	Schedule D					11.94%
10	Pretax Return Requirement	Line 8 x Line 9					\$ 125.1
11	Revenue Requirement \$000	Line 10 x Line 14					\$ 137.3
12	CIS Amortization	HELCO WP-D1-001					\$ 214.0
13	Revenue Requirement \$000	Line 12 x Line 14					\$ 234.8
14	Revenue Tax Factor (1/(1-8.885%))	Schedule D					1.0975
15	Revenue Requirement (Return on/of Investment)	Line 11 + Line 13					\$ 372.1
							To Sch K

Note 1 See Order No. 32735, paragraph 107, Page 94 - 95, filed March 31, 2015, in which the commission noted that the basis used in determining the RAM Cap shall be adjusted to exclude or otherwise appropriately account for adjustments for the recovery of revenues for previously explicitly stipulated and approved exceptional matters or other matters specifically ordered by the commission, which shall, in any event, be recovered fully without respect to any limitations resulting from application of the RAM Cap. Accordingly, adjustments for CT-1 costs (for Hawaiian Electric) and CIS costs (for all of the Hawaiian Electric Companies) as provided in a stipulated agreement approved by the Commission as amended in Order No. 31126 in Docket No. 2008-0083 are being treated as Exceptional & Other Matters not subject to the RAM Cap.

Note 2 #28532 - CIS Project costs

	Reference	Federal	State	Total
Balance at 12/31/16 As Adjusted	5/19/2016 Decoupling, Sch K1	(571,434)	(104,491)	(675,924)
2017 Book Amortization	HELCO-WP-K1-001	206,413	206,413	
2017 Tax Amortization	HELCO-WP-K1-001	-	-	
Total 2017 Activity		206,413	206,413	
State Tax Deduction		12,418		
		193,997		
Tax Rate	Schedule F	35.00%	6.02%	
2017 Deferred Taxes		67,899	12,418	80,315
Balance at 12/31/17		(503,535)	(92,075)	(595,609)

Note 3 #28612 - CIS Interest

	Reference	Federal	State	Total
Balance at 12/31/16	5/19/2016 Decoupling, Sch K1	(13,621)	(2,491)	(16,112)
Amortization	HELCO-WP-K1-002	4,920	4,920	
Tax Rate	Schedule F	32.89%	6.02%	
2017 Deferred Taxes		1,818	296	1,914
Balance at 12/31/17		(12,003)	(2,195)	(14,198)

Hawaii Electric Light Company, Inc.
Energy Delivery Methodology Comparison

Line	Account Group	Ind		A	B	C = A - B
				Current Method	Old Method	Difference
1	G30	NE	Non-billable O&M expense other than supervision	3,189,153	3,411,601	(222,448)
2		NS	Non-billable O&M expense supervision	14,003	2,343	11,660
3	G40	NN	Non-Regulated Expense		3	(3)
4	G50	NI	Non-billable Install (Capital)	6,253,294	5,377,424	875,870
5		NR	Non-billable Removal	803,151	1,383,976	(580,825)
6	G60	BE, BI, BR	Billable O&M expense, install, removal	28,173	49,969	(21,796)
7	G70	BE	Billable O&M expense	48,170	85,018	(36,848)
8		BT	Billable Temporary Facilities	27,645	53,254	(25,610)
9	G80	NC	Non-billable Clearing	-	-	-
10		NP	Non-billable Preliminary Engineering	-	-	-
11			Totals	10,363,589	10,363,589	(0)

Note 1: The total 2016 O&M impact of the change in on-cost clearing allocation amount is calculated as follows:

O&M expense items	Line 1 + Line 2	(210,789)
Revenue Tax Factor	Schedule C	1.0975
		(231,340)
		To Sch A1

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF TOTAL RAM REVENUE ADJUSTMENT ALLOWED
CORRECTION OF 2016 DECOUPLING FILING

Line No.	Description (a)	Reference	2016 Decoupling Filing		
			Amount		
RAM REVENUE ADJUSTMENT DETERMINED ACCORDING TO EXISTING TARIFFS AND PROCEDURES			Note 4		
			As Filed	As Corrected	Difference
1	O&M RAM	Schedule C	\$ 4,760,013	\$ 4,760,013	\$ -
2	Rate Base RAM - Return on Investment	Schedule D	\$ (2,918,499)	\$ (2,918,499)	\$ -
3	Depreciation & Amortization RAM Expense	Schedule E	\$ 7,276,329	\$ 7,276,329	\$ -
4	Total RAM Revenue Adjustment		\$ 9,117,843	\$ 9,117,843	\$ -
5	Less: Adjustment for Change in On-cost Clearing Allocation	Note 3	\$ (211,331)	\$ (217,195)	\$ (5,864)
6	Total Adjusted RAM Revenue Adjustment		\$ 8,906,512	\$ 8,900,648	\$ (5,864)
RAM REVENUE ADJUSTMENT CAP					
7	RAM Cap for 2016 RAM Revenue Adjustment	Schedule J	\$ 9,037,880	\$ 9,037,880	\$ -
8	Plus: Exceptional and Other Matters	Schedule K	\$ 388,914	\$ 388,914	\$ -
9	2016 Cap - Total RAM Revenue Adjustment (Note 2)		\$ 9,426,794	\$ 9,426,794	\$ -
10	Total RAM Revenue Adjustment Allowed (Note 1)	Lesser of Line 4 or Line 7	\$ 8,906,512	\$ 8,900,648	\$ (5,864)
			To Sch A	To Sch A	To Sch A1

Note 1 RAM Revenue Adjustment Allowed
See Order No. 32735, filed March 31, 2015, paragraph 106, page 94:
"The RAM Revenue Adjustment to be applied to determine effective Target Revenues will be the lesser of (a) the RAM Revenue Adjustment determined according to existing tariffs and procedures or (b) a RAM Revenue Adjustment Cap ("RAM Cap) to be calculated as specified."

Note 2 Total RAM Cap:
See Order No. 32735, filed March 31, 2015, paragraph 110, page 96:
"The RAM Cap will apply to the entire RAM Revenue Adjustment including the O&M RAM, Rate Base RAM (including Major Capital Projects and Baseline Projects), and the Depreciation and Amortization RAM."

Note 3 Order No. 32866, par. 18 required the Company to adjust its 2015 RAM Revenue Adjustment to reflect the O&M expense reduction impact associated with the change in on-cost clearing allocation identified by the Company. The adjustment made to the 2015 RAM revenue adjustment was based on the 2014 O&M expense impact of the change in on-cost clearing allocation. In calculating the 2016 RAM Cap, prior year's adjustment was incorporated in 2015 target revenues that has been escalated to compute the 2016 RAM Cap (See Schedule J). In calculating the 2016 RAM revenue adjustment determined according to existing tariffs and procedures, the adjustment has been updated to reflect the 2015 O&M Impact of the change in on-cost clearing allocation. See HELCO-WP-A1-001 for the calculation.

Note 4 Adjustments to the 2016 Decoupling filing on-cost clearing allocation calculation were identified in 2017 and corrected. The 2016 Schedule A1 and HELCO-WP-A1-001 were corrected and included as HELCO-WP-A1-002 for reference. Revisions did impact the 2016 Decoupling filing because the RAM Revenue Adjustment Tariff calculation was utilized in determining the Total RAM Revenue Adjustment Allowed. Therefore, in 2017 the Company will recognize the adjustment as a reduction to the RAM Revenue Allowed.

Hawaii Electric Light Company, Inc.
Energy Delivery Methodology Comparison

As Filed	2016 Decoupling Filing	As Corrected
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Line	Account Group	Ind	A			B			C = A - B			Revised			Change		
			Current Method	Old Method	Difference	Current	Old	Difference	Current	Old	Difference	Current	Old	Difference	Old	Current	Difference
1	G30	NE	3,415,273	3,625,728	(210,455)	3,392,243	3,607,607	(215,364)	23,030	18,121	4,909						
2		NS	22,651	4,753	17,898	22,044	4,578	17,464	607	174	433						
3	G40	NN															
4	G50	NI	6,313,937	5,408,731	907,207	6,335,684	5,421,574	914,110	(21,747)	(14,843)	(6,904)						
5		NR	869,186	1,440,942	(571,756)	872,180	1,444,898	(572,718)	(2,994)	(3,956)	962						
6	G60	BE	89,375	190,977	(101,603)	88,349	190,970	(102,620)	1,028	7	1,019						
7	G70	BT	24,869	50,569	(25,700)	24,201	48,867	(24,665)	668	1,702	(1,034)						
8		BE	30,042	45,634	(15,592)	29,236	44,098	(14,862)	806	1,536	(730)						
9		ND				1,396	2,737	(1,341)									
10	G80	NC															
11		NP															
12		Totals	10,765,333	10,765,333	-	10,765,333	10,765,333	-									
13		O&M expense items (Line 3 + Line 5)			(192,557)			(192,557)									

Note 1: The total 2015 O&M impact of the change in on-cost clearing allocation amount is calculated as follows:

Energy Delivery (ED) impact	Line 13	(192,557)
Revenue Tax Factor	Schedule C	1,0975
Adjustment for Change in On-cost Clearing Allocation		(217,195)
	To Sch A1	
	To WP-A1-002, page 1	

Hawaii Electric Light Company, Inc.
Adjustment For Prior Year RBA Accrual
Recovery of 12/31/14 RBA Balance

		2016				
		January	February	March	April	May
Billed RBA Revenues	Note 1	1,214,978	1,190,380	1,182,610	1,232,979	1,183,391
Net Unbilled Revenues	Note 1	16,956	(34,886)	67,095	(14,153)	49,768
Total billed + Unbilled		1,231,934	1,155,494	1,249,705	1,218,826	1,233,159
x % Share for RBA	Note 2	56.9221%	56.9221%	56.9221%	56.9221%	56.9221%
RBA Revenues (Recovery of 12/31/14 RBA balance)		701,243	657,731	711,359	693,781	701,940
		← Schedule B2 →				
Less: Revenue Taxes	0.08885	(62,305)	(58,439)	(63,204)	(61,642)	(62,367)
RBA Revenues (Recovery of 12/31/14 RBA balance), net of Revenue Taxes		638,938	599,292	648,155	632,139	639,573
		← Schedule B →				

* Differences are due to rounding

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

Note 2: RBA Rate Adjustment Allocation for June 8, 2015 - May 31, 2016 is per Transmittal No. 15-04 (Decoupling) - RBA Rate Adjustment (Filed June 3, 2015), Schedule A, Note (1)

Hawaii Electric Light Company, Inc.
Adjustment for Prior Year RBA Accrual
Recovery of 12/31/15 RBA Balance

		2016						
		June	July	August	September	October	November	December
Billed RBA Revenues	Note 1	\$ 1,282,533	\$ 1,312,463	\$ 1,326,048	\$ 1,352,864	\$ 1,316,556	\$ 1,288,986	\$ 1,269,726
Net Unbilled Revenues	Note 1	(37,117)	20,526	47,200	(75,039)	25,118	(57,260)	50,357
Total billed + Unbilled		1,245,416	1,332,989	1,373,248	1,277,825	1,341,674	1,231,726	1,320,083
x % Share for RBA	Note 2	40.3283%	40.3283%	40.3283%	40.3283%	40.3283%	40.3283%	40.3283%
RBA Revenues (Recovery of 12/31/15 RBA balance)		\$ 502,255	\$ 537,572	\$ 553,808	\$ 515,325	\$ 541,074	\$ 496,734	\$ 532,367
		← Schedule B2 →						
Less: Revenue Taxes	0.08885	(44,625)	(47,763)	(49,206)	(45,787)	(48,074)	(44,135)	(47,301)
RBA Revenues (Recovery of 12/31/15 RBA Balance), net of Revenue Taxes		\$ 457,630	\$ 489,809	\$ 504,602	\$ 469,538	\$ 493,000	\$ 452,599	\$ 485,066
		← Schedule B →						

* 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, 2016 - May 31, 2017 is per Transmittal No. 16-02 (Decoupling) - RBA Rate Adjustment (Filed May 24, 2016), Schedule A, Note (1)

HELCO-WP-B-002
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
June 2016 - Change of Rate Schedule from G to R

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
L1	\$11,270,173	\$11,626,979	\$12,203,087	\$11,581,870	\$11,871,762	\$11,402,413	\$11,733,718	\$11,457,930	\$10,448,911	\$11,540,437	\$11,043,489	\$11,554,261	\$11,035,684	\$12,304,971
L2	10,701,100	11,361,018	11,594,849	10,984,426	11,258,514	10,964,079	11,250,301	11,097,958	10,148,102	11,245,695	10,977,136	11,077,902	11,051,280	11,813,323
L3	577,073	565,961	608,218	597,444	615,248	438,334	483,417	380,072	300,809	294,652	166,361	336,339	584,314	491,646
L4	(531,099)	(372,772)	(376,150)	(380,428)	(369,003)	(359,348)	(361,943)	(359,759)	(325,767)	(359,086)	(349,460)	(357,105)	(665,666)	(684,643)
L5	225,975	193,189	230,060	237,016	246,245	78,985	115,474	313	(24,958)	(64,236)	(183,119)	179,254	(21,592)	(182,999)
	6,243	(1,427)	7,995	14,566	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976
L6	\$875,492	6,129,982	6,354,304	6,624,216	6,894,946	7,190,871	7,287,230	7,455,566	7,493,097	7,510,007	7,457,380	7,248,447	7,441,752	7,432,495
L7	6,101,467	6,323,171	6,584,364	6,861,232	7,141,191	7,269,656	7,402,704	7,455,819	7,468,139	7,446,371	7,274,261	7,427,701	7,420,200	7,269,496
L8	5,998,480	6,226,577	6,469,334	6,742,724	7,019,089	7,230,364	7,344,967	7,455,662	7,480,918	7,478,680	7,365,821	4,462,620	4,539,583	4,490,723
L9	29,942	31,133	32,347	33,714	35,090	36,152	36,725	37,278	37,403	20,255	19,949	12,141	12,285	12,162
L10	6,131,409	6,354,304	6,616,711	6,894,946	7,176,281	7,306,006	7,439,429	7,493,097	7,505,542	7,466,626	7,294,210	7,439,642	7,432,495	7,281,656
	\$ 5,864,055	\$ 6,075,817	\$ 6,305,877	\$ 6,550,003	\$ 6,796,248	\$ 6,809,788	\$ 6,987,640	\$ 7,004,030	\$ 6,979,072	\$ 6,920,101	\$ 6,727,536	\$ 6,965,876	\$ 6,886,238	\$ 6,723,237
	\$ 247,354	\$ 278,487	\$ 310,654	\$ 344,943	\$ 380,033	\$ 416,220	\$ 451,769	\$ 489,087	\$ 526,470	\$ 546,725	\$ 566,874	\$ 533,964	\$ 546,239	\$ 586,421
	\$ 6,131,409	\$ 6,354,304	\$ 6,616,711	\$ 6,894,946	\$ 7,176,281	\$ 7,306,006	\$ 7,439,429	\$ 7,493,097	\$ 7,505,542	\$ 7,466,626	\$ 7,294,210	\$ 7,439,642	\$ 7,432,495	\$ 7,281,656
revenues charged in incorrect period adjustment	23			24		37	29	33	26					
net of tax	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%
revenue tax adjustment	\$ 21	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Target vs Actual Difference:														
Per original calculation	\$ 10,701,121	\$ 11,361,018	\$ 11,594,849	\$ 10,984,448	\$ 11,256,514	\$ 10,964,113	\$ 11,250,327	\$ 11,097,948	\$ 10,148,128	\$ 11,245,628	\$ 10,877,138	\$ 11,077,902	\$ 11,051,280	\$ 11,813,325
Adjustment for billing error	(21)			(22)		(54)	(26)	(30)	(26)					
Revised Revenues	\$ 10,701,100	\$ 11,361,018	\$ 11,594,849	\$ 10,984,426	\$ 11,256,514	\$ 10,964,079	\$ 11,250,301	\$ 11,097,558	\$ 10,148,102	\$ 11,245,605	\$ 10,877,138	\$ 11,077,902	\$ 11,051,290	\$ 11,813,325
Revised Adjustment	\$ 577,073	\$ 565,961	\$ 608,218	\$ 597,444	\$ 615,248	\$ 438,334	\$ 483,417	\$ 380,072	\$ 300,809	\$ 294,652	\$ 166,361	\$ 336,339	\$ 584,314	\$ 491,646
RBA Adjustment Recorded	577,052	565,961	608,218	597,422	615,248	438,300	483,391	360,042	300,783	294,629	166,361	336,359	584,314	491,646
RBA Adjustment	\$ 21	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3

Note [1] In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014 from the Internal Revenue Service to change the tax treatment of RBA revenues from the book accrual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the calculation: Income Tax Factor (1 / 1-tax rate) 1.03692912

Note [2] Totals may not add exactly due to rounding.

Note [3] A manual adjustment was made June 2016 to increase the RBA by \$635. The customer's home was completed in February 1996, which is reflected on the Hawaii County completed building permit. The Company was notified by Hawaii County, that this customer's permit was complete and closed February 1996. When a permit is closed due to completion the customer is charged to rate Schedule R instead of rate Schedule G, resulting in lower rates. Based on this, June 2016, the Company re-calculated the customer's billing from February 1996 and adjusted the RBA accordingly.

