

BEFORE THE PUBLIC UTILITIES COMMISSION **FILED**

OF THE STATE OF HAWAI'I

**2015 MAR 31 P 4:13**

In the Matter of the Application of	)	
	)	
MAUI ELECTRIC COMPANY, LIMITED	)	Transmittal No. 15-05 (Decoupling)
	)	
For approval to modify the RBA Rate Adjustment	)	Effective
in Its Revenue Balancing Account Provision Tariff	)	Date: June 1, 2015
_____	)	

PUBLIC UTILITIES  
COMMISSION

I

Maui Electric Company, Limited ("Maui Electric" or "Company") files this transmittal to revise paragraph E (Tariff Sheet Nos. 97D, 108D and 152D for Maui, Lāna'i and Moloka'i Divisions) of its Revenue Balancing Account ("RBA") Provision tariffs ("RBA Tariffs") to revise the RBA Rate Adjustment by \$0.001982 from the current rate of \$0.016239 per kilowatt-hour ("kWh") to the new rate of \$0.018221 per kWh for all divisions, effective June 1, 2015 through May 31, 2016. The RBA Rate Adjustment is based on the Company's RBA balance at the end of 2014, the Company's Rate Adjustment Mechanism ("RAM") Revenue Adjustment for calendar year 2015 and the Company's Earnings Sharing Mechanism credit for 2014.

II

Maui Electric, whose principal place of business and whose administrative offices are located at 210 West Kamehameha Avenue, Kahului, Hawai'i, is a corporation duly organized under the laws of the Territory of Hawai'i on or about April 28, 1921, and now exists under and by virtue of the laws of the State of Hawai'i. Maui Electric is an operating public utility engaged in the production, purchase, transmission, distribution and sale of electricity on the Islands of Maui, Lāna'i and Moloka'i.

### III

Correspondence and communications in regard to this Transmittal No. 15-05 are to be addressed to:

Dean K. Matsuura  
Manager, Regulatory Rate Proceedings  
Hawaiian Electric Company, Inc.  
P. O. Box 2750  
Honolulu, Hawai'i 96840

### IV

Maui Electric 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*, Hawaii Administrative Rules ("HAR"), Title 6, Chapter 61.

### V

Pursuant to HAR §6-61-76, Maui Electric incorporates by reference its latest available balance sheet and income statement for the twelve months ending February 28, 2015, filed with the Commission on March 30, 2015.

### VI

Beginning in 2013, Maui Electric filed tariff transmittals to annually establish an RBA Rate Adjustment, which the Commission subsequently approved.<sup>1</sup> 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

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<sup>1</sup> Refer to Transmittal Nos. 13-01, 13-04 and 14-05 filed March 28, 2013, May 1, 2013 and March 31, 2014, respectively and approved in *Order No. 31287 Consolidating Proceedings and Approving Multiple Tariff Transmittals* and *Order No. 32112 Consolidating Proceedings and Approving Tariff Transmittals*. Prior to the first decoupling transmittal in 2013, the Company filed schedules and workpapers in support of the 2012 RBA Rate Adjustment for informational purposes only. For information on past years' filings as well as additional background information on decoupling, refer to the transmittals cited here.

Companies<sup>2</sup> 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.<sup>3</sup> 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 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.<sup>4</sup> 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 tariff sheets in Order No. 32001 in Docket No. 2013-0141.

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<sup>2</sup> The “Companies” or “Hawaiian Electric Companies” are Hawaiian Electric, Hawai‘i Electric Light Company, Inc. (“Hawai‘i Electric Light”) and Maui Electric.

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

<sup>4</sup> 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.

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.

The Schedule B phase of Docket No. 2013-0141 is in progress.

## VII

By this Transmittal, Maui Electric proposes to revise its decoupling RBA Rate Adjustment from the current rate of \$0.016239 per kWh to the new rate of \$0.018221 per kWh, effective June 1, 2015 through May 31, 2016.

The Company calculated its RBA Rate Adjustment according to its RBA and RAM tariff provisions.<sup>5</sup> The 2015 RBA Rate Adjustment includes the recovery of the RBA balance at year end 2014 and the calculated RAM revenue adjustment for calendar year 2015. It also includes a refund of the earnings sharing revenue credit for 2014, the second one in two years.

Approximately 37% of the RBA Rate Adjustment includes the recovery of the RBA balance at year end 2014 and 65% corresponds to the 2015 RAM Revenue Adjustment, while the earnings sharing revenue credit lowers the RBA Rate Adjustment by 3%. There are no adjustments to the RBA Rate Adjustment for Commission-ordered major capital project credits or baseline capital

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<sup>5</sup> Maui, Lāna‘i and Moloka‘i Divisions have similar RBA and RAM tariff provisions. Refer to: Revised Sheet Nos. 96, 96A – 96C, Sheet No. 96D and Revised Sheet Nos. 96E – 96 H, 97 and 97A – 97D for Maui Division; Revised Sheet Nos. 107, 107A – 107C, Sheet No. 107D and Revised Sheet Nos. 107E – 107H, 108 and 108A – 108D for Lāna‘i Division; and Revised Sheet Nos. 151, 151A – 151C, Sheet No. 151D and Revised Sheet Nos. 151E – 151H, 152 and 152A – 152D for Moloka‘i Division.

project credits. (Refer to Schedule A of Attachment 2 described in Section VIII of this tariff transmittal.) However, the Company adjusted the RAM Revenue Adjustment downward to comply with Decision and Order No. 31908, as explained below. Based on the revised rate, a monthly bill for a Maui Electric residential customer using 600 kWh of electricity in Maui would increase by \$1.19 and for a household using 400 kWh of electricity in Lāna‘i and Moloka‘i would increase by \$0.79.<sup>6</sup>

The 2015 RBA Rate Adjustment will replace the 2014 RBA Rate Adjustment and, as more fully discussed below, reflects escalation in costs in bargaining unit labor and certain non-labor O&M costs, return on net additions to plant, additional depreciation and amortization expense and baseline and major project investments, reduced by an earnings sharing mechanism credit.

#### 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.<sup>7</sup> The approved RBA tariff allows Maui Electric to record revenues only at target revenue levels (i.e., those authorized in the 2012 test year rate case plus the effective RAM Revenue Adjustments, less any applicable earnings sharing and/or major 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 1.25%,

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<sup>6</sup> The monthly bill for a household using 600 kWh with the revised rate would be \$10.93 in Maui as compared to \$9.74, based on the current rate. The monthly bill for a household using 400 kWh with the revised rate would be \$7.29 on Lāna‘i and Moloka‘i as compared to \$6.50, based on the current rate.

<sup>7</sup> Refer to page 101 of Order No. 30365, issued May 2, 2012, in Docket No. 2010-0163.

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 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 2014 was \$6.8 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 Maui Electric in 2012. This is a decrease from the RBA balance at the end of 2013 of \$8.8 million, of which \$7.5 million was recovered through the RBA Rate Adjustment from January 1, 2014 through December 31, 2014. In 2014, Maui Electric recorded \$5.5 million in revenues and interest as a result of decoupling. Therefore, the 2014 year-end balance of \$6.8 million represents the unrecovered cumulative RBA balance and additional amounts due to a shortfall in revenues<sup>8</sup> resulting from lower sales in 2014 and interest earned on the RBA balance. 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 2015. The 2014 year-end RBA balance of \$6.8 million is grossed-up to \$7.5 million to include revenue taxes.

Maui Electric's 2014 recorded sales totaled 1,132.1 gigawatt-hours ("GWh"), which were 69.7 GWh, or 5.8% lower than the 1,201.8 GWh test year estimate (based on the March 2011 forecast) identified in the Maui Electric 2012 test year rate case. The actual sales in 2014 continued to decline from 2013 and 2012.<sup>9</sup>

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<sup>8</sup> That is, "recorded adjusted revenue" as defined in the RBA Tariff.

<sup>9</sup> The actual sales for 2012 totaled 1,144.8 GWh, a difference of 56.9 GWh, or -4.7%, from the test year estimate. If the 2012 test year sales estimate had been lower (e.g., closer to actual sales for 2012), then the current RBA balance

The residential and commercial sectors both experienced lower sales in 2014 compared with test year estimates, with the larger decrease of 10.8% in the residential sector where customers decreased their average monthly usage by 12.0%, as compared to the commercial sales decrease of 3.0% (see Table 1 below).

Table 1  
Comparison of TY2012 to actuals

	TY2012	2012	2013	2014	Diff Btw 2014 and TY2012	% Diff
<b>Residential Sector</b>						
Sales (GWh)	428.3	395.3	387.9	382.0	(46.3)	-10.8%
Customers	58,767	58,610	59,191	59,610	843.0	1.4%
Average Monthly Use (kWh/Customer)	607	562	546	534	(73.0)	-12.0%
Renewable Generation GWh Impacts (NEM/SIA/FIT)	7.2	17.1	34.8	46.3	39.0	538.5%
Energy Efficiency Impacts (GWh) <sup>1</sup>	25.0	36.8	43.4	49.3	24.3	97.0%
Electricity Nominal Price ¢/kWh <sup>2</sup>	35.0	38.7	37.9	37.8	2.8	8.0%
<b>Commercial Sector</b>						
Sales (GWh)	773.5	749.5	747.0	750.1	(23.4)	-3.0%
Customers	9,988	9,950	10,094	10,194	206.0	2.1%
Renewable Generation GWh Impacts (NEM/SIA/FIT)	8.5	10.6	21.9	27.9	19.5	229.5%
Energy Efficiency Impacts (GWh) <sup>1</sup>	57.6	63.9	69.0	73.7	16.1	28.0%
Electricity Nominal Price ¢/kWh <sup>2</sup>	33.0	37.4	36.2	36.1	3.2	9.6%

<sup>1</sup> 2012, 2013 & 2014 includes impacts provided by Hawaii Energy.

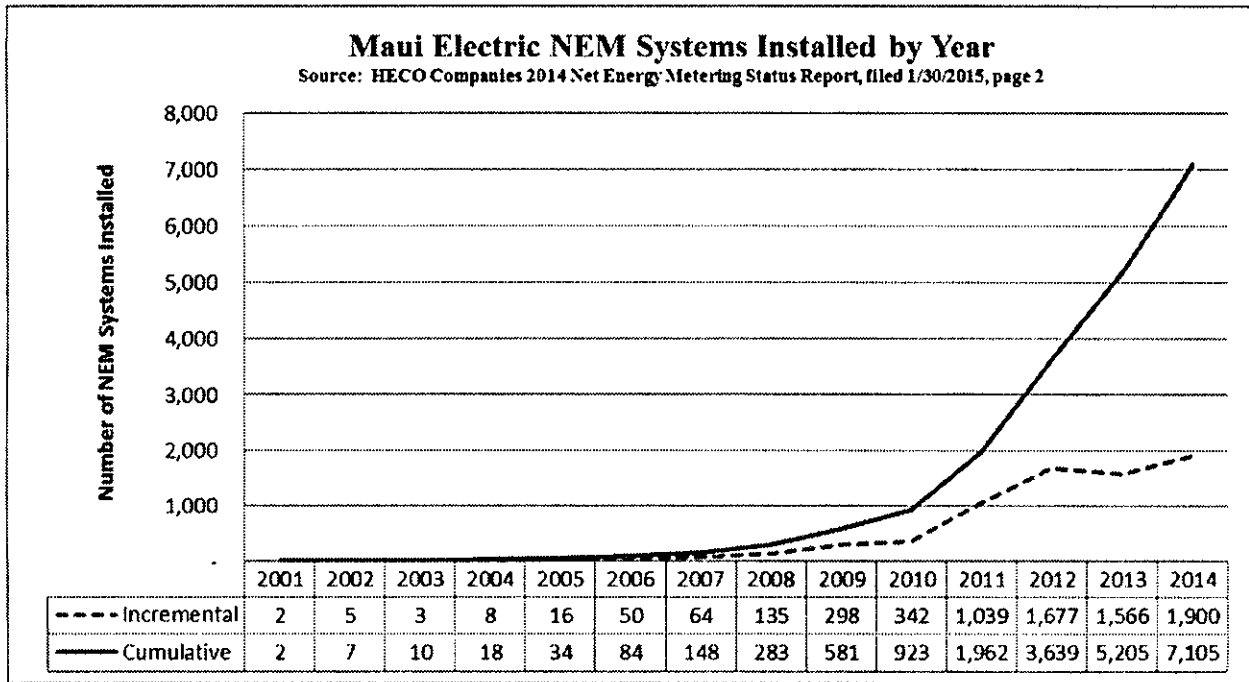
<sup>2</sup> Maui Only - excludes Schedule F

Several factors have contributed to the lower sales in 2014. First, higher penetrations of customer-sited renewable generation systems installed under Net Energy Metering (“NEM”), Standard Interconnection Agreements (“SIA”) and Feed-In-Tariffs (“FIT”) had a significant impact on sales. The cumulative 2014 impacts of systems installed under NEM, SIA and FIT<sup>10</sup> were higher than the 2012 test year assumed impacts by 538.5% for the residential sector and 229.5% for the commercial sector. As shown in the 2014 Net Energy Metering Status Report filed January 30, 2015, page 2, the cumulative number of NEM installed systems on Maui Electric’s grid jumped from 1,962 in 2011 to 7,105 in 2014, a 262% increase over three years. Refer to the graph below for the number NEM systems installed by year.

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would have been lower, but the effective per kWh interim surcharge and final base rates resulting from the rate case would have been higher.

<sup>10</sup> 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.



Second, the actual impact to sales from the installation of energy efficient technologies was also greater than the 2012 rate case forecast. Forecasted impacts were consistent with those filed in the Integrated Resource Planning (“IRP”) proceeding, Docket No. 04-0077, as more updated demand side management (“DSM”) forecast was not available at that time. From 2012 through 2014, the Public Benefits Fund Administrator achieved greater kWh reduction impacts than what was assumed in the test year.

Third, high energy prices in 2014 compared to the 2012 test year encouraged customer conservation which contributed to the decline in sales in addition to influencing the installation of renewable energy systems and energy efficient technologies.