HELCO-WP-B-002
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
June 2016 - Change of Rate Schedule from G to R

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Sept-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16
L1 Monthly Target Revenue	\$ 12,060,162	\$ 12,371,692	\$ 11,882,296	\$ 12,227,848	\$ 11,939,793	\$ 10,889,898	\$ 12,026,039	\$ 11,508,563	\$ 12,040,414
L2 Reconciled Adjusted Revenue	\$ 11,740,743	\$ 12,075,236	\$ 11,643,673	\$ 11,717,628	\$ 11,520,489	\$ 10,038,064	\$ 11,736,019	\$ 11,431,894	\$ 11,611,450
L3 Target vs. Actual Revenue	\$ 319,419	\$ 296,456	\$ 238,623	\$ 510,220	\$ 419,310	\$ 1,851,834	\$ 290,020	\$ 76,569	\$ 428,964
L4 Revenue of Previous Year Actual*	\$ (665,661)	\$ (876,631)	\$ (915,916)	\$ (666,372)	\$ (638,638)	\$ (592,292)	\$ (641,155)	\$ (632,138)	\$ (619,573)
L5 Net RBA Change	\$ (346,242)	\$ (580,175)	\$ (677,293)	\$ (146,152)	\$ (219,328)	\$ (260,458)	\$ (351,135)	\$ (555,570)	\$ (210,669)
Adjustment(s) to Beginning Balance									
L6 Beginning RBA Balance	\$ 6,489,028	\$ 6,163,603	\$ 5,790,809	\$ 5,393,030	\$ 5,255,706	\$ 5,044,578	\$ 4,404,930	\$ 4,053,787	\$ 3,504,484
L7 End Balance Before Interest	\$ 6,151,686	\$ 5,760,926	\$ 5,377,214	\$ 5,246,966	\$ 5,036,064	\$ 4,397,118	\$ 4,046,785	\$ 3,498,217	\$ 3,253,855
L8 Balance Subject to Interest	\$ 3,861,167	\$ 3,648,457	\$ 3,411,273	\$ 3,249,968	\$ 3,143,022	\$ 2,893,966	\$ 2,368,760	\$ 2,306,760	\$ 2,076,547
L9 Interest	\$ 10,497	\$ 9,026	\$ 9,239	\$ 8,982	\$ 8,514	\$ 7,811	\$ 6,892	\$ 6,247	\$ 5,024
L10 Ending RBA Balance	\$ 6,162,343	\$ 5,790,754	\$ 5,386,453	\$ 5,255,706	\$ 5,044,578	\$ 4,404,930	\$ 4,053,787	\$ 3,504,484	\$ 3,259,479
Principal Portion 18870301	\$ 5,435,709	\$ 5,054,294	\$ 4,640,699	\$ 4,501,152	\$ 4,281,568	\$ 3,634,049	\$ 3,275,914	\$ 2,720,344	\$ 2,569,735
Interest Portion 18870302	\$ 726,634	\$ 736,460	\$ 745,754	\$ 754,556	\$ 763,010	\$ 770,881	\$ 777,873	\$ 784,140	\$ 785,744
Total	\$ 6,162,343	\$ 5,790,754	\$ 5,386,453	\$ 5,255,706	\$ 5,044,578	\$ 4,404,930	\$ 4,053,787	\$ 3,504,484	\$ 3,259,479
revenues charged in incorrect period adjustment	\$ -	\$ -	\$ 22	\$ 30	\$ 34	\$ 39	\$ -	\$ -	\$ 917
tax rate	\$ 91.115%	\$ 91.115%	\$ 91.115%	\$ 91.115%	\$ 91.115%	\$ 91.115%	\$ 91.115%	\$ 91.115%	\$ 91.115%
net of tax	\$ -	\$ -	\$ 20	\$ 28	\$ 31	\$ 36	\$ -	\$ -	\$ 835
revenue tax adjustment	\$ -	\$ -	\$ 2	\$ 3	\$ 3	\$ 3	\$ -	\$ -	\$ 82
Target vs Actual Difference:	\$ 11,740,743	\$ 12,075,236	\$ 11,643,693	\$ 11,717,628	\$ 11,520,530	\$ 10,939,100	\$ 11,736,019	\$ 11,431,894	\$ 11,611,450
Per original calculation	\$ -	\$ -	\$ (20)	\$ (28)	\$ (31)	\$ (36)	\$ -	\$ -	\$ (835)
Adjustment for billing error	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revised Revenues	\$ 11,740,743	\$ 12,075,236	\$ 11,643,673	\$ 11,717,600	\$ 11,520,489	\$ 10,939,064	\$ 11,736,019	\$ 11,431,894	\$ 11,611,450
Revised Adjustment:	\$ 328,419	\$ 296,356	\$ 238,323	\$ 510,248	\$ 419,294	\$ (46,160)	\$ 290,020	\$ 76,569	\$ 428,964
RBA Adjustment Recorded	\$ 328,419	\$ 296,356	\$ 238,303	\$ 510,220	\$ 419,263	\$ (46,202)	\$ 290,020	\$ 76,569	\$ 428,964
RBA Adjustment	\$ -	\$ -	\$ 20	\$ 28	\$ 31	\$ 36	\$ -	\$ -	\$ 835

Note [1] In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014 from the Internal Revenue Service to change its tax treatment of RBA revenues from the book actual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the calculation.

Note [2] Totals may not add exactly due to rounding.

Note [3] A manual adjustment was made June 2016 to increase the RBA by \$835. The customer's home was completed in February 1996; which is reflected on the Hawaii County completed building permit. The Company was notified by Hawaii County, that this customer's permit was complete and closed February 1996. When a permit is closed due to completion the customer is changed to rate Schedule R instead of rate Schedule G. Based on this, June 2016, the Company re-calculated the customer's billing from February 1996 and adjusted the RBA accordingly.

HELCO-WP-B-003
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
June 2016 - Schedule F Interest Default Power Factor

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
L1	\$ 11,278,173	\$ 11,626,979	\$ 12,202,067	\$ 11,581,870	\$ 11,871,762	\$ 11,402,413	\$ 11,733,718	\$ 11,457,030	\$ 10,449,911	\$ 11,540,437	\$ 11,043,499	\$ 11,554,261	\$ 11,635,684	\$ 12,304,971
L2	\$ 10,700,285	\$ 11,360,287	\$ 11,594,013	\$ 10,983,812	\$ 11,255,678	\$ 10,963,277	\$ 11,249,464	\$ 11,096,751	\$ 10,146,316	\$ 11,244,822	\$ 10,876,320	\$ 11,017,084	\$ 11,050,528	\$ 11,812,492
L3	\$ 577,888	\$ 566,692	\$ 609,054	\$ 598,258	\$ 616,084	\$ 439,138	\$ 484,234	\$ 360,879	\$ 301,585	\$ 295,635	\$ 161,179	\$ 537,177	\$ 585,076	\$ 492,479
L4	\$ (351,095)	\$ (372,772)	\$ (378,150)	\$ (360,428)	\$ (369,003)	\$ (359,348)	\$ (367,943)	\$ (359,758)	\$ (325,797)	\$ (359,088)	\$ (349,460)	\$ (357,105)	\$ (605,866)	\$ (654,843)
L5	\$ 228,790	\$ 193,020	\$ 230,896	\$ 237,930	\$ 247,081	\$ 79,787	\$ 116,281	\$ 1,120	\$ (24,172)	\$ (63,453)	\$ (182,301)	\$ 160,072	\$ (20,790)	\$ (162,168)
Adjustment(s) to Beginning Balance	\$ (1,427)	\$ 7,505	\$ 14,996	\$ (18,719)	\$ (18,719)	\$ 10,077	\$ 3,265	\$ (6,466)	\$ (45,763)	\$ 910				
L6	\$ 865,175	\$ 6,140,531	\$ 6,365,638	\$ 6,638,444	\$ 6,808,051	\$ 7,204,860	\$ 7,302,113	\$ 7,471,282	\$ 7,509,781	\$ 7,528,342	\$ 7,475,746	\$ 7,267,681	\$ 7,461,838	\$ 7,453,374
L7	\$ 6,111,965	\$ 6,334,451	\$ 6,596,534	\$ 6,874,274	\$ 7,155,132	\$ 7,284,697	\$ 7,416,404	\$ 7,472,402	\$ 7,465,589	\$ 7,464,889	\$ 7,293,444	\$ 7,447,753	\$ 7,441,045	\$ 7,291,208
L8	\$ 5,998,570	\$ 6,237,491	\$ 6,481,086	\$ 6,755,359	\$ 7,031,592	\$ 7,244,774	\$ 7,390,259	\$ 7,471,842	\$ 7,497,875	\$ 7,496,815	\$ 7,384,595	\$ 4,494,829	\$ 4,552,085	\$ 4,593,733
L9	\$ 29,993	\$ 31,187	\$ 32,405	\$ 33,777	\$ 35,158	\$ 36,801	\$ 37,559	\$ 37,488	\$ 20,303	\$ 20,303	\$ 20,000	\$ 12,173	\$ 12,329	\$ 12,188
L10	\$ 6,141,958	\$ 6,365,638	\$ 6,629,939	\$ 6,908,051	\$ 7,190,290	\$ 7,320,891	\$ 7,455,205	\$ 7,509,781	\$ 7,523,077	\$ 7,465,192	\$ 7,313,444	\$ 7,459,926	\$ 7,453,374	\$ 7,303,406
Principal Portion 16870301	\$ 5,894,273	\$ 6,088,766	\$ 6,317,662	\$ 6,562,602	\$ 6,809,683	\$ 6,904,025	\$ 7,002,694	\$ 7,010,891	\$ 6,995,719	\$ 6,937,531	\$ 6,745,783	\$ 6,924,943	\$ 6,906,062	\$ 6,743,886
Interest Portion 16870302	\$ 247,685	\$ 276,872	\$ 311,277	\$ 345,449	\$ 380,607	\$ 416,866	\$ 452,511	\$ 489,870	\$ 527,358	\$ 547,661	\$ 587,661	\$ 534,983	\$ 547,312	\$ 559,510
Total	\$ 6,141,958	\$ 6,365,638	\$ 6,629,939	\$ 6,908,051	\$ 7,190,290	\$ 7,320,891	\$ 7,455,205	\$ 7,509,781	\$ 7,523,077	\$ 7,465,192	\$ 7,313,444	\$ 7,459,926	\$ 7,453,374	\$ 7,303,406
revenues charged in incorrect period adjustment	\$ 916	\$ 802	\$ 918	\$ 918	\$ 918	\$ 918	\$ 925	\$ 918	\$ 881	\$ 885	\$ 887	\$ 897	\$ 836	\$ 914
tax rate	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%
net of tax	\$ 836	\$ 731	\$ 836	\$ 836	\$ 836	\$ 836	\$ 843	\$ 837	\$ 812	\$ 808	\$ 818	\$ 818	\$ 762	\$ 833
revenue tax adjustment	\$ 82	\$ 71	\$ 82	\$ 82	\$ 82	\$ 82	\$ 82	\$ 82	\$ 79	\$ 79	\$ 79	\$ 80	\$ 80	\$ 74
Target vs Actual Difference:	\$ 10,701,121	\$ 11,361,018	\$ 11,594,048	\$ 10,984,448	\$ 11,256,514	\$ 10,964,113	\$ 11,250,327	\$ 11,097,568	\$ 10,146,128	\$ 11,245,628	\$ 10,877,138	\$ 11,017,002	\$ 11,051,290	\$ 11,813,325
Per original calculation	\$ (830)	\$ (731)	\$ (836)	\$ (836)	\$ (836)	\$ (836)	\$ (843)	\$ (837)	\$ (812)	\$ (808)	\$ (818)	\$ (818)	\$ (762)	\$ (833)
Adjustment for billing error	\$ 10,700,285	\$ 11,360,287	\$ 11,594,013	\$ 10,983,812	\$ 11,255,678	\$ 10,963,277	\$ 11,249,484	\$ 11,096,751	\$ 10,146,316	\$ 11,244,822	\$ 10,876,320	\$ 11,017,084	\$ 11,050,528	\$ 11,812,492
Revised Revenues	\$ 577,484	\$ 566,692	\$ 609,054	\$ 598,258	\$ 616,084	\$ 439,138	\$ 484,234	\$ 360,879	\$ 301,585	\$ 295,635	\$ 161,179	\$ 537,177	\$ 585,076	\$ 492,479
RBA Adjustment Recorded	\$ 577,052	\$ 565,961	\$ 608,216	\$ 597,422	\$ 615,248	\$ 438,000	\$ 483,391	\$ 360,042	\$ 300,783	\$ 294,829	\$ 166,361	\$ 536,359	\$ 584,314	\$ 491,646
RBA Adjustment	\$ 836	\$ 731	\$ 836	\$ 836	\$ 836	\$ 843	\$ 837	\$ 812	\$ 808	\$ 818	\$ 818	\$ 818	\$ 762	\$ 833

Note [1]
In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014 from the Internal Revenue Service to change its tax treatment of RBA revenues from the book accrual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the calculation.
Income Tax Factor (1/1-tax rate) 1.6362912

Note [2]
Totals may not add exactly due to rounding.

Note [3]
A manual adjustment was made June 2016 to increase the RBA by \$34,301. December 2015 the Company determined that the default power factor in SAP used to calculate the Schedule F customer rates was incorrect. Based on this, June 2016, the Company re-calculated the customer's billing from May 12, 2012 and adjusted the RBA accordingly.

HELCO-WP-B-003
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
June 2016 - Schedule F Incorrect Default Power Factor

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15
L1	\$ 12,589,809	\$ 11,948,925	\$ 12,248,004	\$ 11,763,781	\$ 12,105,585	\$ 11,820,748	\$ 10,781,082	\$ 11,906,189	\$ 11,393,482	\$ 11,920,443	\$ 11,642,774	\$ 12,429,089	\$ 12,718,008
L2	\$ 11,773,174	\$ 11,244,058	\$ 11,753,210	\$ 11,161,464	\$ 11,407,157	\$ 10,995,496	\$ 10,403,189	\$ 11,425,827	\$ 11,190,048	\$ 11,149,495	\$ 11,064,276	\$ 12,213,467	\$ 12,403,440
L3	\$ 816,635	\$ 704,867	\$ 494,785	\$ 602,317	\$ 698,428	\$ 825,252	\$ 377,883	\$ 480,572	\$ 203,448	\$ 770,946	\$ 578,495	\$ 215,622	\$ 312,559
L4	\$ (653,039)	\$ (624,827)	\$ (653,264)	\$ (616,455)	\$ (625,597)	\$ (600,503)	\$ (566,216)	\$ (615,975)	\$ (603,738)	\$ (608,585)	\$ (484,253)	\$ (669,932)	\$ (698,959)
L5	\$ (163,596)	\$ 60,040	\$ (158,479)	\$ (14,138)	\$ 72,851	\$ 224,749	\$ (188,323)	\$ (153,403)	\$ (400,282)	\$ 162,361	\$ 93,770	\$ (474,310)	\$ (386,400)
	\$ 751	\$ 5,960	\$ 4,613	\$ 8,719	\$ 1,109	\$ 1,109	\$ 1,109	\$ 1,109	\$ 1,109	\$ 1,109	\$ 1,109	\$ 1,109	\$ 1,109
L6	\$ 7,305,157	\$ 7,480,974	\$ 7,578,518	\$ 7,437,060	\$ 7,435,215	\$ 7,520,408	\$ 6,844,313	\$ 7,590,889	\$ 7,076,553	\$ 7,522,760	\$ 7,358,607	\$ 8,698,080	\$ 8,520,770
L7	\$ 7,483,752	\$ 7,561,014	\$ 7,420,039	\$ 7,422,822	\$ 7,504,018	\$ 7,753,875	\$ 7,577,185	\$ 7,549,790	\$ 7,466,822	\$ 7,076,553	\$ 7,252,760	\$ 6,663,640	\$ 6,189,330
L8	\$ 4,512,691	\$ 4,584,575	\$ 4,581,309	\$ 4,538,084	\$ 4,564,419	\$ 4,688,193	\$ 4,687,043	\$ 4,595,238	\$ 4,439,212	\$ 4,373,881	\$ 4,459,353	\$ 4,359,405	\$ 4,094,789
L9	\$ 12,272	\$ 7,373,458	\$ 7,432,447	\$ 7,435,215	\$ 7,520,408	\$ 7,766,518	\$ 7,590,889	\$ 7,466,822	\$ 7,076,553	\$ 7,252,760	\$ 7,358,607	\$ 8,698,080	\$ 8,520,770
L10	\$ 6,809,242	\$ 6,919,262	\$ 6,835,883	\$ 6,826,338	\$ 6,889,169	\$ 7,132,638	\$ 6,844,313	\$ 6,807,801	\$ 6,407,509	\$ 6,569,870	\$ 6,663,640	\$ 6,189,330	\$ 5,802,930
	\$ 571,732	\$ 584,176	\$ 596,844	\$ 608,877	\$ 621,239	\$ 633,682	\$ 646,576	\$ 659,021	\$ 671,044	\$ 682,950	\$ 694,967	\$ 706,750	\$ 717,840
	\$ 7,460,974	\$ 7,573,458	\$ 7,432,447	\$ 7,435,215	\$ 7,520,408	\$ 7,766,518	\$ 7,590,889	\$ 7,466,822	\$ 7,076,553	\$ 7,252,760	\$ 7,358,607	\$ 8,698,080	\$ 8,520,770
	\$ 921	\$ 840	\$ 849	\$ 822	\$ 550	\$ 483	\$ 405	\$ 919	\$ 809	\$ 919	\$ 916	\$ 881	\$ 857
	\$ 91,155%	\$ 01,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%	\$ 91,155%
	\$ 839	\$ 774	\$ 774	\$ 840	\$ 501	\$ 440	\$ 451	\$ 837	\$ 820	\$ 837	\$ 836	\$ 803	\$ 781
	\$ 82	\$ 75	\$ 75	\$ 82	\$ 49	\$ 43	\$ 44	\$ 82	\$ 81	\$ 82	\$ 82	\$ 78	\$ 70
	\$ 839	\$ 774	\$ 774	\$ 840	\$ 501	\$ 440	\$ 451	\$ 837	\$ 820	\$ 837	\$ 836	\$ 803	\$ 781
	\$ 11,774,013	\$ 11,244,832	\$ 11,753,993	\$ 11,162,304	\$ 11,407,658	\$ 10,995,938	\$ 10,403,630	\$ 11,426,484	\$ 11,190,874	\$ 11,190,332	\$ 11,065,115	\$ 12,214,270	\$ 12,404,230
	\$ (839)	\$ (774)	\$ (774)	\$ (840)	\$ (501)	\$ (440)	\$ (451)	\$ (837)	\$ (820)	\$ (837)	\$ (836)	\$ (803)	\$ (781)
	\$ 11,773,174	\$ 11,244,058	\$ 11,753,219	\$ 11,161,464	\$ 11,407,157	\$ 10,995,496	\$ 10,403,189	\$ 11,425,827	\$ 11,190,046	\$ 11,149,495	\$ 11,064,278	\$ 12,213,467	\$ 12,403,448
	\$ 816,635	\$ 704,867	\$ 494,785	\$ 602,317	\$ 698,428	\$ 825,252	\$ 377,893	\$ 480,572	\$ 203,448	\$ 770,946	\$ 578,495	\$ 215,622	\$ 312,559
	\$ 815,796	\$ 704,093	\$ 494,011	\$ 601,477	\$ 697,927	\$ 824,812	\$ 377,442	\$ 479,735	\$ 202,618	\$ 770,109	\$ 577,659	\$ 214,819	\$ 311,778
	\$ 839	\$ 774	\$ 774	\$ 840	\$ 501	\$ 440	\$ 451	\$ 837	\$ 820	\$ 837	\$ 836	\$ 803	\$ 781

Revenues charged in incorrect period adjustment
 net of tax
 revenue tax adjustment

Target vs Actual Difference:
 Per original calculation
 Adjustment for billing error
 Revised Revenues

Revised Adjustment
 RBA Adjustment Recorded
 RBA Adjustment

Note [1]
 In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014 from the Internal Revenue Service to change its tax treatment of RBA revenues from the book accrual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the calculation.
 Income Tax Factor (1 / (1 + tax rate)) 1.69829212

Note [2]
 Totals may not add exactly due to rounding.

Note [3]
 A manual adjustment was made June 2016 to increase the RBA by \$34,301. December 2015 the Company determined that the default power factor in SAP used to calculate the Schedule F customer rates was incorrect. Based on this, June 2016, the Company re-calculated the customer's billing from May 12, 2012 to increase the RBA accordingly.