Lastly, the economy also appears to have played a factor in lower sales compared to test year. The 2012 test year sales were based on a preliminary Maui County economic outlook prepared by the University of Hawai‘i Economic Research Organization (“UHERO”) in January 2011. At that time, continued recovery in the U.S. and global economies supported the recovery in the visitor industry and was expected to drive Maui and Lāna‘i’s slow economic growth



partially offset by a weak construction outlook and rising energy costs in Maui County. On Moloka'i, visitor industry growth was not projected to significantly impact Moloka'i since tourism has played a limited role in their economy.

However, the economic rebound has been less dynamic than previous post-recession recoveries. As 2011 progressed, rather than strengthen, the U.S. economic recovery slowed, and other global economies struggled. Despite some recent upticks, Hawai'i's economic recovery remains uneven and vulnerable to the effects from external events such as natural disasters, global conflicts, rising fuel costs and uncertainty in Federal spending.

In summary, declining sales in 2014 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. This shortfall was offset by 2014 recoveries through the RBA Rate Adjustment, which lowered the balance in the RBA to \$6.8 million at the end of 2014.

#### O&M RAM Adjustment

The 2015 operations and maintenance ("O&M") RAM adjustment is \$2.8 million, an increase of \$0.8 million from last year's O&M RAM Adjustment. It includes the adjustments to the Commission-approved 2012 test 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 2013 through 2015, are based on bargaining unit wage increases as provided for in the current collective bargaining agreement<sup>11</sup> 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 2015 O&M RAM adjustment amount is higher than in

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<sup>11</sup> 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, 2015, based on January 1, 2013 wage rates.

2014 because it covers three years of inflation and wage increases compared to the 2014 filing, which covered those increases for two 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/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 and Depreciation and Amortization RAM

The rate base RAM return on investment adjustment (“Rate Base RAM Adjustment”) is \$7.0 million, and the depreciation and amortization RAM expense is \$3.4 million. The Rate Base RAM Adjustment is \$2.4 million higher than the 2014 RAM. As the Commission ordered in Decision and Order No. 31908 in Docket No. 2013-0141, the Rate Base RAM Adjustment reflects the prior RAM period’s rate base RAM return on investment calculation plus 90% 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.<sup>12</sup>

The \$7.0 million Rate Base RAM Adjustment estimated for the rate base RAM covers the return for the following investments:

- \$49.6 million in plant investments that went into service in 2014<sup>13</sup> and are currently serving customers; these included the following:
  - \$25.9 million in reliability improvements and proactive replacement of aging plant, including the replacement of approximately 22 miles of underground cables and 600 poles on Maui, Moloka‘i, and Lāna‘i combined, the replacement of aged

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<sup>12</sup> See Decision and Order No. 31908, pages 78-79. Also, refer to Schedule A, of Attachment 2 of this filing for the calculation of the Rate Base RAM Adjustment.

<sup>13</sup> *Exemption From and Modification of General Order No. 7, Paragraph 2.3(g), Relating to Capital Improvements, Capital Projects Completed in 2014* (“2014 G.O. 7 Report”), Attachment 3, page 1 in Docket No. 03-0257, dated March 27, 2015.

and obsolete transmission relays, and other preventive and corrective upgrades to the transmission and distribution system. Two hot section replacements of the high pressure turbine portion of combustion turbine units were also completed in 2014. The replacements are needed to maintain the reliability and efficiency of the generating units;

- \$7.8 million to serve new loads;
- \$7.5 million in other additions such as a replacement for the damaged mobile substation which is necessary to quickly respond to system emergencies in smaller substations, installation of additional data storage to be consistent with the platform used at Hawaiian Electric and Hawai'i Electric Light, and tools, equipment, and vehicles necessary to support operations;
- \$4.4 million to modernize the grid and generation, including the installation of distribution circuit monitors on selected circuits to measure real-time voltage and other power quality parameters to gather data need to further integrate renewable distributed generation, a “keep-warm” system on the deactivated units at Kahului Power Plant that allows for reactivation upon a generation shortfall consistent with the Company’s System Improvement and Curtailment Reduction Plan,<sup>14</sup> bypass dampers that provide additional operational flexibility on the generation units, upgrades to generating unit controls; and
- \$3.9 million to address safety and environmental concerns. Included in this category are the replacement of transformers and the installation of equipment for compliance with environmental requirements.

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<sup>14</sup> Maui Electric filed its System Improvement and Curtailment Reduction Plan in Docket No. 2011-0092 on September 3, 2013.

- \$58.0 million in plant investments that went into service in 2013 and are currently serving customers.
- \$48.3 million in plant investments that went into service in 2012 and are currently serving customers.<sup>15</sup>
- \$42.5 million in 2015 baseline additions calculated as the five-year average of baseline plant additions for 2010 through 2014, and included in the 2015 rate base RAM on a simple average RAM year basis (i.e., one-half of the \$42.5 million, or \$21.2 million).

These plant additions, which increase the rate base RAM, are partially offset by increases in accumulated depreciation, contributions in aid of construction (“CIAC”) and accumulated deferred income taxes (“ADIT”). The increase in CIAC reflects the actual CIAC as of December 31, 2014, plus a five-year average of the baseline CIAC, less amortization of CIAC for 2015. (There were no major project additions in 2015.) The increase in ADIT through December 31, 2014 was primarily a result of accelerated tax deductions taken for bonus depreciation resulting from the Tax Increase Prevention Act of 2014. The ADIT adjusted recorded balance at December 31, 2014 incorporates the agreement<sup>16</sup> between the Consumer Advocate and the Company regarding the treatment of the ADIT related to the tax loss carryforward in rate base. As a result, the December 2014 ADIT included in the rate base has been increased by \$11.5 million, thus decreasing the average rate base and its related rate base RAM return on investment.

The depreciation and amortization RAM adjustment of \$3.4 million reflects a corresponding increase to depreciation and amortization expense above amounts in current

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<sup>15</sup> The 2012 Rate Case included one-half of the 2012 test year estimate for 2012 plant additions. The 2013, 2014 and 2015 rate base RAMs include return on the full year actual 2012 plant additions.

<sup>16</sup> *Transmittal No. 13-01 (Decoupling), Maui Electric Company, Limited – Parties’ Letter Agreement* filed on May 14, 2013, pages 2-3.

revenue due to the net plant additions in 2012, 2013, and 2014, and the inclusion of customer information system (“CIS”) deferred project costs amortization.

#### Earnings Sharing Revenue Credits

Maui Electric’s return on equity (“ROE”), as stated in its latest 2014 Annual Report (Form 10-K), was 8.81%.<sup>17</sup> The Earnings Sharing Revenue Credit, however, is based on Maui Electric’s ratemaking ROE of 9.47%. Certain expenses not considered in establishing electric rates are excluded from the calculation of operating income to arrive at Maui Electric’s ratemaking ROE. The operating income used to calculate the Earnings Sharing Revenue Credit also included revenues of \$5.4 million that are not yet recovered but are included in the RBA balance as of December 31, 2014. The ratemaking equity investment (denominator) is a function of ratemaking rate base multiplied by the ratemaking common equity ratio. As the Company’s ratemaking ROE was 47 basis points higher than the authorized ROE of 9.00%, Maui Electric is returning to its customers 25% of the earnings in excess of the Company’s authorized ROE, or \$521,000.

#### RBA Revenue Adjustment

In total, Maui Electric’s 2015 RBA Revenue Adjustment is \$20.1 million – \$7.5 million for the RBA balance for year-end 2014, \$13.1 million in RAM revenue adjustment for 2015, reduced by \$0.5 million in earnings sharing revenue credits resulting from the 2014 ratemaking return on equity.

### VIII

In Attachment 1 of this tariff transmittal, the Company submits its proposed RBA tariff revision reflecting Maui Electric’s RBA Rate Adjustment rate in Section E of Sheet Nos. 97D

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<sup>17</sup> Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, For the fiscal year ended December 31, 2014, Form 10-K, Hawaiian Electric Industries, Inc. and Hawaiian Electric Company, Inc., page 51.

(Maui Division), 108D (Lānaʻi Division) and 152D (Molokaʻi Division). Attachment 1A provides the tariff sheet for the RBA tariff 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 2015 RBA Rate Adjustment (Summary)

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 Operations and Maintenance (“O&M”) RAM Adjustment

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

Schedule C2 – Non-Labor Exclusion Adjustment of 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 (Contribution In Aid of Construction) Summary

Schedule G1 – Baseline Capital Projects CIAC Additions

Schedule G2 – Major Capital Project CIAC Additions

Schedule G3 – CIAC Amortization

Schedule H – Earnings Sharing Calculations<sup>18</sup>

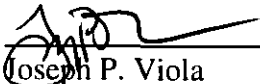
Schedule I – PUC-Ordered Adjustments

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, Maui Electric, consistent with the advance notice required by law, hereby respectfully requests that its proposed revisions to the Revenue Balancing Account Provision tariff be allowed to become effective on June 1, 2015.

DATED: Honolulu, Hawai‘i, March 31, 2015.

MAUI ELECTRIC COMPANY, LIMITED

By:   
\_\_\_\_\_  
Joseph P. Viola  
Vice President

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<sup>18</sup> The Company has provided its calculated ratemaking Return on Equity ("ROE") for year 2014 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



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

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

Effective June 1, 2015 to May 31, 2016

RBA Rate Adjustment

All Rate Schedules ..... 1.8221 ¢/kWh

F. NOTICE

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

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

G. SETTLEMENT AGREEMENT

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

H: COMMISSION'S AUTHORITY

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

MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated March 31, 2015.

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

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

Effective June 1, 2015 to May 31, 2016

RBA Rate Adjustment

All Rate Schedules ..... 1.8221 ¢/kWh

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G. SETTLEMENT AGREEMENT

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

H: COMMISSION'S AUTHORITY

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

MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated March 31, 2015.

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

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

Effective June 1, 2015 to May 31, 2016

RBA Rate Adjustment

All Rate Schedules ..... 1.8221 ¢/kWh

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

G. SETTLEMENT AGREEMENT

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

H: COMMISSION'S AUTHORITY

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

MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated March 31, 2015.

# ATTACHMENT 1A

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

Maui, Lanai, and Molokai Divisions

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

Effective ~~June 1, 2014-2015~~ to May 31, ~~2015~~2016

RBA Rate Adjustment

All Rate Schedules ..... ~~1.6239~~8221 ¢/kWh

F. NOTICE

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

- a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;
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MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated ~~May 14, 2014~~March 31, 2015.

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

Maui, Lanai, and Molokai Divisions

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

Effective ~~June 1, 2014-2015~~ to May 31, ~~2015~~ 2016

RBA Rate Adjustment

All Rate Schedules ..... 1.6239-8221 ¢/kWh

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MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated ~~May 14, 2014~~ March 31, 2015.

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

Maui, Lanai, and Molokai Divisions

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

Effective ~~June 1, 2014-2015~~ to May 31, ~~2015~~2016

RBA Rate Adjustment

All Rate Schedules ..... 1.~~6239~~8221 ¢/kWh

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H: COMMISSION'S AUTHORITY

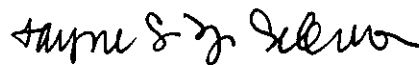
The Commission may suspend any or all parts of this Revenue Balancing Account Provision. Such suspension shall remain in place until removed by Commission Order.

MAUI ELECTRIC COMPANY, INC.

Transmittal Letter dated ~~May 14, 2014~~ March 31, 2015.

## ATTESTATION

Tayne S. Y. Sekimura, is the Financial Vice President of Maui Electric Company, Limited, 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.



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Tayne S. Y. Sekimura



Attachment 2 – List of Schedules and Workpapers

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

**MAUI ELECTRIC COMPANY, LIMITED**  
**DECOUPLING CALCULATION WORKBOOK**  
**DETERMINATION OF 2015 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	\$ 6,789,533	
2	Revenue Tax Factor	Schedule C	1.0975	
3	Revenue for RBA Balance			\$ 7,451,513
<u>RATE ADJUSTMENT MECHANISM "RAM" AMOUNT:</u>				
4	O&M RAM	Schedule C	\$ 2,764,684	
5	Rate Base RAM - Return on Investment	Note (2)	\$ 6,971,340	
6	Depreciation & Amortization RAM Expense	Schedule E	\$ 3,394,698	
7	Total RAM Revenue Adjustment			\$ 13,130,722
8	<u>EARNINGS SHARING REVENUE CREDITS - 2014 ROE:</u>	Schedule H		\$ (520,522)
9	<u>PUC-ORDERED MAJOR OR BASELINE CAPITAL PROJECTS CREDITS:</u>	Schedule I		\$ -
10	TOTAL RBA REVENUE ADJUSTMENT	Sum Col. (d)		\$ 20,061,713
11a	GWH SALES VOLUME ESTIMATE JUNE 2015 - MAY 2016	MECO-WP-A-001		1,101,025
12a	RBA RATE ADJUSTMENT, RBA Balance - ¢ per kWh	Note (1)		<u>1.8221</u>
13	MONTHLY BILL IMPACT @ 600 KWH - Maui Division			\$ 10.93
14	MONTHLY BILL IMPACT @ 400 KWH - Molokai and Lanai Divisions			\$ 7.29

Note (1): 2015 RBA Rate Adjustment Breakdown

	Col. (d)	Rate Adjustment cents per kWh	Percentage Share
RBA Balance	\$ 7,451,513	0.67677983	37.1430%
RAM Amount	\$ 13,130,722	1.19259075	65.4517%
Earnings Sharing Revenue Credits	\$ (520,522)	-0.04727616	-2.5946%
Major or Baseline Capital Projects Credits	\$ -	0.00000000	0.0000%
	\$ 20,061,713	1.82209422	100.00%