HELCO-WP-B-003
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
June 2016 - Schedule F Incorrect Default Power Factor

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
L1					
L2					
L3					
L4					
L5					
L6					
L7					
L8					
L9					
L10					
	Monthly Target Revenue	\$ 12,371,592	\$ 11,882,296	\$ 12,227,848	\$ 11,919,793
	Recorded Adjusted Revenue	11,739,993	12,074,481	11,643,274	11,716,987
	Target vs. Actual Revenue	329,169	297,101	219,022	519,881
	Revised Revenue	(655,561)	(679,031)	(651,916)	(638,838)
	Net RBA Change	(326,392)	(381,930)	(432,894)	(118,957)
	Adjustment to Beginning Balance	260	5	5	5
	Beginning RBA Balance	6,520,770	6,196,147	5,824,154	5,427,128
	End Balance Before Interest	6,194,377	5,814,218	5,411,237	5,281,038
	Balance Subject to Interest	3,080,787	3,066,566	3,431,856	3,270,993
	Interest	10,310	9,881	9,285	8,659
	Ending RBA Balance	6,194,887	5,824,099	5,420,522	5,290,497
	Principal Portion 18870301	\$ 5,468,537	\$ 5,085,868	\$ 4,672,971	\$ 4,534,057
	Interest Portion 18870302	\$ 726,350	\$ 738,231	\$ 747,551	\$ 756,440
	Total	\$ 6,194,887	\$ 5,824,099	\$ 5,420,522	\$ 5,290,497
	revenues charged in incorrect period adjustment	823	818	769	725
	tax rate	91.15%	91.15%	91.15%	91.15%
	net of tax	750	745	719	681
	revenue tax adjustment	73	73	70	64
	Target vs Actual Difference:				
	Per original calculation	\$ 11,740,743	\$ 12,075,238	\$ 11,643,993	\$ 11,717,628
	Adjustment for billing error	(750)	(745)	(719)	(681)
	Revised Revenues	\$ 11,739,993	\$ 12,074,493	\$ 11,643,274	\$ 11,716,987
	Revised Adjustment	\$ 329,169	\$ 297,101	\$ 219,022	\$ 519,881
	RBA Adjustment Recorded	328,419	296,356	238,303	510,220
	RBA Adjustment	750	745	719	681

Note [1]
In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014 from the Internal Revenue Service to change its tax treatment of RBA revenues from the book accrual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the income tax factor (1.11-tax rate), 1.6582912

Note [2]
Totals may not add exactly due to rounding.

Note [3]
A manual adjustment was made June 2016 to increase the RBA by \$34,301. December 2015 the Company determined that the default power factor in SAP used to calculate the Schedule F customer rates was incorrect. Based on this, June 2016, the Company re-calculated the customer's billing from May 12, 2012 and adjusted the RBA accordingly.

HELCO-WP-B-004
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
August 2016 - Change of Rate Schedule from G to R

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	AUG-14	SEP-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	JUL-15	AUG-15
L1	\$ 12,589,669	\$ 11,948,925	\$ 12,248,004	\$ 11,763,781	\$ 12,105,565	\$ 10,761,092	\$ 11,986,199	\$ 11,395,492	\$ 11,920,441	\$ 11,920,441	\$ 11,642,774	\$ 12,429,069	\$ 12,716,008
L2	\$ 11,773,978	\$ 11,244,787	\$ 11,753,958	\$ 11,182,269	\$ 11,407,823	\$ 10,403,615	\$ 11,426,429	\$ 11,190,440	\$ 11,150,298	\$ 11,150,298	\$ 11,065,080	\$ 12,214,235	\$ 12,404,195
L3	\$ 815,831	\$ 704,128	\$ 494,046	\$ 601,512	\$ 697,962	\$ 377,477	\$ 479,770	\$ 202,652	\$ 770,143	\$ 770,143	\$ 577,694	\$ 214,854	\$ 311,813
L4	\$ (653,039)	\$ (624,827)	\$ (653,284)	\$ (610,435)	\$ (625,597)	\$ (600,503)	\$ (615,975)	\$ (603,730)	\$ (608,365)	\$ (608,365)	\$ (484,725)	\$ (689,932)	\$ (698,939)
L5	\$ 162,792	\$ 79,301	\$ (159,218)	\$ (14,943)	\$ 72,365	\$ 224,344	\$ (138,205)	\$ (401,068)	\$ 161,358	\$ 161,358	\$ 92,985	\$ (475,078)	\$ (387,146)
	\$ 751	\$ 5,069	\$ 4,613	\$ 8,719	\$ (1,109)								
L6	\$ 7,253,782	\$ 7,458,760	\$ 7,555,527	\$ 7,413,291	\$ 7,410,601	\$ 7,594,007	\$ 7,593,785	\$ 7,439,951	\$ 7,050,843	\$ 7,050,843	\$ 7,224,200	\$ 7,329,199	\$ 6,865,854
L7	\$ 7,446,574	\$ 7,538,061	\$ 7,396,309	\$ 7,396,348	\$ 7,482,987	\$ 7,728,350	\$ 7,552,213	\$ 7,427,549	\$ 7,212,401	\$ 7,212,401	\$ 7,317,170	\$ 6,854,121	\$ 6,478,708
L8	\$ 4,489,387	\$ 4,580,779	\$ 4,567,039	\$ 4,524,215	\$ 4,549,240	\$ 4,652,724	\$ 4,671,297	\$ 4,579,094	\$ 4,422,555	\$ 4,356,708	\$ 4,441,081	\$ 4,332,285	\$ 4,078,097
L9	\$ 12,188	\$ 12,406	\$ 12,368	\$ 12,253	\$ 12,321	\$ 12,601	\$ 12,851	\$ 12,402	\$ 11,978	\$ 11,799	\$ 12,028	\$ 11,733	\$ 11,059
L10	\$ 7,459,760	\$ 7,550,467	\$ 7,408,678	\$ 7,410,601	\$ 7,495,288	\$ 7,740,651	\$ 7,564,864	\$ 7,439,951	\$ 7,050,843	\$ 7,224,200	\$ 7,329,199	\$ 6,865,854	\$ 6,489,747
	\$ 6,689,146	\$ 6,967,447	\$ 6,813,289	\$ 6,802,959	\$ 6,875,325	\$ 7,106,387	\$ 6,919,649	\$ 6,782,334	\$ 6,361,248	\$ 6,542,806	\$ 6,635,776	\$ 6,168,698	\$ 5,773,552
	\$ 570,614	\$ 583,020	\$ 595,349	\$ 607,642	\$ 619,983	\$ 632,564	\$ 645,215	\$ 657,617	\$ 669,595	\$ 681,394	\$ 693,423	\$ 705,156	\$ 716,195
	\$ 7,458,760	\$ 7,550,467	\$ 7,408,678	\$ 7,410,601	\$ 7,495,288	\$ 7,740,651	\$ 7,564,864	\$ 7,439,951	\$ 7,050,843	\$ 7,224,200	\$ 7,329,199	\$ 6,865,854	\$ 6,489,747
revenues charged in incorrect period adjustment	\$ 38	\$ 39	\$ 39	\$ 38	\$ 39	\$ 38	\$ 38	\$ 38	\$ 37	\$ 37	\$ 38	\$ 39	\$ 39
tax rate	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%
net of tax	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 34	\$ 34	\$ 35	\$ 35	\$ 35
revenue tax adjustment	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Target vs Actual Difference:													
Per original calculation	\$ 11,774,978	\$ 11,244,832	\$ 11,753,958	\$ 11,162,304	\$ 11,407,858	\$ 10,985,938	\$ 10,403,650	\$ 11,426,464	\$ 11,190,374	\$ 11,150,332	\$ 11,065,115	\$ 12,214,270	\$ 12,404,230
Adjustment for billing error	(35)	(35)	(35)	(35)	(35)	(35)	(35)	(35)	(34)	(34)	(35)	(35)	(35)
Revised Revenues	\$ 11,773,978	\$ 11,244,797	\$ 11,753,958	\$ 11,162,269	\$ 11,407,823	\$ 10,985,801	\$ 10,403,615	\$ 11,426,429	\$ 11,190,340	\$ 11,150,298	\$ 11,065,080	\$ 12,214,235	\$ 12,404,195
Revised Adjustment	\$ 815,831	\$ 704,128	\$ 494,046	\$ 601,512	\$ 697,962	\$ 377,477	\$ 479,770	\$ 202,652	\$ 770,143	\$ 770,143	\$ 577,694	\$ 214,854	\$ 311,813
RBA Adjustment Recorded	\$ 815,796	\$ 704,093	\$ 494,011	\$ 601,477	\$ 697,927	\$ 377,442	\$ 479,735	\$ 202,618	\$ 770,098	\$ 770,098	\$ 577,659	\$ 214,819	\$ 311,778
RBA Adjustment	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 34	\$ 34	\$ 35	\$ 35	\$ 35

Note [1]
In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014 from the Internal Revenue Service to change its tax treatment of RBA revenues from the book accrual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the calculation.

Note [2]
Totals may not add exactly due to rounding.

Note [3]
A manual adjustment was made August 2016 to increase the RBA by \$1,703. The customer's home was completed in January 2002, which is reflected on the Hawaii County completed building permit. The Company was notified by Hawaii County, that this customer's permit was complete and closed January 2002. When a permit is closed due to completion of the customer's home, the Company re-calculated the customer's billing from January 2002 and adjusted the RBA accordingly.

HELCO-WP-B-005
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
Schedule J Interest Consumptive Value

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
L1	\$ 12,205,087	\$ 11,581,870	\$ 11,871,782	\$ 11,402,413	\$ 11,733,718	\$ 11,457,630	\$ 10,449,911	\$ 11,540,457	\$ 11,043,499	\$ 11,554,261	\$ 11,535,694	\$ 12,304,871	\$ 12,580,809
L2	\$ 11,594,287	\$ 10,963,119	\$ 11,255,431	\$ 10,963,000	\$ 11,249,147	\$ 11,068,410	\$ 10,147,860	\$ 11,244,370	\$ 10,875,786	\$ 11,016,737	\$ 11,045,812	\$ 11,811,658	\$ 11,775,592
L3	\$ 608,800	\$ 598,751	\$ 618,331	\$ 616,331	\$ 648,571	\$ 381,220	\$ 382,051	\$ 286,087	\$ 167,713	\$ 337,504	\$ 583,273	\$ 659,273	\$ 653,039
L4	\$ (378,159)	\$ (360,428)	\$ (369,003)	\$ (359,903)	\$ (387,843)	\$ (353,759)	\$ (339,066)	\$ (339,066)	\$ (346,480)	\$ (357,105)	\$ (603,888)	\$ (594,845)	\$ (650,039)
L5	\$ 230,642	\$ 238,323	\$ 247,328	\$ 80,084	\$ 116,628	\$ 1,461	\$ (23,716)	\$ (65,001)	\$ (181,787)	\$ 180,398	\$ (20,074)	\$ (181,372)	\$ 104,178
Adjustment(s) to Beginning Balance	\$ 7,955	\$ 7,950	\$ (18,778)	\$ 6,977	\$ (5,265)	\$ (45,193)	\$ 910	\$ (45,193)	\$ 910	\$ (45,193)	\$ 910	\$ (45,193)	\$ 910
L6	\$ 6,353,978	\$ 6,624,371	\$ 6,806,412	\$ 7,193,430	\$ 7,290,883	\$ 7,460,334	\$ 7,499,100	\$ 7,519,085	\$ 7,465,914	\$ 7,250,358	\$ 7,432,825	\$ 7,445,065	\$ 7,207,629
L7	\$ 8,594,520	\$ 8,862,694	\$ 7,143,740	\$ 7,273,494	\$ 7,407,511	\$ 7,461,795	\$ 7,475,364	\$ 7,455,084	\$ 7,284,147	\$ 7,438,757	\$ 7,432,751	\$ 7,283,693	\$ 7,461,507
L8	\$ 6,489,199	\$ 6,743,533	\$ 7,020,076	\$ 7,233,402	\$ 7,349,197	\$ 7,461,065	\$ 7,467,242	\$ 7,486,585	\$ 7,375,031	\$ 7,449,234	\$ 7,436,709	\$ 4,498,689	\$ 4,506,270
L9	\$ 32,348	\$ 33,718	\$ 35,100	\$ 36,167	\$ 36,746	\$ 37,305	\$ 37,436	\$ 20,278	\$ 19,974	\$ 12,156	\$ 12,314	\$ 12,185	\$ 12,210
L10	\$ 6,616,668	\$ 6,896,412	\$ 7,178,840	\$ 7,309,661	\$ 7,444,257	\$ 7,499,100	\$ 7,512,850	\$ 7,475,360	\$ 7,304,121	\$ 7,450,915	\$ 7,445,065	\$ 7,295,878	\$ 7,474,017
Principal Portion 18670301	\$ 6,306,053	\$ 6,551,468	\$ 6,788,814	\$ 6,893,433	\$ 6,992,439	\$ 7,009,977	\$ 6,986,281	\$ 6,926,525	\$ 6,737,312	\$ 6,916,798	\$ 6,898,035	\$ 6,737,283	\$ 6,803,192
Interest Portion 18670302	\$ 310,615	\$ 344,926	\$ 380,026	\$ 416,228	\$ 451,818	\$ 489,123	\$ 526,559	\$ 548,635	\$ 588,609	\$ 534,116	\$ 546,430	\$ 558,615	\$ 570,825
Total	\$ 6,616,668	\$ 6,896,412	\$ 7,178,840	\$ 7,309,661	\$ 7,444,257	\$ 7,499,100	\$ 7,512,850	\$ 7,475,360	\$ 7,304,121	\$ 7,450,915	\$ 7,445,065	\$ 7,295,878	\$ 7,474,017
revenues charged in incorrect period adjustment	\$ 639	\$ 1,459	\$ 1,180	\$ 1,222	\$ 1,295	\$ 1,293	\$ 1,392	\$ 1,381	\$ 1,484	\$ 1,257	\$ 1,622	\$ 1,786	\$ 1,560
tax rate	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%	\$ 91.15%
net of tax	\$ 582	\$ 1,329	\$ 1,083	\$ 1,113	\$ 1,180	\$ 1,178	\$ 1,268	\$ 1,256	\$ 1,352	\$ 1,145	\$ 1,478	\$ 1,627	\$ 1,421
revenue tax adjustment	\$ 57	\$ 130	\$ 106	\$ 109	\$ 115	\$ 115	\$ 124	\$ 123	\$ 132	\$ 112	\$ 144	\$ 159	\$ 139
Target vs Actual Difference:	\$ 11,594,849	\$ 10,864,448	\$ 11,256,514	\$ 10,964,113	\$ 11,250,327	\$ 11,097,588	\$ 10,149,128	\$ 11,245,628	\$ 10,877,138	\$ 11,017,902	\$ 11,051,280	\$ 11,813,325	\$ 11,774,013
Per original calculation	\$ (542)	\$ (1,328)	\$ (1,083)	\$ (1,113)	\$ (1,180)	\$ (1,178)	\$ (1,268)	\$ (1,256)	\$ (1,352)	\$ (1,145)	\$ (1,478)	\$ (1,627)	\$ (1,421)
Adjustment for billing error	\$ 11,594,287	\$ 10,863,119	\$ 11,255,431	\$ 10,963,000	\$ 11,249,147	\$ 11,096,410	\$ 10,147,860	\$ 11,244,370	\$ 10,875,786	\$ 11,016,737	\$ 11,049,812	\$ 11,811,658	\$ 11,775,592
Revised Revenues	\$ 608,800	\$ 598,751	\$ 618,331	\$ 616,331	\$ 648,571	\$ 381,220	\$ 382,051	\$ 286,087	\$ 167,713	\$ 337,504	\$ 583,273	\$ 659,273	\$ 653,039
RBA Adjustment Recorded	\$ 608,218	\$ 597,622	\$ 615,248	\$ 614,300	\$ 643,391	\$ 360,042	\$ 300,783	\$ 204,829	\$ 166,361	\$ 336,359	\$ 584,314	\$ 651,646	\$ 645,708
RBA Adjustment	\$ 582	\$ 1,329	\$ 1,083	\$ 1,113	\$ 1,180	\$ 1,178	\$ 1,268	\$ 1,256	\$ 1,352	\$ 1,145	\$ 1,478	\$ 1,627	\$ 1,421
Revised Interest	\$ 32,346	\$ 33,718	\$ 35,100	\$ 36,167	\$ 36,746	\$ 37,305	\$ 37,436	\$ 20,276	\$ 19,974	\$ 12,156	\$ 12,314	\$ 12,185	\$ 12,210
Interest Recorded	\$ 32,345	\$ 33,711	\$ 35,088	\$ 36,149	\$ 36,722	\$ 37,278	\$ 37,400	\$ 20,253	\$ 19,947	\$ 12,140	\$ 12,294	\$ 12,161	\$ 12,184
Interest Adjustment	\$ 1	\$ 7	\$ 12	\$ 18	\$ 24	\$ 29	\$ 36	\$ 23	\$ 27	\$ 16	\$ 20	\$ 24	\$ 26

Note [1]

In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014 from the Internal Revenue Service to change its tax treatment of RBA revenues from the book accrual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the calculation.

Income Tax Factor (1 / (1-tax rate)) 1.636829121

Note [2]

Totals may not add exactly due to rounding.

Note [3]

A manual adjustment was made September 2016 to increase the RBA by \$54,874. In compliance with Transmittal 13-10 Modified Revenue Balancing Account Provision Tariff, interest in the amount of \$1,682 was also calculated on this adjustment as corrections to the RBA balance exceeded \$50,000. Three meters attached to the customer's main meter were replaced in July 2013 but billing instructions were not updated to include the new meter consumption of the customer. As a result, the three meters were properly billed to the respective customer's account; however the customer who owns the main meter was over-billed by the kWh usage of the three meters. Based on this, September 2016, the Company re-calculated the customer's billing from July 2013 and adjusted the RBA accordingly.

HELCO-WP-B-005
HAWAII ELECTRIC LIGHT COMPANY, INC.
MONTHLY FINANCIAL REPORT
Schedule J Incorrect Consumptive Value

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
L1	\$ 11,948,925	\$ 12,248,004	\$ 11,763,781	\$ 12,103,585	\$ 11,820,748	\$ 10,781,092	\$ 11,906,199	\$ 11,393,932	\$ 11,642,774	\$ 12,429,089	\$ 12,716,008	\$ 12,069,162	
L2	\$ 11,243,306	\$ 11,752,450	\$ 11,160,783	\$ 11,406,022	\$ 10,994,303	\$ 10,402,046	\$ 11,425,043	\$ 11,103,507	\$ 11,093,338	\$ 12,212,615	\$ 12,402,478	\$ 11,739,169	
L3	\$ 705,619	\$ 495,554	\$ 602,988	\$ 695,563	\$ 826,445	\$ 378,046	\$ 481,196	\$ 203,315	\$ 771,591	\$ 579,238	\$ 216,474	\$ 313,580	\$ 329,893
L4	\$ (824,827)	\$ (653,284)	\$ (616,455)	\$ (623,503)	\$ (600,503)	\$ (666,216)	\$ (913,973)	\$ (603,738)	\$ (698,385)	\$ (484,725)	\$ (668,922)	\$ (898,959)	\$ (665,561)
L5	\$ 80,792	\$ (157,710)	\$ (13,457)	\$ 73,966	\$ 225,942	\$ (187,170)	\$ (134,819)	\$ (399,753)	\$ 163,006	\$ 94,313	\$ (473,456)	\$ (383,429)	\$ (333,566)
Adjustment(s) to Beginning Balance													
L6	\$ 7,474,017	\$ 7,572,302	\$ 7,431,603	\$ 7,430,431	\$ 7,525,471	\$ 7,764,051	\$ 7,588,463	\$ 7,466,088	\$ 7,078,357	\$ 7,253,209	\$ 7,359,801	\$ 6,898,128	\$ 6,523,793
L7	\$ 7,594,809	\$ 7,414,392	\$ 7,416,146	\$ 7,504,397	\$ 7,751,413	\$ 7,576,681	\$ 7,453,644	\$ 7,066,335	\$ 7,241,383	\$ 7,347,722	\$ 6,865,343	\$ 6,312,899	\$ 6,188,225
L8	\$ 4,390,555	\$ 4,577,747	\$ 4,535,856	\$ 4,561,643	\$ 4,686,324	\$ 4,685,688	\$ 4,594,612	\$ 4,373,958	\$ 4,459,654	\$ 4,351,485	\$ 4,096,337	\$ 3,862,866	\$ 3,828,866
L9	\$ 12,433	\$ 12,398	\$ 12,285	\$ 12,355	\$ 12,638	\$ 12,691	\$ 12,444	\$ 12,022	\$ 11,946	\$ 12,079	\$ 11,785	\$ 11,094	\$ 10,516
L10	\$ 7,367,242	\$ 7,426,990	\$ 7,430,431	\$ 7,516,152	\$ 7,764,051	\$ 7,569,572	\$ 7,466,088	\$ 7,078,357	\$ 7,253,209	\$ 7,359,801	\$ 6,898,128	\$ 6,523,793	\$ 6,188,225
Principal Portion 18870301													
Interest Portion 18870302													
Total													
revenues charged in incorrect period adjustment													
tax rate	\$ 1,875	\$ 1,693	\$ 1,689	\$ 1,795	\$ 1,762	\$ 1,760	\$ 1,560	\$ 1,500	\$ 1,627	\$ 1,733	\$ 1,616	\$ 1,923	\$ 1,726
net of tax	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%	\$ 91,115%
revenue tax adjustment	\$ 1,526	\$ 1,343	\$ 1,321	\$ 1,636	\$ 1,633	\$ 1,604	\$ 1,421	\$ 1,387	\$ 1,482	\$ 1,379	\$ 1,655	\$ 1,752	\$ 1,574
	\$ 149	\$ 150	\$ 148	\$ 159	\$ 159	\$ 156	\$ 139	\$ 133	\$ 145	\$ 154	\$ 161	\$ 171	\$ 154
Target vs Actual Difference:													
Per original calculation													
Adjustment for billing error													
Revised Revenues													
	\$ 11,244,832	\$ 11,753,993	\$ 11,162,304	\$ 11,407,658	\$ 10,995,936	\$ 10,403,650	\$ 11,426,464	\$ 11,190,874	\$ 11,150,332	\$ 11,065,115	\$ 12,214,270	\$ 12,404,230	\$ 11,740,743
	\$ (1,526)	\$ (1,543)	\$ (1,521)	\$ (1,630)	\$ (1,633)	\$ (1,604)	\$ (1,421)	\$ (1,387)	\$ (1,482)	\$ (1,379)	\$ (1,655)	\$ (1,752)	\$ (1,574)
	\$ 11,243,306	\$ 11,752,450	\$ 11,160,783	\$ 11,406,022	\$ 10,994,303	\$ 10,402,046	\$ 11,425,043	\$ 11,189,507	\$ 11,148,850	\$ 11,063,536	\$ 12,212,615	\$ 12,402,478	\$ 11,739,169
	\$ 705,619	\$ 495,554	\$ 602,988	\$ 695,563	\$ 826,445	\$ 378,046	\$ 481,196	\$ 203,315	\$ 771,591	\$ 579,238	\$ 216,474	\$ 313,580	\$ 329,893
	\$ 704,093	\$ 494,011	\$ 601,477	\$ 697,927	\$ 824,812	\$ 377,442	\$ 479,735	\$ 202,618	\$ 770,009	\$ 578,659	\$ 214,610	\$ 311,778	\$ 328,419
	\$ 1,526	\$ 1,543	\$ 1,521	\$ 1,636	\$ 1,633	\$ 1,604	\$ 1,421	\$ 1,387	\$ 1,482	\$ 1,379	\$ 1,655	\$ 1,752	\$ 1,574
	\$ 12,433	\$ 12,398	\$ 12,285	\$ 12,355	\$ 12,638	\$ 12,691	\$ 12,444	\$ 12,022	\$ 11,946	\$ 12,079	\$ 11,785	\$ 11,094	\$ 10,516
	\$ 12,405	\$ 12,367	\$ 12,251	\$ 12,319	\$ 12,599	\$ 12,649	\$ 12,400	\$ 11,978	\$ 11,797	\$ 12,027	\$ 11,731	\$ 11,037	\$ 10,456
	\$ 28	\$ 31	\$ 34	\$ 36	\$ 39	\$ 42	\$ 44	\$ 46	\$ 49	\$ 52	\$ 54	\$ 57	\$ 60

Note [1]

In connection with Decision and Order No. 31908 on Schedule A of the Decoupling Investigation, issued on February 7, 2014, the Company received approval on April 28, 2014, from the Internal Revenue Service to change its tax treatment of RBA revenues from the book accrual method of revenue balancing account ("RBA") revenue recognition to a recognition method based on when rates are adjusted and revenues are collected, effective January 1, 2014. Accordingly, starting with May 2014, interest is calculated based on a net-of-income tax RBA balance, and the following income tax factor is used in the calculation.

Income Tax Factor (1 / (1-tax rate)) 1.036929121

Note [2]

Totals may not add exactly due to rounding.

Note [3]

A manual adjustment was made September 2016 to increase the RBA by \$54,874. In compliance with Transmittal 13-10 Modified Revenue Balancing Account Provision Termination, interest in the amount of \$1,682 was also calculated on this adjustment as corrections to the RBA balance exceeded \$50,000. Three meters attached to the customer's main meter were replaced in July 2013 but billing instructions were not updated to include the new meter numbers (it should be substituted from the main meter consumption of the customer). As a result, the three meters were properly billed to the respective customer's account; however the main meter was over-billed by the kWh usage of the three meters. Based on this, September 2016, the Company re-calculated the customer's billing from July 2013 and adjusted the RBA accordingly.

DRAFT – PENDING RESPONSE FROM THE CONSUMER ADVOCATE
Treatment of Billing Adjustments Going Forward

The Hawaiian Electric Companies have agreed to implement the recommendation in the Consumer Advocate's statement of position on Transmittal Nos. 15-03, 15-04 and 15-05 to discontinue the presentation of customer billing adjustments in Schedule B of the decoupling RAM template in the Companies' annual decoupling tariff transmittals and the subsequent analyses by the Consumer Advocate of these adjustments.

In its statement of position, filed on May 15, 2015, the Consumer Advocate stated the following:

Through collaborative discussions with the Hawaiian Electric Companies and after review of information request responses, the Consumer Advocate has concluded and is recommending to the Commission that the extensive manual analyses of out-of-period customer billing adjustments, which [have] historically been undertaken by the Hawaiian Electric Companies, should be discontinued effective in 2015. Examples of customer billing adjustments and the analytic work performed can be observed in the "Adjustment" column of Schedule B, the footnotes on Schedule B and the multiple "WP-B-xx" documents supportive of these entries. Customer billing adjustments may involve movement of individual customers to a more appropriate rate schedule, with retroactive bill credits for applicable prior periods when an inappropriate schedule was employed or the identification and correction of meter reading or other billing errors. At the inception of decoupling, it was necessary to analyze the prior periods affected by such changes to allow only the prior billings months after decoupling inception to impact RBA balances. Now that several years have passed with decoupling in place, there is minimal risk of significant billing adjustments reaching back far enough to precede the inception of decoupling. Moreover, since the Hawaiian Electric Companies do not pay interest to individual customers who are found to have been charged under an inappropriate rate schedule in prior months, it is not necessary to analyze and add RBA interest to such billing corrections. Customer billing adjustments will flow naturally through the billed revenue accounts feeding into the calculation of recorded, adjusted revenues on Schedule B2 and the proposed elimination of the manual analysis of each adjustment to determine prior period months affected will significantly simplify RBA accounting efforts for the Hawaiian Electric Companies and corresponding review efforts for the Consumer Advocate and the Commission. The Hawaiian Electric Companies should continue to report each customer billing adjustment within its standard data responses prepared and submitted with each monthly RBA packet, so that individual adjustments can be selected for review by the Consumer Advocate, as necessary.

In response to the Consumer Advocate's recommendation, Order No. 32866, issued on May 28, 2015, stated the following:

The Consumer Advocate and the HECO Companies agree that accounting for billing adjustments in the RBA could be simplified by changes made on a prospective basis. The commission notes that this matter does not have to be resolved prior to any timely approval of the 2015 transmittals and proposed RBA Rate Adjustments. The HECO Companies may file proposed implementing

RBA tariff amendments based on language reviewed by and agreed to by the Consumer Advocate.

Thus, the Company proposes to delete the provision on billing adjustments in the RBA Provision tariff as shown on Attachment 1. Billing adjustments will not be reflected in the RBA filing prospectively effective upon agreement with the Consumer Advocate.

Regarding the Consumer Advocate's recommendation on reporting, the Companies propose to report customer billing adjustments of \$50,000 or more in the monthly RBA packets, as \$50,000 is the current threshold to trigger interest recalculation.

Hawaii Electric Light Company, Inc.
Bargaining Unit Wage Increase per Collective Bargaining Agreements - Effective January 1, 2011 and July 1, 2013

Wage Increases: (non-compounded)		1/1/2011	1.75%	(Note 1)		
		1/1/2012	2.50%	(Note 1)		
		1/1/2013	3.00%	(Note 1)		
		1/1/2014	3.00%	(Note 2)		
		1/1/2015	3.00%	(Note 2)		
		1/1/2016	3.25%	(Note 2)		
		1/1/2017	3.00%	(Note 2)		
<u>Increase effective</u>		<u>Increase Amount</u>	<u>Wage Rate With Increase</u>	<u>Labor Cost Escalation Rate</u>		
		(a)	(b)	(c)		
			prev (b) + (a)	(b) / prev (b) -1		
1.00	1.75% 1/1/2011	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%	
1.00	3.00% 1/1/2014	0.0300	1.0300			
	3.00% 1/1/2015	0.0300	1.0600	0.0291	2.91%	
	3.25% 1/1/2016	0.0325	1.0925	0.0307	3.07%	
	3.00% 1/1/2017	0.0300	1.1225	0.0275	2.75%	

(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.

(2) Agreement ratified by the IBEW, Local 1260 on November 1, 2012, reflects a 3.00% increase effective 1/1/2014, 1/1/2015 and 1/1/2017 and a 3.25% increase effective 1/1/2016, based on 1/1/2013 rates. See HECO's Form 10-Q dated November 8, 2012 filed with Securities and Exchange Commission at www.hei.com, under SEC filings. See also HELCO-WP-C003.

Blue Chip Economic Indicators[®]

Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead
Vol. 42, No. 2, February 10, 2017

2017 Real GDP Forecast Unchanged At 2.3% for A Third Month

FEBRUARY 2017 Forecast For 2017 SOURCE:	Percent Change 2017 From 2016 (Full Year-Over-Prior Year)										Average For 2017			Total Units-2017		2017					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15						
	Real GDP (Chained (2009\$))	GDP Price Index	Nominal GDP (Cur.\$)	Consumer Price Index	Indust. Prod. (Total)	Dis. Pers. Income (2009\$)	Personal Cons. Exp. (2009\$)	Non-Res. Fix. Inv. (2009\$)	Corp. Profits (Cur.\$)	Treas. Bills 3-mo.	Treas. Notes 10-Year	Unempl. Rate (Civ.)	Housing Starts (Mil.)	Auto&Light Truck Sales (Mil.)	Net Exports (2009\$)						
Moody's Analytics	2.6	H	1.6	L	4.6	2.8	1.3	2.0	3.2	H	3.6	3.6	0.6	L	2.9	4.7	1.41	17.5	-672.6	L	
Naroff Economic Advisors*	2.6	H	2.5	H	5.0	H	2.7	2.0	2.1	2.7	4.5	H	6.7	1.0	2.8	4.5	1.33	17.4	-651.0		
RBC Capital Markets	2.6	H	1.8	4.4	2.1	L	na	na	2.7	2.7	na	na	na	2.6	4.4	L	1.23	17.5	-603.0		
SOM Economics, Inc.	2.6	H	2.1	4.7	2.2	1.6	2.2	2.6	2.8	6.0	0.7	2.7	4.5	1.26	17.6		1.26	17.6	-586.0		
Turning Points (Micrometrics)	2.6	H	2.2	4.8	2.8	1.4	2.2	2.7	2.8	8.7	0.7	2.7	4.9	1.22	18.0	H	1.22	18.0	-526.1	H	
ACT Research	2.5	2.1	4.7	2.5	1.3	2.2	2.6	4.5	H	na	1.0	2.6	4.4	L	1.29	17.3		1.29	17.3	-652.4	
AIG	2.5	1.9	4.5	2.6	1.5	2.3	2.9	3.4	7.0	0.7	2.5	4.6	1.23	17.5		1.23	17.5	-613.8			
Amherst Pierpont Securities	2.5	2.1	4.6	2.9	H	1.2	2.3	2.7	3.1	6.0	1.1	2.9	4.6	1.28	17.4		1.28	17.4	-616.0		
Econoclast	2.5	2.1	4.6	2.5	1.8	2.4	2.8	3.0	5.1	0.8	2.8	4.6	1.29	17.3		1.29	17.3	-625.0			
NUFG Union Bank	2.5	1.9	4.4	2.9	H	2.1	na	2.7	4.0	7.0	1.0	2.7	4.6	1.35	17.7		1.35	17.7	-590.0		
Wells Capital Management	2.5	1.9	4.4	2.2	1.9	2.4	3.0	3.2	3.6	0.8	2.7	4.6	1.18	17.4		1.18	17.4	-634.0			
Action Economics	2.4	2.0	4.4	2.6	1.5	2.2	2.6	3.3	7.6	0.8	2.6	4.7	1.27	17.8		1.27	17.8	-621.3			
BMO Capital Markets*	2.4	1.9	4.4	2.7	1.7	2.3	2.9	2.7	6.3	0.7	2.6	4.4	L	1.32	17.2		1.32	17.2	-635.3		
Comerica*	2.4	1.9	4.4	2.6	0.9	1.9	L	2.2	L	3.9	na	0.7	2.7	4.7	1.23	17.2		1.23	17.2	-605.0	
High Frequency Economics	2.4	2.3	4.8	2.6	1.6	2.3	2.7	3.6	3.0	1.0	2.7	4.5	1.23	17.7		1.23	17.7	-616.3			
Inforum - Univ. of Maryland	2.4	2.0	4.4	2.4	1.5	2.4	2.6	2.7	4.8	0.9	2.7	4.7	1.31	17.4		1.31	17.4	-596.0			
National Assn. of Home Builders	2.4	2.1	4.6	2.3	0.9	2.0	2.7	3.1	na	0.8	2.7	4.7	1.24	17.5		1.24	17.5	-615.0			
PNC Financial Services Group	2.4	2.0	4.5	2.3	1.8	2.7	2.7	2.3	na	0.8	2.7	4.5	1.20	17.5		1.20	17.5	-580.0			
Standard & Poors Corp.*	2.4	2.2	4.7	2.4	2.6	2.1	2.5	3.2	3.6	0.7	2.5	4.6	1.29	17.5		1.29	17.5	-548.1			
UBS	2.4	1.9	4.3	2.3	1.2	3.1	2.7	3.2	na	1.0	na	4.6	1.30	na		1.30	na	-634.0			
UCLA Business Forecasting Proj.*	2.4	2.3	5.0	H	2.5	0.8	3.9	H	3.0	4.2	5.0	1.6	H	2.7	4.7	1.21	17.4	-633.7			
BNP Paribas North America	2.3	1.9	4.2	2.4	4.5	H	na	2.5	3.0	na	0.7	2.8	4.6	na	na		na	na	-643.0		
Conference Board*	2.3	2.0	4.4	2.6	-1.0	L	2.1	2.6	2.8	2.6	0.9	2.6	4.6	1.28	17.2		1.28	17.2	-630.4		
Credit Suisse	2.3	1.9	4.2	2.2	1.2	na	2.3	2.7	na	na	2.8	4.6	na	na		na	na	-603.7			
Daiwa Capital Markets America	2.3	2.0	4.3	2.4	1.7	2.1	2.6	3.3	2.9	1.0	2.8	4.7	1.20	17.3		1.20	17.3	-634.0			
DS Economics	2.3	1.9	4.2	2.4	1.2	2.2	2.7	3.5	6.2	0.7	2.5	4.5	1.30	17.3		1.30	17.3	-636.0			
Economist Intelligence Unit	2.3	2.0	4.3	2.4	1.7	2.2	2.7	1.9	na	0.7	2.8	4.5	1.27	17.3		1.27	17.3	-580.0			
FedEx Corporation	2.3	2.0	4.6	2.5	1.5	2.3	2.7	3.0	5.4	0.8	2.6	4.7	1.27	17.6		1.27	17.6	-624.9			
General Motors	2.3	2.0	4.3	2.6	1.2	2.4	2.6	3.0	5.6	0.8	2.5	4.5	1.30	na		1.30	na	-622.4			
Georgia State University*	2.3	2.1	4.4	2.4	2.0	2.4	2.7	2.7	6.5	0.7	3.1	H	5.0	H	1.13	16.8		1.13	16.8	-654.9	
IHS Markit Economics	2.3	2.1	4.5	2.4	1.4	2.6	2.8	4.3	8.9	0.9	2.6	4.6	1.24	17.4		1.24	17.4	-629.6			
Macroeconomic Advisers, LLC**	2.3	1.9	4.2	2.4	1.2	2.2	2.7	3.6	6.3	0.7	2.5	4.5	1.33	17.4		1.33	17.4	-639.5			
National Assn. of Realtors	2.3	2.0	4.4	2.5	1.4	2.3	2.4	3.6	6.3	0.9	2.7	4.6	1.26	17.4		1.26	17.4	-610.0			
Point72 Asset Management*	2.3	2.0	4.4	2.6	2.2	2.1	2.4	3.9	4.7	0.9	2.6	4.4	L	1.25	17.6		1.25	17.6	-620.1		
Societe Generale	2.3	2.0	4.3	2.1	L	na	2.3	2.7	3.5	9.1	H	0.7	2.7	4.6	1.22	17.7		1.22	17.7	-644.0	
Oxford Economics	2.3	2.0	4.3	2.5	1.2	2.2	2.7	2.9	1.2	L	0.8	2.6	4.6	1.28	17.9		1.28	17.9	-611.3		
Ford Motor Company*	2.2	1.9	4.1	2.3	0.9	2.1	2.9	3.2	na	na	2.6	4.6	1.32	na		1.32	na	-654.0			
Goldman Sachs & Co.**	2.2	2.2	4.5	2.8	1.2	2.0	2.5	3.3	na	1.3	3.0	4.5	1.28	na		1.28	na	-632.9			
MacroFin Analytics	2.2	2.0	4.2	2.4	1.5	2.2	2.6	2.2	5.9	1.0	2.7	4.6	1.20	17.3		1.20	17.3	-592.0			
Moody's Capital Markets*	2.2	1.9	4.1	2.2	2.1	1.9	L	2.5	1.5	4.0	0.7	2.5	4.6	1.22	17.4		1.22	17.4	-607.0		
NatWest Markets	2.2	2.0	4.3	2.4	1.2	1.9	L	2.6	2.6	6.0	0.8	2.6	4.6	1.33	17.0		1.33	17.0	-625.0		
Regions Financial Corporation	2.2	2.1	4.4	2.6	1.4	2.2	2.5	2.9	2.6	0.8	2.6	4.6	1.19	17.1		1.19	17.1	-596.1			
Swiss Re	2.2	1.8	4.0	2.5	1.9	2.7	2.7	2.9	6.7	0.7	2.5	4.6	1.27	16.2	L	1.27	16.2	-662.2			
U.S. Chamber of Commerce	2.2	1.9	4.1	2.1	L	1.2	2.2	2.6	2.2	4.0	0.9	2.6	4.8	1.26	na		1.26	na	-642.2		
Wells Fargo	2.2	2.1	4.2	2.5	1.5	2.2	2.7	3.4	2.5	0.8	2.5	4.7	1.22	17.1		1.22	17.1	-653.3			
Bank of America Merrill Lynch	2.1	L	1.9	4.1	2.5	1.3	na	2.6	3.5	na	0.7	2.6	4.6	1.23	17.6		1.23	17.6	-638.5		
Barclays*	2.1	L	2.1	4.3	2.4	na	na	2.6	1.3	L	na	na	2.3	L	4.6	1.29	na	na	-610.0		
Eaton Corporation	2.1	L	2.0	4.1	2.5	1.2	2.5	2.7	2.3	na	0.7	2.4	4.9	1.24	17.1		1.24	17.1	-614.7		
Fannie Mae	2.1	L	1.8	3.9	2.4	1.1	2.2	2.7	2.5	4.9	0.9	2.6	4.6	1.24	17.2		1.24	17.2	-634.6		
J.P. Morgan Chase	2.1	L	2.0	4.1	2.5	1.2	2.5	2.5	1.3	L	4.9	na	2.5	4.6	1.25	17.3		1.25	17.3	-641.9	
Morgan Stanley*	2.1	L	1.7	3.8	L	2.5	2.7	2.4	2.6	3.2	na	0.7	2.6	4.7	1.31	na		1.31	na	-624.1	
Nomura Securities	2.1	L	1.7	3.8	L	2.7	1.4	2.2	2.4	3.4	na	na	2.6	4.7	1.35	17.2		1.35	17.2	-634.2	
Northern Trust Company*	2.1	L	2.1	4.3	2.4	1.9	na	2.5	2.6	na	0.8	2.8	4.7	1.28	17.5		1.28	17.5	-561.7		
RDQ Economics	2.1	L	2.0	4.2	2.6	1.3	2.6	2.6	2.9	3.1	1.1	2.8	4.5	1.20	18.0		1.20	18.0	-644.9		
2017 Consensus: February Avg.	2.3	2.0	4.4	2.5	1.5	2.3	2.7	3.0	5.3	0.8	2.7	4.6	1.26	17.4		1.26	17.4	-620.5			
Top 10 Avg.	2.6	2.2	4.8	2.8	2.4	2.7	2.9	4.0	7.5	1.1	2.9	4.8	1.34	17.8		1.34	17.8	-575.6			
Bottom 10 Avg.	2.1	1.8	4.0	2.2	0.8	2.0	2.4	2.0	3.2	0.7	2.5	4.5	1.20	17.0		1.20	17.0	-653.2			
January Avg.	2.3	2.0	4.4	2.4	1.5	2.4	2.6	2.9	5.0	0.9	2.7	4.6	1.26	17.3		1.26	17.3	-599.0			
Historical data 2013	1.7	1.6	3.3	1.5	1.9	-1.4	1.5	3.5	1.7	0.1	2.4	7.4	0.92	15.5		0.92	15.5	-404.9			
2014	2.4	1.8	4.2	1.6	2.9	3.5	2.9	6.0	5.9	0.0	2.5	6.2	1.00	16.4		1.00	16.4	-425.7			
2015	2.6	1.1	3.7	0.1	0.3	3.5	3.2	2.1	-3.0	0.1	2.2	5.3	1.11	17.4		1.11	17.4	-540.0			
2016	1.6	1.3	2.9	1.3	-1.0	2.7	2.7	-0.4	na	0.3	1.8	4.9	1.17	17.5		1.17	17.5	-561.6			
Number Of Forecasts Changed From A Month Ago:																					
Down	17	17	26	15	16	20	14	14	10	12	8	7	8	4							41
Same	31	25	16	20	18	15	19	8	14	32	32	37	32	25							9
Up	6	12	12	19	16	12	21	32	12	4	13	10	12	16							4
February Median	2.3	2.0	4.4	2.5	1.4	2.2	2.7	3.1	5.4	0.8	2.6	4.6	1.27	17.4		1.27	17.4	-625.0			
February Diffusion Index	40 %	45 %	37 %	54 %	50 %	41 %	56 %	67 %	53 %	42 %	55 %	53 %	54 %	63 %							16 %