Note (2): Rate Base RAM - Return on Investment

Rate Base RAM Return on Investment - Current Year (2015)	Schedule D	a	\$ 7,203,333
Rate Base RAM Return on Investment - Prior Year (2014)	MECO 5/14/14 Decoupling Filing, Sch D	b	\$ 4,883,410
Rate Base RAM Return on Investment - Current Year (2015) Incremental		c = a - b	\$ 2,319,923
	D&O 31908, p.78-79, Docket No. 2013-0141 February 7, 2014	d	90%
Rate Base RAM Return on Investment -90% of Current Year (2015) Incremental		e = c x d	\$ 2,087,930
Rate Base RAM Return on Investment - Prior Year (2014)		b	\$ 4,883,410
Rate Base RAM Return on Investment Prior Year + 90% of Current Year Incremental		f = e + b	\$ 6,971,340

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

Line No.	Month	Beginning Balance	Target Revenues	Recorded Adjusted Revenue	Variance to RBA	Adjustment for prior year RBA recovery	Adjustment	Tax-effected Balances Subject to Interest	Interest at 6% or 1.25%/year	Ending Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Monthly RBA Balance and Activity (Monthly PUC Rpt., Pg. 9A)										
1	2013 December	\$ 9,181,027	\$ 10,183,458	\$ 10,095,600	\$ 87,858	\$ (455,271)	\$ (68,595)	n/a	\$ 44,644	\$ 8,780,863
2	January 2014 Adjustments - (Note 1)									\$ (12,125)
3	REVISED 2013 December									\$ 8,777,538
4	2014 January	\$ 8,780,863	\$ 10,383,870	\$ 9,793,420	\$ 590,450	\$ (432,879)	\$ (9,226)	n/a	\$ 44,286	\$ 8,982,304
5	February	\$ 8,982,304	\$ 9,208,447	\$ 9,199,215	\$ 7,232	\$ (401,038)	\$ -	n/a	\$ 43,927	\$ 8,632,425
6	March	\$ 8,632,425	\$ 10,371,345	\$ 9,931,482	\$ 439,863	\$ (428,425)	\$ 10,643	n/a	\$ 9,010	\$ 8,665,517
7	April	\$ 8,665,517	\$ 9,870,313	\$ 9,875,102	\$ 195,211	\$ (418,735)	\$ -	n/a	\$ 8,911	\$ 8,452,903
8	May	\$ 8,452,903	\$ 10,498,802	\$ 10,112,790	\$ 383,812	\$ (443,005)	\$ (41,405)	\$ 5,120,503	\$ 5,334	\$ 8,357,838
9	June	\$ 8,357,838	\$ 11,050,858	\$ 10,228,912	\$ 821,976	\$ (738,833)	\$ -	\$ 5,130,772	\$ 5,345	\$ 8,445,128
10	July	\$ 8,445,128	\$ 11,518,378	\$ 10,860,195	\$ 658,181	\$ (803,716)	\$ (1,948)	\$ 5,113,484	\$ 5,327	\$ 8,302,970
11	August	\$ 8,302,970	\$ 11,687,191	\$ 11,008,364	\$ 680,827	\$ (806,393)	\$ -	\$ 5,033,930	\$ 5,244	\$ 8,182,648
12	September	\$ 8,182,648	\$ 10,830,130	\$ 10,430,754	\$ 399,376	\$ (771,042)	\$ (90)	\$ 4,885,199	\$ 5,089	\$ 7,815,061
13	October	\$ 7,815,061	\$ 11,401,504	\$ 10,940,596	\$ 460,908	\$ (819,165)	\$ -	\$ 4,865,353	\$ 4,860	\$ 7,482,584
14	November	\$ 7,482,584	\$ 10,835,343	\$ 10,208,893	\$ 425,650	\$ (744,615)	\$ -	\$ 4,481,465	\$ 4,647	\$ 7,148,266
15	December	\$ 7,148,266	\$ 10,557,429	\$ 10,185,837	\$ 371,592	\$ (734,758)	\$ -	\$ 4,255,947	\$ 4,433	\$ 6,789,533
17	2015 January	\$ -	\$ 10,765,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	February	\$ -	\$ 9,544,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	March	\$ -	\$ 10,752,215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	April	\$ -	\$ 10,232,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	May	\$ -	\$ 10,882,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	June	\$ -	\$ 11,388,951	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	July	\$ -	\$ 11,870,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	August	\$ -	\$ 12,044,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	September	\$ -	\$ 11,161,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	October	\$ -	\$ 11,750,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	November	\$ -	\$ 10,960,095	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	December	\$ -	\$ 10,880,398	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sources of Data			Sch B1	Sch B2	Col (c) - (d)	Note (2)	Note (1)	Col (h)+(g)+((e)+(f))/2*(i)	Note (3), (4)	Col (b)+(f)+(g)+
Composite Federal & State Income Tax Rate									38.91% (k)	
Income Tax Factor ( 1 / 1-tax rate)									1.639929 (l)	

Note (1) Adjustment Summary

Month	Worksheet Reference	RBA True-up Adjustment	RBA Interest Adjustments	Total Adjustment	Adjustment Description
		Sch B2, Line 21			
29	2014 January	MECC-WP-B-002	(9,203)	(23)	Correction for error in December 2013 RBA calculation
30	January	MECC-WP-B-002	(2,892)	(7)	Correction for error in December 2013 RBA calculation to properly state the Dec 2013 balance. The correction was made in Jan 2014 directly to Recorded Adjusted Revenue and therefore, does not appear in the "Adjustment" column of Schedule B above
31	March	MECC-WP-B-003	10,643	10,643	Out of period billing adjustments
32	May	MECC-WP-B-004	(41,405)	(41,405)	Adj to reflect interest calculated on RBA bal, net of def taxes, for January to April 2014
33	July	MECC-WP-B-005	(1,948)	(1,948)	Adj to correct out of period billing adjustment from March
34	September	MECC-WP-B-006	(90)	(90)	Adjustment to correct August variance to RBA

Note (2):

Amounts represent recovery of prior years' RBA balance through the RBA rate adjustment effective June 1, 2013 for the period June 2013 through May 2014 and June 1, 2014 for the period June 2014 through May 2015.

Note (3):

In Decision and Order No. 31908 filed in February 7, 2014, the Commission ordered the Company to utilize the short term debt rate as established in deriving the consolidated cost of capital in the last full rate case in computing interest on the outstanding RBA balance. The Commission approved the RBA tariff amendments for the Company implementing the revised interest rate effective as of March 1, 2014 in Decision and Order No. 32001 filed March 31, 2014. As a result, the interest rate used to compute the RBA interest was changed from 6% to 1.25% as of March 1, 2014.

Note (4):

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, in May 2014, the Company made an adjustment of \$41,405, as reflected in Note 1 to the RBA balance for the interest on a net-of-income tax RBA balance for the period January 1 - April 30, 2014. Starting with May 2014, Schedule B has been updated to calculate interest based on a net-of-income tax RBA balance.