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

HAWAII ELECTRIC LIGHT COMPANY, INC.
EXHIBIT A

JOB CODE	JOB TITLE	1/1/2013	7/1/2013	1/1/2014	7/1/2014	1/1/2015	7/1/2015	1/1/2016	7/1/2016	1/1/2017	7/1/2017	1/1/2018	7/1/2018
CL5	CASHIER			3%		3%		3.25%		3%			
CL49	DISTRICT CLERK I			INCREASE		INCREASE		INCREASE		INCREASE			
	1st 3 mos.	20.39		21.00		21.61		22.27		22.88		23.49	
	Next 3 mos.	21.32		21.96		22.60		23.29		23.93		24.57	
	Next 3 mos.	22.42		23.09		23.76		24.49		25.16		25.83	
	Next 6 mos.	23.50		24.21		24.92		25.68		26.39		27.10	
	Next 6 mos.	24.65		25.39		26.13		26.93		27.67		28.41	
	Thereafter	25.86		26.64		27.42		28.26		29.04		29.82	
T8	(S) BOILER OPERATOR TRAINEE												
T55	(S) COMBUSTION TURBINE OPERATOR TRAINEE												
	1st 12 mos.	23.44		24.14		24.84		25.60		26.30		27.00	
	Thereafter	26.38		27.17		27.96		28.82		29.61		30.40	
CL39	PLANNER AID												
	1st 3 mos.	18.92		19.49		20.06		20.67		21.24		21.81	
	Next 3 mos.	19.85		20.45		21.05		21.70		22.30		22.90	
	Next 3 mos.	20.83		21.45		22.07		22.75		23.37		23.99	
	Next 6 mos.	22.91		23.60		24.29		25.03		25.72		26.41	
	Next 6 mos.	24.06		24.78		25.50		26.28		27.00		27.72	
	Next 6 mos.	25.26		26.02		26.78		27.60		28.36		29.12	
	Thereafter	26.47		27.26		28.05		28.91		29.70		30.49	
CL7	METER READER												
CL21	METER READER		X 1.03=	X 1.0291=		X 1.0307=		X 1.0275=					
	1st 3 mos.	20.83		21.45		22.07		22.75		23.37		23.99	
	Next 3 mos.	21.84		22.50		23.16		23.87		24.53		25.19	
	Next 6 mos.	24.06		24.78		25.50		26.28		27.00		27.72	
	Next 6 mos.	25.26		26.02		26.78		27.60		28.36		29.12	
	Next 6 mos.	26.47		27.26		28.05		28.91		29.70		30.49	
	Thereafter	27.81		28.64		29.47		30.37		31.20		32.03	
CL38	SURVEY AIDE												
	1st 3 mos.	22.91		23.60		24.29		25.03		25.72		26.41	
	Next 3 mos.	24.06		24.78		25.50		26.28		27.00		27.72	
	Next 6 mos.	25.26		26.02		26.78		27.60		28.36		29.12	
	Next 6 mos.	26.44		27.23		28.02		28.88		29.67		30.46	
	Next 6 mos.	27.91		28.75		29.59		30.50		31.34		32.18	
	Thereafter	29.36		30.24		31.12		32.07		32.95		33.83	
CL9	FIELD REPRESENTATIVE												
CL22	FIELD REPRESENTATIVE												
CL78	MATERIAL & RECORDS KEEPER		X 1.03=	X 1.0291=		X 1.0307=		X 1.0275=					
	1st 6 mos.	25.26		26.02		26.78		27.60		28.36		29.12	
	Next 6 mos.	26.44		27.23		28.02		28.88		29.67		30.46	
	Next 6 mos.	27.91		28.75		29.59		30.50		31.34		32.18	
	Thereafter	29.39		30.27		31.15		32.11		32.99		33.87	
C33	STOCK & PRICE CLERK TYPIST												
	1st 9 mos.	26.44		27.23		28.02		28.88		29.67		30.46	
	Next 6 mos.	27.91		28.75		29.59		30.50		31.34		32.18	
	Thereafter	29.39		30.27		31.15		32.11		32.99		33.87	
TL10	WAREHOUSE ATTENDANT												
	1st 3 mos.	16.77		17.27		17.77		18.32		18.82		19.32	
	Next 3 mos.	18.46		19.01		19.56		20.16		20.71		21.26	
	Next 6 mos.	20.31		20.92		21.53		22.19		22.80		23.41	
	Next 6 mos.	22.42		23.09		23.76		24.49		25.16		25.83	
	Next 6 mos.	24.65		25.39		26.13		26.93		27.67		28.41	
	Next 6 mos.	27.17		27.99		28.81		29.69		30.51		31.33	
	Thereafter	29.92		30.82		31.72		32.69		33.59		34.49	
T25	TRUCK DRIVER	29.92		30.82		31.72		32.69		33.59		34.49	
T26	TOOL ROOM ATTENDANT & REPAIRER												
	1st 12 mos.	29.25		30.13		31.01		31.96		32.84		33.72	
	Thereafter	30.80		31.72		32.64		33.64		34.56		35.48	
T27	WAREHOUSE ATTENDANT/DRIVER	30.80		31.72		32.64		33.64		34.56		35.48	

Hawaii Electric Light Company, Inc.
CIS in 2017 RAM Calculations
HELCO Summary
(\$ in 000's)

Line	Description (Note 1)	Rate Base		2017 Activities			Rate Base
		CIS Deferred Costs Recoverable at 12/31/16 (Note 2)		Additions (12 months)	Amortization (12 months) (Note 3)	Net Change	CIS Deferred Costs Recoverable at 12/31/17
1	CIS Deferred Cost	\$ 5,596	\$ -	\$ -	\$ (665)	\$ (665)	\$ 4,931
2	CIS Deferred O&M Reclass	-	-	-	-	-	-
3	Carrying charges	60	-	-	(7)	(7)	53
4	Write-Off (Note 2)	(3,859)	-	-	458	458	(3,401)
5 = sum 1 - 4	CIS deferred costs recoverable	\$ 1,797	\$ -	\$ -	\$ (214)	\$ (214)	\$ 1,583
		To Sch D1, K1			To Sch E	To Sch D1, K1	To Sch D1, K1

(1) See Hawaiian Electric 2009 Test Year Rate Case Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed January 28, 2013 in Docket No. 2008-0083 ("2013 Stipulation"), for the treatment of costs relating to the Customer Information System ("CIS").

(2) See Transmittal No. 16-02 (Decoupling) - Hawaii Electric Light RBA Rate Adjustment, HELCO-WP-D1-001, filed on May 19, 2016.

(3) Amortized over 12 years, per Exhibit 1, page 2 of 3, footnote 2 of the 2013 Stipulation referenced in note (1) above. Refer to CIS Amortization schedule included in pages 2 to 5 of this workpaper.

Hawaii Electric Light Company, Inc.
CIS in 2017 RAM Calculations
CIS Amortization Schedule

Amort. Period		CIS Final Cost - Amort (Rate Base Impact)		Rounded (\$ in 000's)	
		144 months			
Reg Asset Balance					
Bal. 5/2013		<u>\$ 2,561,551</u>			
1	Jun-13	\$ (17,788.55)	\$ 2,543,762.45		
2	Jul-13	(17,788.55)	2,525,973.90		
3	Aug-13	(17,788.55)	2,508,185.35		
4	Sep-13	(17,788.55)	2,490,396.81		
5	Oct-13	(17,788.55)	2,472,608.26		
6	Nov-13	(17,788.55)	2,454,819.71		
7	Dec-13	(17,788.55)	2,437,031.16	\$ (18)	\$ 2,437
8	Jan-14	(17,788.55)	2,419,242.61		
9	Feb-14	(17,788.55)	2,401,454.06		
10	Mar-14	(17,788.55)	2,383,665.51		
11	Apr-14	(17,788.55)	2,365,876.97		
12	May-14	(17,788.55)	2,348,088.42		Yearly Amortization
13	Jun-14	(17,788.55)	2,330,299.87		\$ (213)
14	Jul-14	(17,788.55)	2,312,511.32		
15	Aug-14	(17,788.55)	2,294,722.77		
16	Sep-14	(17,788.55)	2,276,934.22		
17	Oct-14	(17,788.55)	2,259,145.67		
18	Nov-14	(17,788.55)	2,241,357.13		
19	Dec-14	(17,788.55)	2,223,568.58	\$ (18)	\$ 2,224
20	Jan-15	(17,788.55)	2,205,780.03		
21	Feb-15	(17,788.55)	2,187,991.48		
22	Mar-15	(17,788.55)	2,170,202.93		
23	Apr-15	(17,788.55)	2,152,414.38		
24	May-15	(17,788.55)	2,134,625.83		Yearly Amortization
25	Jun-15	(17,788.55)	2,116,837.28		\$ (214)
26	Jul-15	(17,788.55)	2,099,048.74		
27	Aug-15	(17,788.55)	2,081,260.19		
28	Sep-15	(17,788.55)	2,063,471.64		
29	Oct-15	(17,788.55)	2,045,683.09		
30	Nov-15	(17,788.55)	2,027,894.54		
31	Dec-15	(17,788.55)	2,010,105.99		2,010
32	Jan-16	(17,788.55)	1,992,317.44		
33	Feb-16	(17,788.55)	1,974,528.90		
34	Mar-16	(17,788.55)	1,956,740.35		
35	Apr-16	(17,788.55)	1,938,951.80		
36	May-16	(17,788.55)	1,921,163.25		

Hawaii Electric Light Company, Inc.
CIS in 2017 RAM Calculations
CIS Amortization Schedule (continued)

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		CIS Final Cost - Amort (Rate Base Impact)	Rounded (\$ in 000's)	
			Yearly Amortization	
			\$	(213)
37	Jun-16	(17,788.55)	1,903,374.70	
38	Jul-16	(17,788.55)	1,885,586.15	
39	Aug-16	(17,788.55)	1,867,797.60	
40	Sep-16	(17,788.55)	1,850,009.06	
41	Oct-16	(17,788.55)	1,832,220.51	
42	Nov-16	(17,788.55)	1,814,431.96	
43	Dec-16	(17,788.55)	1,796,643.41	(18) 1,797
44	Jan-17	(17,788.55)	1,778,854.86	
45	Feb-17	(17,788.55)	1,761,066.31	
46	Mar-17	(17,788.55)	1,743,277.76	
47	Apr-17	(17,788.55)	1,725,489.22	Yearly Amortization (214)
48	May-17	(17,788.55)	1,707,700.67	
49	Jun-17	(17,788.55)	1,689,912.12	
50	Jul-17	(17,788.55)	1,672,123.57	
51	Aug-17	(17,788.55)	1,654,335.02	
52	Sep-17	(17,788.55)	1,636,546.47	
53	Oct-17	(17,788.55)	1,618,757.92	
54	Nov-17	(17,788.55)	1,600,969.38	
55	Dec-17	(17,788.55)	1,583,180.83	(18) 1,583
56	Jan-18	(17,788.55)	1,565,392.28	
57	Feb-18	(17,788.55)	1,547,603.73	
58	Mar-18	(17,788.55)	1,529,815.18	
59	Apr-18	(17,788.55)	1,512,026.63	
60	May-18	(17,788.55)	1,494,238.08	
61	Jun-18	(17,788.55)	1,476,449.53	
62	Jul-18	(17,788.55)	1,458,660.99	
63	Aug-18	(17,788.55)	1,440,872.44	
64	Sep-18	(17,788.55)	1,423,083.89	
65	Oct-18	(17,788.55)	1,405,295.34	
66	Nov-18	(17,788.55)	1,387,506.79	
67	Dec-18	(17,788.55)	1,369,718.24	
68	Jan-19	(17,788.55)	1,351,929.69	
69	Feb-19	(17,788.55)	1,334,141.15	
70	Mar-19	(17,788.55)	1,316,352.60	
71	Apr-19	(17,788.55)	1,298,564.05	
72	May-19	(17,788.55)	1,280,775.50	
73	Jun-19	(17,788.55)	1,262,986.95	
74	Jul-19	(17,788.55)	1,245,198.40	
75	Aug-19	(17,788.55)	1,227,409.85	
76	Sep-19	(17,788.55)	1,209,621.31	
77	Oct-19	(17,788.55)	1,191,832.76	
78	Nov-19	(17,788.55)	1,174,044.21	
79	Dec-19	(17,788.55)	1,156,255.66	
80	Jan-20	(17,788.55)	1,138,467.11	

**Hawaii Electric Light Company, Inc.
 CIS in 2017 RAM Calculations
 CIS Amortization Schedule (continued)**

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		CIS Final Cost - Amort (Rate Base Impact)	Rounded (\$ in 000's)
81	Feb-20	(17,788.55)	1,120,678.56
82	Mar-20	(17,788.55)	1,102,890.01
83	Apr-20	(17,788.55)	1,085,101.47
84	May-20	(17,788.55)	1,067,312.92
85	Jun-20	(17,788.55)	1,049,524.37
86	Jul-20	(17,788.55)	1,031,735.82
87	Aug-20	(17,788.55)	1,013,947.27
88	Sep-20	(17,788.55)	996,158.72
89	Oct-20	(17,788.55)	978,370.17
90	Nov-20	(17,788.55)	960,581.63
91	Dec-20	(17,788.55)	942,793.08
92	Jan-21	(17,788.55)	925,004.53
93	Feb-21	(17,788.55)	907,215.98
94	Mar-21	(17,788.55)	889,427.43
95	Apr-21	(17,788.55)	871,638.88
96	May-21	(17,788.55)	853,850.33
97	Jun-21	(17,788.55)	836,061.78
98	Jul-21	(17,788.55)	818,273.24
99	Aug-21	(17,788.55)	800,484.69
100	Sep-21	(17,788.55)	782,696.14
101	Oct-21	(17,788.55)	764,907.59
102	Nov-21	(17,788.55)	747,119.04
103	Dec-21	(17,788.55)	729,330.49
104	Jan-22	(17,788.55)	711,541.94
105	Feb-22	(17,788.55)	693,753.40
106	Mar-22	(17,788.55)	675,964.85
107	Apr-22	(17,788.55)	658,176.30
108	May-22	(17,788.55)	640,387.75
109	Jun-22	(17,788.55)	622,599.20
110	Jul-22	(17,788.55)	604,810.65
111	Aug-22	(17,788.55)	587,022.10
112	Sep-22	(17,788.55)	569,233.56
113	Oct-22	(17,788.55)	551,445.01
114	Nov-22	(17,788.55)	533,656.46
115	Dec-22	(17,788.55)	515,867.91
116	Jan-23	(17,788.55)	498,079.36
117	Feb-23	(17,788.55)	480,290.81
118	Mar-23	(17,788.55)	462,502.26
119	Apr-23	(17,788.55)	444,713.72
120	May-23	(17,788.55)	426,925.17
121	Jun-23	(17,788.55)	409,136.62
122	Jul-23	(17,788.55)	391,348.07
123	Aug-23	(17,788.55)	373,559.52
124	Sep-23	(17,788.55)	355,770.97

**Hawaii Electric Light Company, Inc.
 CIS in 2017 RAM Calculations
 CIS Amortization Schedule (continued)**

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		CIS Final Cost - Amort		Rounded (\$ in 000's)
		(Rate Base Impact)		
125	Oct-23	(17,788.55)	337,982.42	
126	Nov-23	(17,788.55)	320,193.88	
127	Dec-23	(17,788.55)	302,405.33	
128	Jan-24	(17,788.55)	284,616.78	
129	Feb-24	(17,788.55)	266,828.23	
130	Mar-24	(17,788.55)	249,039.68	
131	Apr-24	(17,788.55)	231,251.13	
132	May-24	(17,788.55)	213,462.58	
133	Jun-24	(17,788.55)	195,674.03	
134	Jul-24	(17,788.55)	177,885.49	
135	Aug-24	(17,788.55)	160,096.94	
136	Sep-24	(17,788.55)	142,308.39	
137	Oct-24	(17,788.55)	124,519.84	
138	Nov-24	(17,788.55)	106,731.29	
139	Dec-24	(17,788.55)	88,942.74	
140	Jan-25	(17,788.55)	71,154.19	
141	Feb-25	(17,788.55)	53,365.65	
142	Mar-25	(17,788.55)	35,577.10	
143	Apr-25	(17,788.55)	17,788.55	
144	May-25	(17,788.55)	0.00	

Hawaii Electric Light Company, Inc.
Accumulated Deferred Income Taxes by Activity
FEDERAL
DR(CR)

Description	HEP as IPP- Owned	
	12/31/16	
ACCOUNT 282.01:		
1 Accelerated Depreciation	(67,009,728)	
2 Excess AccDep	6,743	
3 Deficit AccDep	(63,253)	
4 Subtotal Utility Depreciation	(67,066,239)	
5 TOTAL ACCOUNT 282.01 UTILITY	(67,066,239)	
ACCOUNT 283.01:		
6 ACRS Retirements Gain/(Loss)	(5,439,333)	
7 Bad Debts	529,369	
8 Bonuses - Non-executives (fka Rewards Program)	52,162	
9 Cap to Construction	(243,867)	
10 Capital Loss Carryforward	487	
11 Capitalized Interest	2,796,561	
12 Capitalized Interest §481(a) D&T Adj	(136,618)	
13 CIAC	16,244,396	
14 Cost of Removal	(19,325,658)	
15 Customer Advances	2,155,812	
16 CWIP Debt / (AFUDC Debt Incurred)	(2,594,694)	
17 CWIP Debt Transition	24,613	
18 Exec Comp - Deferred Comp (Rest Stock, RSU)	25,813	
19 EICP, LTIP	97,691	
20 Emissions Fees	118,634	
21 Energy Services	(0)	
22 FIN 48 - Tax Component	262,822	
23 FIN 48 - Interest Component	10,970	
24 Franchise Taxes	355,654	
25 General/Legal Liability	39,901	
26 HMSA Prem Adj	-	
27 Interest - CIS	(13,621)	To Schedule K1, Note 3
28 Interest - Nondeductible (RAR)	(583)	
29 Legal/Consulting Fees (PPA)	521,466	
30 OPEB & Trackers	935,838	
31 OPEB Executive Life	425,879	
32 Pension, Pension Asset, and Tracker	(8,860,700)	
33 Pension (Supplemental - Non-qualified)	18,913	
34 Percentage Repair Allowance (D&T)	(726,403)	
35 Prepaid Expenses	(18,407)	
36 Project Costs - Geothermal RFP	(36,928)	
37 Rate Case	(222,517)	
38 Repairs	(11,924,634)	
39 RBA Revenues - §481(a) Adjustment	(2,447,009)	
40 RBA Revenues	1,454,175	
41 R&D Expense	-	
42 Rev Bond Differential	(70,133)	
43 Rev Bond Redemption Prem/Amort	(342,115)	
44 Rewards Programs (merit; fka TIP)	(0)	
45 Software - CIS	(236,157)	
46 Software - ERP	19,944	
47 Software - HR Suites	44,423	
48 Software - IVR	(162,599)	
49 Software - UI Planner	10,152	
50 Software - Other	(366,559)	
51 Solar Saver	243,952	
52 State ITC	5,172,050	
53 SunPower for Schools	2,534	
54 Vacation Accrual	(82,931)	
55 Workers Compensation	84,344	

Hawaii Electric Light Company, Inc.
Accumulated Deferred Income Taxes by Activity
FEDERAL
DR(CR)

		HEP as IPP- Owned	
Description		12/31/16	
	FAS 109: Regulatory Assets/Liabilities	-	
56	Reg Asset - SFAS 109 Flow Through	(305,278)	
57	Reg Asset - Plant Transition (AFUDC)	(704,386)	
58	Reg Asset - CWIP Equity Transition	(46,615)	
59	Reg Asset - CWIP Eqy Gr Up/(AFUDC Eqy Gr U	(3,376,162)	
60	Reg Asset - CWIP Equity Net/(AFUDC Eqy Incurr	(5,298,085)	
61	Fed ITC amort	(915,056)	
62	Fed ITC - Reg Liability	1,022,563	
63	Fed Energy Credit - Reg Liability	38,769	
64	Reg Asset - Deficit Def - Oth	(24,430)	
65	Reg Liab - Excess Def - Oth	11,455	
66	Reg Asset - RAR 88-89	2,921	
67	TOTAL ACCOUNT 283.01 UTILITY	(31,197,214)	
68	TOTAL FEDERAL ADIT BEFORE RATE BASE ADJ	(98,263,453)	
	RATE BASE ADJUSTMENTS:		
69	TOTAL ACCOUNT 283.01	(31,197,214)	
70	Bad Debts	529,369	
71	Bonuses - Non-executives (fka Rewards)	52,162	
72	Exec Comp - Deferred Comp (Rest Stock, RSU)	25,813	
73	EICP	97,691	
74	Energy Services	(0)	
75	FIN48 Tax and Interest	273,792	
76	Franchise Taxes	355,654	
77	General/Legal Liability Reserve	39,901	
78	HMSA Prem Adj	-	
79	Interest - CIS (Full Debt Portion)	(7,938)	HELCO-WP-D4-002
80	Interest - Nondeductible (RAR)	(583)	
81	OPEB - Exec Life	425,879	
82	Pension (Supplemental - Non-qualified)	18,913	
83	Rate Case Costs (included in rate base beginning 2009)	-	
84	RBA Revenues - §481(a) Adjustment	(2,447,009)	
85	RBA Revenues	1,454,175	
86	Rewards Program (merit; fka TIP)	(0)	
87	Software - ERP	19,944	
88	Software - IVR (included in rate base as of Aug 2015)	-	
89	Solar Saver	243,952	
90	Vacation Accrual	(82,931)	
91	Workers Comp Reserve	84,344	
92	Total Adjustments Account 283	1,083,126	
93	TOTAL ACC 283.01 AFTER ADJUSTMENTS	(32,280,340)	To Schedule D4
94	TOTAL ACC 282.01 - UTIL	(67,066,239)	To Schedule D4
95	TOTAL FEDERAL ADIT AFTER RATE BASE ADJ	(99,346,579)	To Schedule D4

Hawaii Electric Light Company, Inc.
Accumulated Deferred Income Taxes by Activity
STATE
DR(CR)

Description	HEP as IPP- Owned	
	12/31/16	
ACCOUNT 282.01:		
1 Accelerated Depreciation	(3,617,905)	
2 Excess AccDep	1,319	
3 Deficit AccDep	(11,606)	
4 TOTAL ACCOUNT 282.01 UTILITY	(3,628,192)	
ACCOUNT 283.01:		
5 ACRS Retirements Gain/(Loss)	(1,137,095)	
6 Bad Debts	96,798	
7 Bonuses - Non-executives (fka Rewards)	9,538	
8 Cap to Construction	(44,462)	
9 Capital Loss Carryforwards	54	
10 Capitalized Interest	577,076	
11 Capitalized Interest §481(a) D&T Adj	(49,881)	
12 CIAC	3,409,791	
13 Cost of Removal	(3,534,211)	
14 Customer Advances	394,206	
15 CWIP Debt / (AFUDC Debt Incurred)	(474,458)	
16 CWIP Debt Transition	4,500	
17 Exec Comp - Deferred Comp (Rest Stock, RSU)	4,720	
18 EICP, LTIP	17,863	
19 Emissions Fees	21,693	
20 Energy Services	(0)	
21 FIN 48 - Tax Component	86,458	
22 FIN 48 - Interest Component	2,006	
23 Franchise Taxes	65,033	
24 General/Legal Liability	7,296	
25 HMSA Prem Adj	(0)	
26 Interest - CIS	(2,491)	To Schedule K1, Note 3
27 Interest - Nondeductible (RAR)	(107)	
28 Legal/Consulting Fees (PPA)	95,354	
29 OPEB & Trackers	171,125	
30 OPEB Executive Life	77,875	
31 Pension, Pension Asset, and Tracker	(1,620,243)	
32 Pension (Supplemental - Non-qualified)	3,458	
33 Percentage Repair Allowance (D&T)	(191,642)	
34 Prepaid Expenses	(3,257)	
35 Project Costs - Geothermal RFP	(6,753)	
36 Rate Case	(40,798)	
37 Repairs	(4,117,054)	
38 RBA Revenues - §481(a) Adjustment	(447,453)	
39 RBA Revenues	265,906	
40 R&D Expense	-	
40 Rev Bond Differential	(12,823)	
41 Rev Bond Redemption Prem/Amort	(62,557)	
42 Rewards Programs (merit; fka TIP)	(0)	
43 Software - CIS	(43,183)	
44 Software - ERP	3,647	
45 Software - HR Suites	(1,856)	
46 Software - IVR	(27,197)	
47 Software - UJ Planner	1,856	
48 Software - Other	(78,280)	
49 Solar Saver	44,608	
50 State ITC	945,747	
51 SunPower for Schools	463	
52 Vacation Accrual	(15,165)	
53 Workers Compensation	15,423	

Hawaii Electric Light Company, Inc.
Accumulated Deferred Income Taxes by Activity
STATE
DR(CR)

		HEP as IPP-	
		Owned	
Description		12/31/16	
	FAS 109: Regulatory Assets/Liabilities	-	
54	Reg Asset - CWIP Equity Transition	(8,524)	
55	Reg Asset - SFAS 109 Flow Through	(55,823)	
56	Reg Asset - Plant Transition (AFUDC)	(128,802)	
57	CWIP Equity Net / (AFUDC Eqty Incurred)	(964,469)	
58	Reg Asset - CWIP Eqty Gr Up / (AFUDC Eqty Gr L	(621,679)	
59	Fed ITC amort	(167,324)	
60	Fed ITC - Reg Liability	186,983	
61	Fed Energy Credit - Reg Liability	7,090	
62	Reg Asset - Deficit Def - Oth	(607)	
63	Reg Liab - Excess Def - Oth	2,106	
64	Reg Asset - RAR 88-89	534	
65	TOTAL ACCOUNT 283.01	(7,338,985)	
66	TOTAL STATE ADIT BEFORE RATE BASE ADJ	(10,967,177)	
	RATE BASE ADJUSTMENTS:		
67	TOTAL ACCOUNT 283.01	(7,338,985)	
68	Bad Debts	96,798	
69	Bonuses - Non-executives (fka Rewards)	9,538	
70	Exec Comp - Deferred Comp (Rest Stock, RSU)	4,720	
71	EICP	17,863	
72	Energy Services	(0)	
73	FIN48 Tax and Interest	88,464	
74	Franchise Taxes	65,033	
75	General/Legal Liability Reserve	7,296	
76	HMSA Prem Adj	(0)	
77	Interest - CIS (Full Debt Portion)	(1,452)	HELCO-WP-D4-002
78	Interest - Nondeductible (RAR)	(107)	
79	OPEB - Exec Life	77,875	
80	Pension (Supplemental - Non-qualified)	3,458	
81	Rate Case Costs (included in rate base beginning 2009)		
82	RBA Revenues - §481(a) Adjustment	(447,453)	
83	RBA Revenues	265,906	
84	Rewards Program (merit; fka TIP)	(0)	
85	Software - ERP	3,647	
86	Software - IVR (included in rate base as of Aug 2015)		
87	Solar Saver	44,608	
88	Vacation Accrual	(15,165)	
89	Workers Comp Reserve	15,423	
88	Total Adjustments Account 283	236,453	
89	TOTAL ACC 283.01 AFTER ADJUSTMENTS	(7,575,439)	To Schedule D4
90	TOTAL ACC 282.01 - UTIL	(3,628,192)	To Schedule D4
91	TOTAL STATE ADIT AFTER RATE BASE ADJ	(11,203,630)	To Schedule D4

HAWAII ELECTRIC LIGHT CO., INC.
ADIT RATE BASE ADJUSTMENT FOR ADDITIONAL CIS INTEREST

Interest on CIS Deferred Costs	Add'l Debt	DR / (CR)	DR / (CR)	DR / (CR)
		32.8947% Acc Def Fed	6.0150% Acc Def State	Total Accum Def Tax
1 CIS Interest (1/13/- 5/13)	\$ 34,408	\$ 11,318	\$ 2,070	\$ 13,388
2 CIS Interest Amort beg 6/13	(1,673)	(550)	(101)	(651)
3 Balance as of 12/31/13	\$ 32,735	\$ 10,768	\$ 1,969	\$ 12,737
4 2014 CIS Interest Amortization	(2,867)	(943)	(172)	(1,115)
5 Balance as of 12/31/14	\$ 29,868	\$ 9,825	\$ 1,797	\$ 11,622
6 2015 CIS Interest Amortization	(2,867)	(943)	(173)	(1,116)
7 Balance as of 12/31/2015	\$ 27,001	\$ 8,882	\$ 1,624	\$ 10,506
8 2016 CIS Interest Amortization	(2,867)	(943)	(173)	(1,116)
9 Balance as of 12/31/2016	\$ 24,133	\$ 7,939	\$ 1,451	\$ 9,390
		HELCO-WP-D4-001a	HELCO-WP-D4-001b	
10 2017 CIS Interest Amortization	(2,867)	(943)	(173)	(1,116)
11 Balance as of 12/31/2017	\$ 21,266	\$ 6,996	\$ 1,278	\$ 8,274

To Sch K1

To Sch K1

The GL balance includes the AFUDC debt and the AFUDC additional debt.
The Rate base balance includes only the AFUDC debt.
The difference between GL and Rate base balance is the AFUDC additional debt.

HAWAII ELECTRIC LIGHT COMPANY, INC.
CALCULATION OF COMPOSITE EFFECTIVE INCOME TAX RATES
FEDERAL AND STATE

COMPOSITE FEDERAL AND STATE EFFECTIVE INCOME TAX RATE

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

CALCULATION OF EFFECTIVE RATES

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

Calculation of State Effective Income Tax Rate

$$\begin{aligned} \text{State Income Tax Expense} &= \text{Statutory Rate} \times (\text{Pre-Tax Income} - \text{State Income Tax Expense}) \\ \text{ST} &= .064 \times (1 - \text{ST}) \\ \text{ST} &= .064 - .064(\text{ST}) \\ 1.064(\text{ST}) &= .064 \\ \text{ST} &= .060150376 \text{ or } 6.0150376\% \text{ of Pre-Tax Income} \end{aligned}$$

Calculation of Federal Effective Income Tax Rate

$$\begin{aligned} \text{Federal Income Tax Expense} &= \text{Statutory Rate} \times (\text{Pre-Tax Income} - \text{State Income Tax Expense}) \\ \text{FT} &= .35 \times (1 - \text{ST}) \\ \text{FT} &= .35 \times (1 - .060150376) \\ \text{FT} &= .35 - .0210526316 \\ \text{FT} &= .328947368 \text{ or } 32.8947368\% \text{ of Pre-Tax Income} \end{aligned}$$

**HAWAII ELECTRIC LIGHT COMPANY, INC.
TAX REPAIRS ADJUSTMENT
2017**

			A	B	C = A x B	D = A - C
	HELCO-WP-F1-002			HELCO-WP-F1-001, pg. 2		
	Life	5-Year Average	Allocated Plant Adds	Repairs Allocation	Repairs Deduction	Depreciable Basis
Information Systems/Data Handling	5	\$ 417,209				
Communication	20	1,949,549				
Office Furniture	7	562,218				
Distribution	20	34,904,449	34,904,449	16.68%	5,822,673	29,081,776
Land	-	146,167				
Other Production	15	2,544,933	2,544,933	15.22%	387,228	2,157,705
Steam & Hydraulic Production	20	99,337	99,337	50.77%	50,436	48,901
Structural	39	2,312,848				
Transmission	15	4,154,685	4,154,685	22.58%	938,043	3,216,642
Transmission	20	276,198	276,198	22.58%	62,360	213,838
Vehicles	-	2,177,529				
TOTAL		<u>\$ 49,545,123</u>	<u>\$ 41,979,602</u>		<u>\$ 7,260,740</u>	<u>\$ 34,718,862</u>

To Sch F1

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 HELCO-WP-F1-001, page 2.

HAWAII ELECTRIC LIGHT COMPANY, INC.
REPAIRS DEDUCTION
5-Year Average
2012-2016

		Distribution	Non Steam	Steam & Hydro	Transmission
Repairs %:					
Total Book Basis Repairs					
1	2012	7,290,491	757,239	473,162	868,286
2	2013	5,858,939	727,153	381,488	1,728,539
3	2014	4,749,772	451,747	237,001	1,011,680
4	2015	4,648,361	-	1,543,043	1,251,849
5	2016	6,565,803	-	143,772	2,005,269
6	Total	\$ 29,113,366	\$ 1,936,138	\$ 2,778,467	\$ 6,865,623
Total Book Additions					
7	2012	29,207,699	761,331	1,319,240	8,701,432
8	2013	38,092,777	5,742,083	1,744,506	5,903,639
9	2014	35,487,268	2,841,126	685,561	7,086,972
10	2015	30,082,060	2,253,685	1,689,649	4,336,494
11	2016	41,652,441	1,126,439	33,463	4,379,968
12	Total	\$ 174,522,245	\$ 12,724,664	\$ 5,472,419	\$ 30,408,505

AVERAGE % (Line 6 / Line 12)

16.68%

15.22%

50.77%

22.58%

to HELCO-WP-F1-001, pg. 1 to HELCO-WP-F1-001, pg. 1 to HELCO-WP-F1-001, pg. 1 to HELCO-WP-F1-001, pg. 1

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

NOTE 2> 2016 amounts are estimates. A complete analysis identifying deductible repairs for 2016 has not yet been completed.