**MAUI ELECTRIC COMPANY, LIMITED  
DECOMPLING CALCULATION WORKBOOK  
DETERMINATION OF TARGET REVENUES**

Line No.	Description	Reference	D&O No 31288		D&O No 31288		D&O No 31288		D&O No 31288	
			Docket No 2011-0062	Amounts	Docket No 2011-0062	Amounts	Docket No 2011-0092	Amounts	Docket No 2011-0092	Amounts
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Last Rate Case Annual Electric Revenue at Approved Rate Level <sup>1</sup>	Note (1)	\$000s	\$ 418,810	\$ 418,810	\$ 418,810	\$ 418,810	\$ 418,810	\$ 418,810	\$ 418,810
2	Less: Fuel Expense	Note (1)	\$000s	\$ (212,580)	\$ (212,580)	\$ (212,580)	\$ (212,580)	\$ (212,580)	\$ (212,580)	\$ (212,580)
3	Purchased Power Expense	Note (1)	\$000s	\$ (44,856)	\$ (44,856)	\$ (44,856)	\$ (44,856)	\$ (44,856)	\$ (44,856)	\$ (44,856)
4	Revenue Taxes on Line 1 (8.885% statutory rates)		\$000s	\$ (37,034)	\$ (37,034)	\$ (37,034)	\$ (37,034)	\$ (37,034)	\$ (37,034)	\$ (37,034)
5	Last Rate Order Target Annual Revenue	Sum Lines 1.. 4	\$000s	\$ 122,340	\$ 122,340	\$ 122,340	\$ 122,340	\$ 122,340	\$ 122,340	\$ 122,340
6	Add: Authorized RAM Revenues - Transmittal No 13-01	Tariff Transmittal	\$000s	\$ 3,239	\$ 3,239	\$ -	\$ -	\$ -	\$ -	\$ -
7	Less: Revenue Taxes on Line 6 at 8.885%		\$000s	\$ (289)	\$ (289)	\$ -	\$ -	\$ -	\$ -	\$ -
8	Net RAM Adjustment - Test Year +1	Lines 6+7	\$000s	\$ 2,952	\$ 2,952	\$ -	\$ -	\$ -	\$ -	\$ -
9	Revenue June 2013 and July 2013 RAM		\$000s	\$ (541)	\$ (541)	\$ -	\$ -	\$ -	\$ -	\$ -
10	Adjusted RAM for August 2013 to May 2014, Annualized	Lines 8+9	\$000s	\$ 2,917	\$ 2,917	\$ -	\$ -	\$ -	\$ -	\$ -
11	Authorized RAM Revenues - Transmittal No 14-05	Sch. A, line 7	\$000s	\$ -	\$ -	\$ 8,617	\$ 8,617	\$ -	\$ -	\$ -
12	Less: Revenue Taxes on Line 11 at 8.885%		\$000s	\$ -	\$ -	\$ (766)	\$ (766)	\$ -	\$ -	\$ -
13	Net RAM Adjustment - Test Year +2	Lines 11+12 + Aug to May Factors)	\$000s	\$ -	\$ -	\$ 7,851	\$ 7,851	\$ -	\$ -	\$ -
14	Authorized RAM Revenues	Sch. A, line 7	\$000s	\$ -	\$ -	\$ -	\$ -	\$ 13,131	\$ 13,131	\$ 13,131
15	Less: Revenue Taxes on Line 14 at 8.885%		\$000s	\$ -	\$ -	\$ -	\$ -	\$ (1,167)	\$ (1,167)	\$ (1,167)
16	Net RAM Adjustment - Test Year +3	Lines 14+15	\$000s	\$ -	\$ -	\$ -	\$ -	\$ 11,964	\$ 11,964	\$ 11,964
17	Less: EARNINGS SHARING REVENUE CREDITS - 2013 ROE	Sch H or Sch A, Ln E	\$000s	\$ -	\$ -	\$ (367)	\$ (367)	\$ (521)	\$ (521)	\$ (521)
18	Less: Revenue Taxes on Line 17 at 8.885%		\$000s	\$ -	\$ -	\$ 33	\$ 33	\$ 46	\$ 46	\$ 46
19	Net Earnings Sharing Revenue Credits from 2013	Lines 17 + 18	\$000s	\$ -	\$ -	\$ (334)	\$ (334)	\$ (474)	\$ (474)	\$ (474)
20	PUC-ORDERED MAJOR OR BASELINE CAPITAL CREDITS	Sch I or Sch A, Ln 9	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Total Annual Target Revenues		\$000s	\$ 125,258	\$ 125,258	\$ -	\$ -	\$ -	\$ -	\$ -
22	August 1, 2013 Annualized Revenues + Adj 2013 RAM Revenues	Lines 5 + 10	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	June 1, 2014 Annualized Revenues + 2014 RAM Revenues	Lines 5 + 13 + 19	\$000s	\$ -	\$ -	\$ 129,858	\$ 129,858	\$ -	\$ -	\$ -
24	June 1, 2015 Annualized Revenues + 2015 RAM Revenues	Lines 5 + 16 + 18	\$000s	\$ -	\$ -	\$ -	\$ -	\$ 133,830	\$ 133,830	\$ 133,830
25	Distribution of Target Revenues by Month in Dollars	Note (2)		2013	2014	2014	2015	2015	2016	
26	January			-	\$10,383,870	-	\$10,765,201	-	\$11,064,525	
27	February			-	\$9,206,447	-	\$9,544,530	-	\$9,838,521	
28	March			-	\$10,371,345	-	\$10,752,215	-	\$11,081,142	
29	April			-	\$9,870,313	-	\$10,232,785	-	\$10,545,821	
30	May			-	\$10,498,902	-	\$10,862,073	-	\$11,214,872	
31	June - June 1st is assumed effective date of RAM			-	-	\$11,050,868	-	\$11,388,951	-	
32	July			-	-	\$11,518,378	-	\$11,870,740	-	
33	August			\$11,273,201	-	\$11,887,191	-	\$12,044,719	-	
34	September			\$10,448,499	-	\$10,830,130	-	\$11,161,440	-	
35	October			\$10,967,633	-	\$11,401,504	-	\$11,750,293	-	
36	November			\$10,258,813	-	\$10,635,343	-	\$10,980,895	-	
37	December			\$10,183,458	-	\$10,557,428	-	\$10,890,306	-	
38	Total Distributed Target Revenues		100.00%	\$53,158,404	\$50,328,577	\$77,680,861	\$52,178,813	\$80,057,234	\$53,772,961	

**Footnotes**

- Docket No. 2011-0062 Interim amounts derived from Interim Decision & Order, Exhibit A, page 1, dated May 21, 2012.  
Docket No. 2011-0062 Final amounts derived from MECO Revised Results of Operations, Exhibit 1A, Page 1, filed June 17, 2013
- RBA Tariff effective June 1, 2012 based on 2012 test year

**MAIL ELECTRON COMPANY LIMITED**  
**REVENUE AND CALCULATION DETERMINATION**  
**DETERMINATION OF RECORDED ADJUSTED REVENUES**