HAWAII ELECTRIC LIGHT COMPANY, INC
 2012-2016 PLANT ADDITIONS
 5-YEAR AVERAGE

LIFE	2012	2013	2014	2015	2016	Less:		5-Year Average
						Major Projects From D2	Total	
5	622,056	544,157	599,976	288,951	30,904			417,209
20	1,142,345	590,647	949,629	4,580,511	2,484,612			1,949,549
7	1,156,157	89,410	35,123	305,681	1,224,720			562,218
20	29,207,699	38,092,777	35,487,268	30,082,060	41,652,441			34,904,449
		490,177	6,476	2,100	232,084			146,167
15	761,331	5,742,083	2,841,126	2,253,685	1,126,439			2,544,933
20	1,319,240	1,744,506	685,561	1,689,649	33,463	(4,975,732)		99,337
39	1,222,905	3,380,393	1,920,479	4,627,515	412,950			2,312,848
15	8,701,432	5,903,639	7,086,972	2,993,419	4,342,052	(8,254,091)		4,154,685
20	1,850,826	2,438,782	2,003,232	1,343,075	37,916			276,198
				3,497,083	1,097,722			2,177,529
TOTAL	45,983,990	59,016,572	51,615,842	51,663,728	52,675,304	(13,229,823)		49,545,123
	D2	D2	D2	D2	D2	D2		D2

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

RATE BASE	REFERENCE	Month End	
		Dec-16	Dec-15
TOTAL UTILITY PLANT	Note 2	766,222	743,842
Adjustments:			
Construction Work in Progress		(12,510)	(11,455)
Retirement Work in Progress		(2,170)	(2,535)
Asset Retirement Obligation		(226)	(215)
Regulatory Liability for Cost of Removal		(89,306)	(81,917)
DEPRECIATED COST OF UTILITY PLANT IN SERVICE	Note 1	662,010	647,720
REGULATORY ASSETS - SFAS 109	Note 2	11,476	11,462
REG ASSET- CONTRIB vs. NPPC	GL#18676030	3,047	3,047
REGULATORY ASSET - PENSION NPPC vs. Rates	GL#18676040	24,937	22,911
REGULATORY ASSET - PREPAID PENSION	GL#18676010	0	0
REGULATORY ASSET - OPEB NPBC vs. Rates	GL#18677040	0	2
REGULATORY ASSET - Asset Retirement Obligation	Note 2	226	215
MATERIALS & SUPPLIES (Excluding Stores Expense)	Note 2	7,251	7,570
MATERIALS & SUPPLIES ADJUSTMENT	HELCO-WP-H-006	(461)	(291)
FUEL STOCK	Note 2	8,229	8,310
UNAMORTIZED DEFERRED HR SUITE-PHASE 1	GL#186060	877	978
UNAMORTIZED DEFERRED HR SUITE-PHASE 2	GL#186061	(236)	(202)
UNAMORTIZED DEFERRED BUDGET SYSTEM PROJECT	GL#186077	219	249
UNAMORTIZED DEFERRED IVR COSTS	GL#18670400	531	586
UNAMORTIZED DEFERRED CIS COSTS	HELCO-WP-D1-001	1,797	2,010
WORKING CASH:	HELCO-WP-H-007	3,721	4,735
DEDUCTIONS:			
Unamortized Contributions in Aid of Construction	Note 2	97,211	95,298
Customer Advances for Construction	Note 2	11,259	11,172
Deferred Income Taxes	Schedule D4	110,550	102,336
Unamortized Investment Tax Cr - 1962 Revenue Act & STC	GL#255200, #255030	15,651	15,184
Customer Deposits	GL#235	2,975	3,352
Regulatory Liability OPEB True-up	OPEB Recon	1,882	1,548
TOTAL DEDUCTIONS		239,528	228,890
MONTH ENDED RATE BASE		484,096	480,412
SIMPLE AVERAGE RATE BASE		482,254	

Footnotes:

- 1 Includes Property Held for Future Use balance of \$755,042 for 2016 and \$986,923 for 2015.
- 2 See Hawaii Electric Light Company Inc. Monthly Financial Report - December 2016, page 8, 9 & 10, filed February 24, 2017.

* Amounts may not add up due to rounding.

Earnings Sharing Mechanism
Interest on Customer Deposit Correction

Background

Under Rule No. 6, the Company may require customers to provide a deposit intended to guarantee payment of bills for electric service. Cash deposits accrue simple annual interest at a rate of 6%. The interest is a company expense.

In July 2016, the Companies found that the interest expense being accrued for financial statement purposes had erroneously been overstated since May 2012. The overstatement resulted from incorrect programming of a report developed when the Customer Information System was implemented. The report miscalculated accrued interest on released deposits and for deposits that had been transferred to the new Customer Information System.

The following table summarizes the interest expense overstatement by year and by company:

Company	2012	2013	2014	2015	2016	Total
Hawaiian Electric	52,794	172,284	328,193	531,054	304,398	1,388,723
Hawaii Electric Light	15,744	42,584	73,925	113,423	56,596	302,272
Maui Electric	20,365	51,289	89,131	117,396	52,652	330,833
Total	88,904	266,158	491,249	761,873	413,645	2,021,828

Impact of Error

No customers were directly impacted by the error. Internal financial controls for this area have been reviewed and strengthened.

The error resulted in an immaterial overstatement of interest expense for financial reporting purposes. The misstatement was deemed immaterial and no prior period adjustment was warranted, as the adjustment was not material, individually or in the aggregate, to previously issued financial statements. The correction was reflected as a reduction in interest expense in 2016.

The immaterial overstatement of interest expense in the period 2012-2015 resulted in immaterial understatements of the Earnings Sharing Mechanism ("ESM"). Adjusting for the interest expense did not impact the ESM in the years which the ESM was not triggered; however, in the years that the ESM was previously triggered [2012 for Hawaiian Electric and 2013 and 2014 for Maui Electric], the amount of the ESM would have been slightly higher. The following summarizes the return on equity for ESM purposes with the adjustment to interest expense reflected in the respective year and company:

Company	ROE Trigger	2012	2013	2014	2015
Hawaiian Electric	10.0	10.70	8.96	9.87	9.23
Hawaii Electric Light	10.0	7.79	7.47	6.67	7.51
Maui Electric	9.0	6.70	9.36	9.50	8.79

The adjustments to the ESM are summarized below:

Company (\$000)	2012	2013	2014	2015	Total
Hawaiian Electric	14	-	-	-	14
Hawaii Electric Light	-	-	-	-	-
Maui Electric	-	14	24	-	38

HAWAII ELECTRIC LIGHT COMPANY, INC.
Ratemaking Adjustments for Incentive Compensation and Other Non-Recoverable Expenses
2016

<u>Account/Activity No.</u>	<u>Description</u>	<u>YTD</u>	<u>Net of Tax</u>	<u>Rounded 000s</u>	
H9P 723 HEL NE NHAPRESI 900	LTIP expense (credit)	\$ 81,555			
H9P 723 HEL NE NHAPRESI 900	EICP expense (credit)	116,418			
H9P 723 HEL NE NHAPRESI 900	Manager Award	114,943			
H9P 700 HEL NE NHAPRESI 901	LTIP share expense	35,731			
H9P 700 HEL NE NHAPRESI 901	Other incentive awards	84,704			
PWO AD 0000024	SPOT Awards	4,065			
40804100	Payroll Taxes related to incentive compensation	11,883		Incentive	
Provided by HEI	HEI charges for incentive compensation	70,839	\$ 317,753	\$ 318	↔ Line 2A
P#R0001202 & HECO P#R0005162	Executive life insurance (COLI) expense (credit) <i>not tax deduct</i>	(43,811)			
Dues Schedule	Company memberships <i>not tax deduct</i> (portion of EEI dues related to EEI's Government Affairs group, Communication, Marketing, Customer, and Employee Relations group)	8,375			
Provided by HEI	HEI charges for outside services (plan admin, legal fees, audit fees) - Executives	24,152			
AD001026	HEIRS 401K	25,618			
HR000146	Service awards	11,253			
HNP 779 HEL NE NHNZZZZZ 501	Non-qual pension	8,525			
HNP 779 HEL NE NHNZZZZZ 501	OPEB (Executive life portion only)	50,132		Other	
Docket 2009-0164 - T-11, Att 3	Management Increase	291,000	\$ 215,449	\$ 215	↔ Line 2B
	Total adjustment to operating income	895,382			
	Tax on adjustments	(362,179)			
	Net adjustment to operating income	\$ 533,203	\$ 533,203	\$ 533	

HAWAII ELECTRIC LIGHT COMPANY, INC.
Income Tax On Items To Be Replaced By Synchronized Interest
2016

	Source	2016	Rounded 000s		
Total Interest Charges	PUC report, p. 1	\$11,634,419			
Less: Int on Customer Deposits	Account 43105000	55,397			
AFUDC-Debt	NARUC 420030	(293,986)			
Amort of Inv Inc Differential	NARUC 403030	<u>\$23,536</u>	\$ 24	⇒	Line 2c
		\$ 11,419,366			
	Tax rate	<u>38.9097744%</u>			
		<u>\$ 4,443,250</u>	\$ (4,443)	⇒	Line 2d

HAWAII ELECTRIC LIGHT COMPANY, INC.
Ratemaking Capitalization
2016
(\$ in Thousands)

	Simple Average <u>Balance*</u>	<u>Ratios</u>	<u>Cost Rate</u>	<u>Weighted Cost of Debt</u>
Short-Term Debt	-	0.00%	0.00%	0.00%
Long-Term Debt	202,362	39.63%	5.40%	2.14%
Hybrid Securities	9,515	1.86%	7.21%	0.13%
Preferred Stock	6,713	1.31%	8.17%	0.11%
Common Equity	292,003	57.19%	10.00%	5.72%
	<u>510,593</u>	<u>100.00%</u>		<u>8.10%</u>

	<u>NARUC/ GL Code</u>	YTD Dec 2016 <u>(\$000s)</u>	<u>Cost Rate</u>
Short-Term Debt:			
Interest on Debt Assoc Co	430	650	
Less: Interest on QUIDS	43006000	(650)	
Int Exp-Commercial Paper	43100000	-	
Int Exp-SCF Loans	43108000	-	
Int Inc-Assoc Cos.	419300	(61)	
		<u>(61)</u>	0.00%
Long-Term Debt:			
Amort of Debt Disc & Exp	428	420	
Less: Hybrid Sec Amort of Iss Exp	428QUID1-3 (see below)	(36)	
Interest on Long-Term Debt	427	10,513	
Amort Inv Inc Differential	403030	24	
		<u>10,920</u>	5.40%
Hybrid Securities:			
Interest on QUIDS	43006000	650	
Amort Exp-QUID1 Iss Exp	428QUID1	13	
Amort Exp-QUID2 Iss Exp	428QUID2	13	
Amort Exp-QUID3 Iss Exp	428QUID3	10	
Equity in Net Inc of Trust	421070	-	
		<u>686</u>	7.21%
Preferred Stock:			
Amort of Pfd Stk Iss Exp	42501000	15	
Preferred Stock dividends	437	534	
		<u>549</u>	8.17%

Common Equity: D&O 30168 in Dkt No. 2009-0164 filed February 8, 2012

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

HAWAII ELECTRIC LIGHT COMPANY, INC.
Earning Sharing Credits Recorded (net of tax)
2016

Earnings Sharing Credits Recorded	\$ -
Revenue Taxes @ 8.885%	\$ -
	<hr/>
	\$ -
Income Taxes @38.9097744%	\$ -
Reduction to operating income	\$ -

HAWAII ELECTRIC LIGHT COMPANY, INC.
MATERIALS & SUPPLIES ADJUSTMENT
(\$ Thousands)

Beg Balance at November 30, 2016	Note (1)		7,311
Additions		a	472
Issues			(532)
Adjustments			-
Ending Balance at December 31, 2016	↓		<u>7,251</u>
# of Days in December		b	31
Average Daily Additions to Inventory		c=a/b	15.23
Purchase Payment Lag Days	Note (2)	d	30.3
Estimated Unpaid Inventory at December 31, 2016	Note (3)	e=cxd	461

Footnotes:

- 1 Source: Hawaii Electric Light Company Inc. Combined Inventory Report for December 2016.
- 2 See Hawaii Electric Light Company Inc. Docket No. 2009-0164 Hawaii Electric Light Company Inc.'s 2010 test year rate case, HELCO-WP-1603, pages 1 - 3.
- 3 Material & Inventory Adjustment represents materials & supplies financed by accounts payable and is calculated in compliance with the Commission's D&O 14412 dated December 11, 1995, in Docket No. 7766.

HAWAII ELECTRIC LIGHT COMPANY, INC.
WORKING CASH
2016

Line No.	Description (a)	Reference (b)	2016 (c)	Net Collection Lag (Days) (d) Note (1)	Amount (e)=(c)/365x(d)
1	Fuel Oil	<i>Trial Balance: B20</i>	55,094	24.4	3,683
2	Purchased Power	GL #555	81,018	1.5	333
3	Current Income Taxes				
4	Income Tax	<i>Dec. 2016 PUC Monthly Report, Page 2</i>	5,308		
5	Income Tax related to Disallowed Items	HECO WP-H-002	362		
6	Reversal of Tax Related to Int Synch Replacemen	<i>Sch H-Line 2d</i>	4,443		
7	Tax Related to Int Synch	<i>Sch H-line 13 - 13a</i>	<u>(4,265)</u>		
8	Total	<i>Sum of Line 4-7</i>	5,848	1.2	19
9	Revenue Taxes				
10	Franchise	GL #408010	7,723		
11	PSC	GL #408020	18,436		
12	PUC Fee	GL #408030	<u>1,566</u>		
13	Total	<i>Sum of Line 10-12</i>	27,726	-29.3	(2,226)
14	O&M Labor				
15	O&M labor	<i>Acct. Dept. O&M report</i>	17,691	17.691	1,338
16	O&M Non-Labor				
17	O&M Expense	<i>Trial Balance: G30</i>	63,839		
18	O&M Labor Excl Fuel Labor	<i>(see O&M Labor above)</i>	<u>(17,691)</u>		
19	Bad Debt Expense	GL #904	(992)		
20	Pension Reg Asset/Liab Amort	HECO WP-H-007 pg. 2	(1,072)		
21	OPEB Reg Asset/Liab Amort	HECO WP-H-007 pg. 2	50		
22	Payroll Tax	GL #408050	1,239		
23	Sys Develop Amortization	HECO WP-H-007 pg. 2	(135)		
24	Regulatory Asset - Rate Case	HECO WP-H-007 pg. 2	<u>(676)</u>		
25	Total	<i>Sum of Line 17-24</i>	44,563	4.7	574
26	Working Cash	<i>Sum of Line 1, 2, 8, 13, 15, 25</i>			<u>3,721</u>

Footnotes:

1 See Docket No. 2009-0154, Order No. 30301, Exhibit B, page 2, filed April 4, 2012

HAWAII ELECTRIC LIGHT COMPANY, INC.
O&M Non-Labor
2016

Pension Regulatory Asset Amortization

	<u>2016</u>	O&M % Portion <u>74.88%</u> <i>Note 1</i>	Rounded <u>000s</u>
HNP 779 HEL NE NHN ZZZZZ 501	1,431,183	1,071,670	1,072

OPEB Regulatory Asset Amortization

	<u>2016</u>	O&M % Portion <u>74.88%</u> <i>Note 1</i>	Rounded <u>000s</u>
HNP 779 HEL NE NHN ZZZZZ 501	(66,271)	(49,624)	(50)

	<u>2016</u>	Rounded <u>000s</u>
System Development Amortization		
GL # 186060 & 186061	135,046	135
Regulatory Asset - Rate Case		
GL # 186720	675,577	676

Footnote:

- 1 See Docket No. 2009-0164, Parties' Stipulated Settlement Letter, HELCO T-10 Attachment 3, filed September 16, 2010.

Earnings Sharing Mechanism
Cost of Capital

Cost of capital methodology consistently used in Earnings Sharing Mechanism actual filings and reviewed by Office of Consumer Advocacy and reviewed and approved by the Public Utilities Commission have been based on the actual cost of capital

In 2010, the PUC issued an order approving decoupling, which was implemented by Hawaiian Electric on March 1, 2011, by Hawaii Electric Light on April 9, 2012 and by Maui Electric on May 4, 2012. The Earnings Sharing Mechanism (“ESM”) calculations became applicable for each of the respective companies, in the year following decoupling implementation. Therefore, the first ESM filings were in the 2012 Annual Filing for Hawaiian Electric and 2013 Annual Filings for Hawaii Electric Light and Maui Electric. ESM calculations in the Annual Filing are for the preceding calendar year.

All ESM calculations filed have incorporated the actual recorded cost of capital for ratemaking purposes. The treatment is thought to be based on discussions held in the 2011 timeframe; however the Companies are unable to locate any documentation of this approach.

Use of the actual cost of capital has resulted in capital cost savings being passed to customers via the ESM

Customers have paid lower rates as a result of lower interest rates which have been passed through the ESM. In most cases, the return on equity calculated using the last test year would have been lower than the return on equity which was filed based on actual financing rates and weights. If the rate case cost of capital had been used in the ESM calculation:

- The Hawaiian Electric 2012 ESM would have been \$1.8 million lower.
- Maui Electric would not have triggered the 2013 ESM (as opposed to the ESM of \$0.4 million).
- The Maui Electric 2014 ESM would have been \$0.2 million lower.

Summary - Ratemaking Rate of Return for Earnings Sharing Mechanism

	HECO		HELCO		MECO	
	Filed	Revised	Filed	Revised	Filed	Revised
Dec 2011	8.03%	7.71%				
Dec 2012	10.70%	10.21% (A)	7.79%	7.75%	6.69%	6.73%
Dec 2013	8.95%	8.59%	7.46%	7.39%	9.35%	8.92% (B)
Dec 2014	9.85%	9.52%	6.65%	6.59%	9.47%	9.26% (C)
Dec 2015	9.20%	8.89%	7.49%	7.22%	8.76%	8.77%
	ESM - filed	ESM - revised	Diff			
(A) - HE	2,586.19	814.27	1,771.92			
(B) - ME	366.71		366.71			
(C) - ME	520.522	285.937	234.59			
Total	3,473.42	1,100.21	2,373.22			

Only the MECO 2012 and 2015 ROE calculations would be slightly higher using actual financing rates and weights. In both years, the higher ROE rates using the rate case cost of capital (6.73% in 2012 and 8.77% in 2015) are still lower than the 9.0% ROE allowed and still would not have triggered an ESM credit.

See attached back-up calculations.

Proposed clarification within the tariff

In researching, the basis for the cost of capital for the ESM calculations, the Companies found that the Commission decision in Final Decision and Order filed August 31, 2010 in Docket No. 2008-0274, the Order states:

“Capital ratios and costs rates will be retained as authorized in either the most recently issued rate case interim or final decision, and synchronized interest will be updated using methods employed in that last rate case for purposes of the earnings sharing mechanism.”¹

The methodology was adopted as proposed in the Joint Final Statement of Position of the HECO Companies and Consumer Advocate filed May 11, 2009 in Docket No. 2008-0274. The identical statement can be found in the Joint Final Statement of Position p. 19.

As discussed above, however, the practice has been to use the actual cost of capital in calculating the ESM. This practice has resulted in greater savings to customers than using the cost of capital from the last rate case.

In order to clarify that actual cost of capital should be used in the ESM calculation, the Companies propose to add clarifying language in the tariff. Please see the redline version of the tariff in Attachment 1A which specifies that the cost of capital for the ESM calculation is based on actuals.

¹ Final Decision and Order and Dissenting Opinion of Leslie H. Kondo, Commissioner filed August 31, 2010 in Docket No. 2008-0274 Instituting a Proceeding to Investigate Implementing a Decoupling Mechanism for Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited p. 61.