Line No.	Description	January 2014	February 2014	March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	September 2014	October 2014	November 2014	December 2014
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
<b>BILLED REVENUES:</b>													
1	Current month's billed revenues	37,811,832	33,500,796	33,880,117	33,443,343	36,322,940	36,063,457	38,107,246	37,780,302	37,553,021	37,785,488	35,424,074	34,610,277
2	Remove PSE revenues	(518,514)	(467,025)	(456,036)	(463,907)	(481,759)	(477,449)	(534,901)	(555,853)	(565,825)	(584,083)	(538,481)	(453,346)
3	Remove Billed Server non-revenue	-	-	-	36,850	31,262	15	0	11	1	0	-	-
4	Other items	(2,872)	(5,013)	(2,141)	(6,224)	(7,156)	(6,336)	(4,569)	(1)	(1,011)	(8,082)	(7,803)	(8,130)
5*													
sum 1-4	<b>BILLED REVENUES</b>	<b>37,279,646</b>	<b>32,558,761</b>	<b>33,429,949</b>	<b>32,899,263</b>	<b>34,868,867</b>	<b>34,579,888</b>	<b>37,667,728</b>	<b>37,187,647</b>	<b>36,791,228</b>	<b>37,213,343</b>	<b>34,888,796</b>	<b>34,144,783</b>
<b>UNBILLED REVENUES:</b>													
6	Current month's unbilled revenue	15,988,008	16,300,834	18,828,119	17,226,472	17,303,674	17,158,907	17,860,920	18,354,026	17,223,908	17,824,428	18,006,253	17,679,049
7	Reverse prior month's unbilled revenues	(17,862,812)	(15,988,008)	(15,320,834)	(16,828,119)	(17,226,472)	(17,303,674)	(17,158,907)	(17,860,920)	(18,354,026)	(17,223,908)	(17,824,428)	(18,006,253)
8*													
5-7	Unbilled revenues per Unbilled Sales and Revenue Estimate	(2,363,563)	(248,425)	1,279,485	587,364	127,401	(84,887)	632,014	883,108	(1,130,119)	706,520	61,426	(327,203)
9	Recovery of 120113 RBA balance through RBA Rate Adjustment beginning 6/1/13	(478,081)	(460,145)	(468,006)	(467,374)	(486,204)	-	-	-	-	-	-	-
10	Recovery of 120113 RBA balance through RBA Rate Adjustment beginning 6/1/14	-	-	-	-	-	-	-	-	-	-	-	-
11	Adjustment for ECAC accrual	77,800	853,400	(80,800)	(434,400)	52,000	(287,900)	(134,300)	(17,000)	800,500	(205,000)	(526,000)	(928,300)
12	Reversal of ECAC accrual	(41,888)	(284,200)	(284,200)	(284,200)	(215,534)	(216,534)	(216,534)	(249,800)	(249,800)	(248,900)	(228,388)	(228,388)
13	Adjustment for PPAC accrual	(13,700)	19,638	(34,277)	13,888	(23,758)	6,388	(18,744)	(95,788)	(110,847)	(118,288)	(88,383)	(21,824)
14	Reversal of PPAC accrual	88,088	108,688	108,688	108,702	8,883	8,883	8,881	2,101	2,101	2,100	75,142	75,142
15	ITP Non-labor adjustment	(2,008)	(2,218)	(2,341)	(801)	(2,901)	-	(4,029)	-	(2,843)	(3,114)	(2,781)	(3,384)
16	ESM Revenue Accrual	-	-	-	-	-	-	-	-	-	-	-	-
17	Non-labor ESM Related Provisions Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
18	Other manual adjustments	(231,804)	-	-	-	31,207	-	32,527	53,004	30,584	32,187	30,834	29,814
19	RBA gross up for revenue taxes	37,577	706	42,883	19,034	37,427	80,354	64,182	64,390	38,945	44,945	41,507	36,235
20	Accrual of current month's RBA (PUC Monthly Financial Report per SA)	580,850	7,232	438,883	185,213	343,413	812,976	854,181	640,827	399,376	460,708	425,698	371,592
21	Adjust prior month RBA balance	18,263	-	19,643	-	-	-	11,848	895	-	-	-	-
22	Adjust prior month RBA related revenue taxes	(987)	-	1,028	-	-	-	(1,001)	-	-	-	-	-
23*													
sum 6-22	Month-end unbilled accruals	41,841	63,581	(223,120)	(820,646)	(2,481,520)	(447,387)	(482,918)	21,388	561,289	(430,377)	(1,122,047)	(1,870,448)
24*													
24-25	<b>UNBILLED REVENUES</b>	<b>(2,362,812)</b>	<b>(184,834)</b>	<b>1,682,269</b>	<b>(233,884)</b>	<b>(1,387,781)</b>	<b>(842,864)</b>	<b>79,881</b>	<b>864,478</b>	<b>(468,238)</b>	<b>286,143</b>	<b>(1,828,242)</b>	<b>(2,297,832)</b>
25*													
25-24	<b>TOTAL REVENUES PER SA (PUC Monthly Financial Report per SA)</b>	<b>34,916,834</b>	<b>32,373,927</b>	<b>34,747,269</b>	<b>32,765,379</b>	<b>33,481,086</b>	<b>33,737,024</b>	<b>37,747,609</b>	<b>37,052,125</b>	<b>36,323,090</b>	<b>37,439,106</b>	<b>33,060,554</b>	<b>31,846,951</b>
<b>Billed Adjustments to Determine Adjusted Revenues for RBA:</b>													
26	Remove 2710 status process	-	-	-	-	-	-	-	-	-	-	-	-
27	Remove ECAC revenues	(1,675,317)	(1,763,782)	(1,887,265)	(1,881,418)	(1,842,264)	(1,814,897)	(1,708,348)	(1,435,286)	(923,968)	(804,029)	(878,303)	(822,251)
28	Remove ECAC surcharge adjustment	-	-	-	-	-	-	-	-	-	-	-	-
29	Remove PPAC revenues	(87,448)	(47,080)	(41,457)	(43,420)	(89,874)	(148,672)	(158,138)	(161,582)	(165,502)	(164,488)	(118,627)	(76,638)
30	Remove DEM/SPSS revenues	(2,543)	(2,184)	(2,278)	1,171	125	(2,838)	(2,887)	(2,847)	(2,888)	(3,072)	(2,817)	(2,762)
31	Remove revenue taxes of PSE revenues	(36,385)	(31,173)	(31,104)	(30,989)	(32,853)	(32,584)	(38,444)	(37,888)	(37,810)	(38,472)	(35,809)	(30,821)
32	Remove revenue taxes on collect revenue taxes	(3,140,737)	(2,788,854)	(2,784,227)	(2,777,825)	(3,002,790)	(2,883,584)	(3,168,373)	(3,168,488)	(3,168,414)	(3,216,308)	(3,007,388)	(2,867,983)
33	Remove base tax (included for revenue taxes)	(17,141,857)	(15,498,582)	(15,600,388)	(15,429,424)	(16,882,522)	(16,538,434)	(17,417,882)	(17,375,717)	(17,452,004)	(17,781,808)	(18,071,370)	(18,313,082)
34	Remove power purchase energy (included for revenue taxes)	(2,678,880)	(3,122,889)	(3,148,748)	(3,142,356)	(3,379,742)	(3,326,032)	(3,530,448)	(3,487,001)	(3,521,717)	(3,558,534)	(3,348,126)	(3,308,538)
35	Remove other billing adjustments (included for revenue taxes)	(82,474)	-	12,841	-	-	-	-	-	-	-	-	-
<b>Unbilled Adjustments to Determine Adjusted Revenues for RBA:</b>													
36	Remove 2010 status increase	-	-	-	-	-	-	-	-	-	-	-	-
37	Remove ECAC revenues	220,848	(180,717)	28,811	34,620	(125,778)	219,460	(38,112)	229,823	213,274	(1,022)	(17,587)	400,383
38	ECAC surcharge adjustment	-	-	-	-	-	-	-	-	-	-	-	-
39*													
40	Remove PPAC revenues	(51,734)	(88,802)	(29,000)	88,800	183,534	582,834	318,833	(223,902)	(1,025,405)	(44,803)	754,888	1,154,888
41*													
42	Remove DEM revenues	2,868	11,930	(8,982)	1,407	(2,570)	1,228	(2,233)	(7,891)	4,577	(8,472)	38,946	455
43-44	Remove PPAC accrual	(81,388)	(128,319)	(78,654)	(121,720)	18,752	(15,548)	8,803	83,488	108,748	116,488	24,243	(53,212)
45	Remove DEN revenues	198	(17)	(100)	(245)	22	25	(42)	(82)	7	(42)	26	44
46	ITP Non-labor adjustment	2,080	2,710	2,341	901	2,901	(7,647)	3,028	3,037	2,843	3,114	2,781	(3,384)
47	Remove ESM Related Accrual and Amortize	-	-	-	-	-	-	-	-	-	-	-	-
48	Other manual adjustments	232,808	-	-	-	-	-	(28,884)	(32,827)	(39,004)	(30,564)	(32,187)	(30,044)
49	Remove RBA accruals	(880,450)	(7,322)	(438,883)	(185,211)	(543,812)	(821,878)	(858,181)	(880,877)	(869,378)	(880,808)	(428,808)	(371,582)
50	Remove RBA gross up for revenue taxes	(57,877)	(705)	(42,883)	(19,034)	(37,427)	(80,354)	(64,182)	(64,390)	(38,945)	(44,945)	(41,507)	(36,235)
51	Remove prior month RBA adjustment	18,263	-	19,643	-	-	-	11,848	895	-	-	-	-
52	Remove revenue taxes on unbilled revenues	234,981	77,083	(73,654)	(15,584)	47,838	88,871	34,883	(118)	155,683	19,277	74,903	65,103
53	Remove base tax (included for revenue taxes)	1,151,988	178,977	(815,688)	(857,581)	88,000	184,130	(280,589)	(421,873)	423,035	(387,788)	40,023	17,447
54	Remove power purchase energy (included for revenue taxes)	272,264	27,628	(32,208)	(42,419)	(17,448)	32,025	145,528	(161,178)	87,550	(77,732)	12,336	22,495
55*													
sum 26-54	Total billed and unbilled adjustments to determine adjusted revenues for RBA	(28,183,513)	(23,854,822)	(24,542,824)	(25,121,858)	(25,831,486)	(24,707,822)	(28,777,534)	(26,485,856)	(25,781,754)	(26,537,880)	(23,658,850)	(21,865,303)
52*													
24 + 51	<b>RECORDED ADJUSTED REVENUES FOR RBA DETERMINATION</b> (PUC Monthly Financial Report per SA-1)	<b>6,733,321</b>	<b>9,519,105</b>	<b>9,931,432</b>	<b>9,643,521</b>	<b>11,112,799</b>	<b>10,229,202</b>	<b>10,000,075</b>	<b>11,000,369</b>	<b>10,536,336</b>	<b>10,801,226</b>	<b>11,201,704</b>	<b>9,981,648</b>