Hawaii Electric Light Co Inc.
ROE based on 2010 TY RC Final D&O Cost of Capital

	<u>Actual</u> <u>(Filed)</u>	<u>Rate Case</u> <u>Cost of</u> <u>Capital</u>	<u>Reference</u>
Dec 2012	7.79%	7.75%	page 4
Dec 2013	7.46%	7.39%	page 5
Dec 2014	6.65%	6.59%	page 6
Dec 2015	7.49%	7.22%	page 7

Reference
HAWAIIAN ELECTRIC COMPANY
DECOUPLING CALCULATION WORKBOOK
EARNINGS SHARING CALCULATIONS
All Amounts \$000 (Except %)

Line No.	Description	Reference	Rate-making Basis Return on Equity		
			Operating Income (c)	Rate Base (d)	Rate of Return (e)
1	Recorded Calendar Year Amounts - 2012	PUC report, pg. 2A	\$ 31,140	\$ 454,471	
2	<u>Rate-making Adjustments to Line 1:</u>				
2a	Incentive Compensation Expenses (net of tax)		234		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)		602		
2c	Amortization of investment income differential		(9)		
2d	Income tax on items to be replaced by synchronized interest		(4,527)		
3	Rate-making Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 27,440	\$ 454,471	
4	<u>Rate-making Capitalization</u>				
		Balances	Ratios	Cost Rate	Weighted Cost
5	Short-Term Debt (12 mo. Avg)	\$ 7,040	1.41%	3.25%	0.05%
6	Long-Term Debt (Simple Avg)	106,838	39.48%	6.15%	2.43%
7	Hybrid Securities (Simple Avg)	9,297	1.88%	7.38%	0.14%
8	Preferred Stock (Simple Avg)	6,623	1.33%	8.29%	0.11%
9	Common Equity (Simple Avg)	278,722	55.91%	10.00%	5.59%
10	Total Capitalization	\$ 498,520	100.00%		8.31%
11	Line 3 Rate Base Amount			\$ 454,471	
12	Weighted Cost of Debt			2.61%	
13	Synchronized Interest Expense			\$ 11,870	
	Income Tax Factor			1.636929121	
13a	Synchronized Interest Expense, net of tax			\$ 7,251	
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)				\$ 20,188
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)				501
18	Income Available for Common Stock				\$ 19,688
19	Rate-making Equity Investment (Line 9 Ratio times Rate Base)				254,094
20	Return on Equity for Decoupling Earnings Sharing				7.75%
21	<u>Earnings Sharing Revenue Credits:</u>				
		Basis Points			
22	Achieved ROE (basis points)	775			
23	Authorized Return (basis points)	1,000			
24	ROE for sharing (basis points)				
25	Sharing Grid per RAM Provision	First 100 bp	Next 200 bp	All over 300 bp	Ratepayer Total
26	Distribution of Excess ROE (basis points)	0	0	0	
27	Ratepayer Share of Excess Earnings	25%	50%	90%	
28	Ratepayer Earnings Share - Basis Points				
29	Revenue Credit per Basis Point (Note 2)				\$ 46
30	Earnings Sharing Revenue Credits (thousands)				\$ -

Footnotes:

1	Composite Federal & State Income Tax Rate	38.91%
	Income Tax Factor (1 / 1-tax rate)	1.636929121
2	Rate-making Equity Investment (line 19)	\$ 254,094
	Basis Point = 1/100 of a percent	0.01%
	Earnings Required per Basis Point (thousands)	\$ 25.41
	Times: Income Tax Conversion Factor	1.636929121
	Pretax Income Required per Basis Point (thousands)	\$ 42
	Times: Revenue Tax Conversion Factor	1.0975
	Revenue Requirement per Basis Point (thousands)	\$ 46

Reference
HAWAIIAN ELECTRIC COMPANY
DECOUPLING CALCULATION WORKBOOK
EARNINGS SHARING CALCULATIONS
All Amounts \$000 (Except %)

Line No.	Description (a)	Reference (b)	Ratemaking Basis Return on Equity		
			Operating Income (c)	Rate Base (d)	Rate of Return (e)
1	Recorded Calendar Year Amounts - 2012	PUC report, pg. 2A	\$ 31,089	\$ 464,232	
2	<u>Ratemaking Adjustments to Line 1:</u>				
2a	Incentive Compensation Expenses (net of tax)		201		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)		193		
2c	Amortization of Investment Income differential		(8)		
2d	Income tax on items to be replaced by synchronized interest		(4,370)		
3	Ratemaking Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 27,105	\$ 464,232	
4	<u>Ratemaking Capitalization</u>				
		Balances	Ratios	Cost Rate	Weighted Cost
5	Short-Term Debt (12 mo. Avg)	\$ 7,040	1.41%	3.25%	0.05%
6	Long-Term Debt (Simple Avg)	198,838	39.48%	8.15%	2.43%
7	Hybrid Securities (Simple Avg)	9,297	1.86%	7.38%	0.14%
8	Preferred Stock (Simple Avg)	6,623	1.33%	8.29%	0.11%
9	Common Equity (Simple Avg)	278,722	55.91%	10.00%	5.59%
10	Total Capitalization	\$ 498,520	100.00%		8.31%
11	Line 3 Rate Base Amount			\$ 464,232	
12	Weighted Cost of Debt			2.61%	
13	Synchronized Interest Expense			\$ 12,125	
	Income Tax Factor			1.636929121	
13a	Synchronized Interest Expense, net of tax			\$ 7,407	
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)				\$ 19,698
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)				511
18	Income Available for Common Stock				\$ 19,186
19	Ratemaking Equity Investment (Line 9 Ratio times Rate Base)				259,552
20	Return on Equity for Decoupling Earnings Sharing				7.39%
21	<u>Earnings Sharing Revenue Credits:</u>				
		Basis Points			
22	Achieved ROE (basis points)	739			
23	Authorized Return (basis points)	1,000			
24	ROE for sharing (basis points)				
25	Sharing Grid per RAM Provision	First 100 bp	Next 200 bp	All over 300 bp	Ratepayer Total
26	Distribution of Excess ROE (basis points)	0	0	0	
27	Ratepayer Share of Excess Earnings	25%	50%	90%	
28	Ratepayer Earnings Share - Basis Points				
29	Revenue Credit per Basis Point (Note 2)				\$ 47
30	Earnings Sharing Revenue Credits (thousands)				\$ -

Footnotes:

1	Composite Federal & State Income Tax Rate		
	Income Tax Factor (1 / 1-tax rate)	38.91%	
		1.636929121	
2	Ratemaking Equity Investment (line 19)		
	Basis Point = 1/100 of a percent	\$ 259,552	
	Earnings Required per Basis Point (thousands)	0.01%	
	Times: Income Tax Conversion Factor	\$ 25.96	
	Pretax Income Required per Basis Point (thousands)	1.636929121	
	Times: Revenue Tax Conversion Factor	\$ 42	
	Revenue Requirement per Basis Point (thousands)	1.0975	
		\$ 47	

Reference
HAWAIIAN ELECTRIC COMPANY
DECOUPLING CALCULATION WORKBOOK
EARNINGS SHARING CALCULATIONS
All Amounts \$000 (Except %)

Line No.	Description (a)	Reference (b)	Ratemaking Basis Return on Equity			
			Operating Income (c)	Rate Base (d)	Rate of Return (e)	
1	Recorded Calendar Year Amounts - 2014	PUC report, pg. 2A	\$ 29,269	\$ 475,713		
2	<u>Ratemaking Adjustments to Line 1:</u>					
2a	Incentive Compensation Expenses (net of tax)		356			
2b	Discretionary and Other Expenses Not Recoverable (net of tax)		209			
2c	Amortization of investment income differential		(5)			
2d	Income tax on items to be replaced by synchronized interest		(4,189)			
3	Ratemaking Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 25,639	\$ 475,713		
4	<u>Ratemaking Capitalization</u>		Balances	Ratios	Cost Rate	Weighted Cost
5	Short-Term Debt (12 mo. Avg)	\$ 7,040	1.41%	3.25%	0.05%	
6	Long-Term Debt (Simple Avg)	196,838	39.48%	6.15%	2.43%	
7	Hybrid Securities (Simple Avg)	9,297	1.86%	7.38%	0.14%	
8	Preferred Stock (Simple Avg)	6,623	1.33%	8.29%	0.11%	
9	Common Equity (Simple Avg)	278,722	55.91%	10.00%	5.59%	
10	Total Capitalization	\$ 498,520	100.00%		8.31%	
11	Line 3 Rate Base Amount			\$ 475,713		
12	Weighted Cost of Debt			2.61%		
13	Synchronized Interest Expense			\$ 12,425		
	Income Tax Factor			1.636929121		
13a	Synchronized Interest Expense, net of tax			\$ 7,590		
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)				\$ 18,049	
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)				524	
18	Income Available for Common Stock				\$ 17,525	
19	Ratemaking Equity Investment (Line 9 Ratio times Rate Base)				265,971	
20	Return on Equity for Decoupling Earnings Sharing				6.59%	
21	<u>Earnings Sharing Revenue Credits:</u>		Basis Points			
22	Achieved ROE (basis points)		659			
23	Authorized Return (basis points)		1,000			
24	ROE for sharing (basis points)		-			
25	Sharing Grid per RAM Provision		First 100 bp	Next 200 bp	All over 300 bp	Ratepayer Total
26	Distribution of Excess ROE (basis points)		0	0	0	
27	Ratepayer Share of Excess Earnings		25%	50%	90%	
28	Ratepayer Earnings Share - Basis Points					
29	Revenue Credit per Basis Point (Note 2)					\$ 48
30	Earnings Sharing Revenue Credits (thousands)					\$ -

Footnotes:

1	Composite Federal & State Income Tax Rate		
	Income Tax Factor (1 / 1-tax rate)		38.91%
			1.636929121
2	Ratemaking Equity Investment (line 19)		
	Basis Point = 1/100 of a percent	\$ 265,971	
	Earnings Required per Basis Point (thousands)	0.01%	
	Times: Income Tax Conversion Factor	\$ 26.60	
	Pretax Income Required per Basis Point (thousands)	1.636929121	
	Times: Revenue Tax Conversion Factor	\$ 44	
	Revenue Requirement per Basis Point (thousands)	\$ 1.0975	
		\$ 48	

Reference
HAWAIIAN ELECTRIC COMPANY
DECOUPLING CALCULATION WORKBOOK
EARNINGS SHARING CALCULATIONS
All Amounts \$000 (Except %)

Line No.	Description (a)	Reference (b)	Rate-making Basis Return on Equity		
			Operating Income (c)	Rate Base (d)	Rate of Return (e)
1	Recorded Calendar Year Amounts - 2015	PUC report, pg. 2A	\$ 31,061	\$ 479,494	
2	<u>Rate-making Adjustments to Line 1:</u>				
2a	Incentive Compensation Expenses (net of tax)		295		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)		228		
2c	Amortization of investment income differential		24		
2d	Income tax on items to be replaced by synchronized interest		(4,060)		
3	Rate-making Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 27,548	\$ 479,494	
4	<u>Rate-making Capitalization</u>				
		Balances	Ratios	Cost Rate	Weighted Cost
5	Short-Term Debt (12 mo. Avg)	\$ 7,040	1.41%	3.25%	0.05%
6	Long-Term Debt (Simple Avg)	196,838	39.48%	6.15%	2.43%
7	Hybrid Securities (Simple Avg)	9,297	1.88%	7.38%	0.14%
8	Preferred Stock (Simple Avg)	6,623	1.33%	8.29%	0.11%
9	Common Equity (Simple Avg)	278,722	55.91%	10.00%	5.59%
10	Total Capitalization	\$ 498,520	100.00%		8.31%
11	Line 3 Rate Base Amount			\$ 479,494	
12	Weighted Cost of Debt			2.61%	
13	Synchronized Interest Expense			\$ 12,524	
	Income Tax Factor			1,636929121	
13a	Synchronized Interest Expense, net of tax			\$ 7,651	
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)				\$ 19,897
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)				528
18	Income Available for Common Stock				\$ 19,369
19	Rate-making Equity Investment (Line 9 Ratio times Rate Base)				268,085
20	Return on Equity for Decoupling Earnings Sharing				7.22%
21	<u>Earnings Sharing Revenue Credits:</u>				
		Basis Points			
22	Achieved ROE (basis points)	722			
23	Authorized Return (basis points)	1,000			
24	ROE for sharing (basis points)				
25	Sharing Grid per RAM Provision	First 100 bp	Next 200 bp	All over 300 bp	Ratepayer Total
26	Distribution of Excess ROE (basis points)	0	0	0	
27	Ratepayer Share of Excess Earnings	25%	50%	90%	
28	Ratepayer Earnings Share - Basis Points				
29	Revenue Credit per Basis Point (Note 2)				\$ 48
30	Earnings Sharing Revenue Credits (thousands)				\$ -

Footnotes:

1	Composite Federal & State Income Tax Rate				
	Income Tax Factor (1 / 1-tax rate)			38.91%	
				1,636929121	
2	Rate-making Equity Investment (line 19)				
	Basis Point = 1/100 of a percent		\$ 268,085		
	Earnings Required per Basis Point (thousands)		0.01%		
	Times: Income Tax Conversion Factor		\$ 26.81		
	Pretax Income Required per Basis Point (thousands)		1,636929121		
	Times: Revenue Tax Conversion Factor		\$ 44		
	Revenue Requirement per Basis Point (thousands)		1.0875		
			\$ 48		

HAWAII ELECTRIC LIGHT COMPANY, INC.
DECOUPLING CALCULATION WORKBOOK
CIS PROJECT COSTS - ADIT

	Book	Federal	State	Fed Book - Tax Difference	State Book - Tax Difference	ADIT		
		Tax Basis	Tax Basis			Federal 35.00%	State 6.01504%	Total
CIS Book Basis	8,071,054	8,071,054	8,071,054					
Book/Tax Differences:								
AFUDC		(1,014,686)	(1,014,686)					
Book Writedown of CIS Costs	(5,500,000)	(5,500,000)	(5,500,000)					
	2,571,054	1,556,368	1,556,368					
Book/Tax bases differences	(94,249)	(63,229)	(63,229)					
AFUDC		(6,154)	(6,154)					
Amortization through 2012-2013	(120,408)	(1,167,365)	(847,745)					
Balance as of 12/31/13	2,356,397	319,620	639,240	2,036,777	1,717,157	(676,721)	(103,288)	(780,009)
2014 Amortization	(206,413)	(247,831)	(495,662)					
Balance as of 12/31/14	2,149,984	71,789	143,578	2,078,195	2,006,406	(685,128)	(120,686)	(805,814)
2015 Amortization	(206,413)	(71,789)	(143,578)	(134,624)	(62,835)	45,796	3,780	49,575
Balance as of 12/31/15	1,943,571	-	-	1,943,571	1,943,571	(639,333)	(116,907)	(756,239)
2016 Amortization	(206,413)	-	-	(206,413)	(206,413)	67,899	12,416	80,315
Balance as of 12/31/16	1,737,158	-	-	1,737,158	1,737,158	(571,434)	(104,491)	(675,924)
2017 Amortization	(206,413)	-	-	(206,413)	(206,413)	67,899	12,416	80,315
Balance as of 12/31/17	1,530,745	-	-	1,530,745	1,530,745	(503,535)	(92,075)	(595,609)

Note: For tax purposes, CIS costs are amortized over 36 months and are fully amortized by 2015.

HAWAII ELECTRIC LIGHT COMPANY, INC.
Major Projects: CIS Carrying Cost (amortize 12 years)
Amortization of CIS Assets

Amort. Period	CIS Def Post Go Live		CIS Final Cost - Amort	
	144 months		144 months	
Reg Asset Balance per GL				
Bal. 6/2013		59,038		2,476,857
Debit:		40,330,021.00		40,330,021.00
Credit:		18,670,202.00		18,605,005.00
Jun-13	(409.99)	58,627.86	(17,201.09)	2,459,756.31
Jul-13	(409.99)	58,217.87	(17,201.09)	2,442,555.21
Aug-13	(409.99)	57,807.89	(17,201.09)	2,425,354.12
Sep-13	(409.99)	57,397.90	(17,201.09)	2,408,153.03
Oct-13	(409.99)	56,987.92	(17,201.09)	2,390,951.93
Nov-13	(409.99)	56,577.93	(17,201.09)	2,373,750.84
Dec-13	(409.99)	56,167.95	(17,201.09)	2,356,549.75
Jan-14	(409.99)	55,757.96	(17,201.09)	2,339,348.66
Feb-14	(409.99)	55,347.98	(17,201.09)	2,322,147.56
Mar-14	(409.99)	54,937.99	(17,201.09)	2,304,946.47
Apr-14	(409.99)	54,528.01	(17,201.09)	2,287,745.38
May-14	(409.99)	54,118.02	(17,201.09)	2,270,544.28
Jun-14	(409.99)	53,708.04	(17,201.09)	2,253,343.19
Jul-14	(409.99)	53,298.05	(17,201.09)	2,236,142.10
Aug-14	(409.99)	52,888.07	(17,201.09)	2,218,941.00
Sep-14	(409.99)	52,478.08	(17,201.09)	2,201,739.91
Oct-14	(409.99)	52,068.10	(17,201.09)	2,184,538.82
Nov-14	(409.99)	51,658.11	(17,201.09)	2,167,337.73
Dec-14	(409.99)	51,248.13	(17,201.09)	2,150,136.63
Jan-15	(409.99)	50,838.14	(17,201.09)	2,132,935.54
Feb-15	(409.99)	50,428.16	(17,201.09)	2,115,734.45
Mar-15	(409.99)	50,018.17	(17,201.09)	2,098,533.35
Apr-15	(409.99)	49,608.19	(17,201.09)	2,081,332.26
May-15	(409.99)	49,198.20	(17,201.09)	2,064,131.17
Jun-15	(409.99)	48,788.22	(17,201.09)	2,046,930.07
Jul-15	(409.99)	48,378.23	(17,201.09)	2,029,728.98
Aug-15	(409.99)	47,968.25	(17,201.09)	2,012,527.89
Sep-15	(409.99)	47,558.26	(17,201.09)	1,995,326.79
Oct-15	(409.99)	47,148.28	(17,201.09)	1,978,125.70
Nov-15	(409.99)	46,738.29	(17,201.09)	1,960,924.61
Dec-15	(409.99)	46,328.31	(17,201.09)	1,943,723.52
Jan-16	(409.99)	45,918.32	(17,201.09)	1,926,522.42
Feb-16	(409.99)	45,508.34	(17,201.09)	1,909,321.33
Mar-16	(409.99)	45,098.35	(17,201.09)	1,892,120.24
Apr-16	(409.99)	44,688.37	(17,201.09)	1,874,919.14
May-16	(409.99)	44,278.38	(17,201.09)	1,857,718.05
Jun-16	(409.99)	43,868.40	(17,201.09)	1,840,516.96
Jul-16	(409.99)	43,458.41	(17,201.09)	1,823,315.86
Aug-16	(409.99)	43,048.43	(17,201.09)	1,806,114.77
Sep-16	(409.99)	42,638.44	(17,201.09)	1,788,913.68
Oct-16	(409.99)	42,228.46	(17,201.09)	1,771,712.58
Nov-16	(409.99)	41,818.47	(17,201.09)	1,754,511.49
Dec-16	(409.99)	41,408.49	(17,201.09)	1,737,310.40
Jan-17	(409.99)	40,998.50	(17,201.09)	1,720,109.31
Feb-17	(409.99)	40,588.52	(17,201.09)	1,702,908.21
Mar-17	(409.99)	40,178.53	(17,201.09)	1,685,707.12
Apr-17	(409.99)	39,768.55	(17,201.09)	1,668,506.03
May-17	(409.99)	39,358.56	(17,201.09)	1,651,304.93
Jun-17	(409.99)	38,948.58	(17,201.09)	1,634,103.84
Jul-17	(409.99)	38,538.59	(17,201.09)	1,616,902.75
Aug-17	(409.99)	38,128.61	(17,201.09)	1,599,701.65
Sep-17	(409.99)	37,718.62	(17,201.09)	1,582,500.56
Oct-17	(409.99)	37,308.64	(17,201.09)	1,565,299.47
Nov-17	(409.99)	36,898.65	(17,201.09)	1,548,098.38
Dec-17	(409.99)	36,488.67	(17,201.09)	1,530,897.28
2017 Activity		(4,919.82)		(206,413.12)

To Sch K1, Note 3

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Transmittal No. 17-03 was served on the date of filing by hand delivery, as indicated below.

Dean Nishina
Executive Director
Division of Consumer Advocacy
Department of Commerce and Consumer Affairs
335 Merchant Street, Room 326
Honolulu, Hawai'i 96813

2 copies
via Hand Delivery

Dated: Honolulu, Hawai'i, March 31, 2017.

HAWAIIAN ELECTRIC COMPANY, INC.



Michael Chu