MCCO WP-8-001 page 1 of 2

MCCO WP-6-001 page 2 of 2

**MAUI ELECTRIC COMPANY, LIMITED**  
**DECOUPLING CALCULATION WORKBOOK**  
**DETERMINATION OF O&M RAM ADJUSTMENT**  
**(\$ in Thousands)**

Line No.	Description (a)	Reference (b)	D&O No. 31288 Docket No. 2011-0092 Approved (c)	Footnote 4 Previously Approved RAM (d)	O&M Subject to Escalation Col (c) + (d) (e)	Net Inflation Indices Footnote 2 (f)	2015 O&M RAM Adjustment Col (e) * (f) (g)	
1	Base BU Labor Expenses	Schedule C1	\$ 14,330	\$ -	\$ 14,330	6.65%	\$ 953	
2	Base Non-Labor Expense	Schedule C2	33,338	-	33,338	4.46%	1,488	
3	Payroll Taxes	Footnote 1	1,167	-	1,167	6.65%	78	
4	Subtotal Expense Increase - RAM Adjustment before revenue taxes							\$ 2,519
5	Revenue Tax Factor (Footnote 3)							1.0975
6	O&M RAM (Subtotal Expenses x Rev Tax Factor)							<u>\$ 2,765</u>

\* Amounts may not add due to rounding

Footnotes:

(1) Payroll Taxes per D&O No. 31288, dated May 31, 2013 in Docket No. 2011-0092, Exhibit A, page 4

Less: Portion of payroll taxes related to non-BU labor <sup>A</sup>	(36.86% * 1,849)	\$ 1,849
Payroll Taxes related to Bargaining Unit labor		<u>\$ (682)</u>
		\$ 1,167

<sup>A</sup> See Schedule C1 for calculation of percentage related to non-BU labor.

(2) Escalation Rates

Labor:	2013	2014	2015	
Bargaining Unit Wage Increase	2.88%	3.00%	2.91%	(See MECO-WP-C-001)
Less: Labor Productivity Offset	0.76%	0.76%	0.76%	Approved in Final D&O in Docket No. 2008-0274, page 51, filed on August 31, 2010
<b>Labor Cost Escalation Rate</b>	<b>2.12%</b>	<b>2.24%</b>	<b>2.15%</b>	

2013 Labor Cost Escalation	1.0212	A (2013 non-labor escalation plus 1)
2014 Labor Cost Escalation	1.0224	B (2014 non-labor escalation plus 1)
2015 Labor Cost Escalation	1.0215	C (2015 non-labor escalation plus 1)
2013-2015 Compounded Labor Cost Escalation	1.0665	D = A * B * C
2013-2015 Compounded Labor Cost %	0.0665	E = D - 1

Non-Labor:	2013	2014	2015	
GDP Price Index	1.70%	1.80%	1.10%	(See MECO-WP-C-002)

2013 Non-Labor Cost Escalation	1.0170	F (2013 non-labor escalation plus 1)
2014 Non-Labor Cost Escalation	1.0180	G (2014 non-labor escalation plus 1)
2015 Non-Labor Cost Escalation	1.0110	H (2015 non-labor escalation plus 1)
2013-2015 Compounded Non-Labor Cost Escalation	1.0446	I = F * G * H
2015 Compounded Non-Labor Cost %	0.0446	J = I - 1

(3) Computation of Revenue Tax Factor

Public Service Tax Rate	0.05885
PUC Fees Rate	0.00500
Franchise Tax Rate	0.02500
<b>Total Revenue Tax Rate</b>	<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.

**MAUI ELECTRIC COMPANY, LIMITED**  
**DECOUPLING CALCULATION WORKBOOK**  
**SUMMARY OF**  
**OPERATIONS AND MAINTENANCE LABOR AND NON-LABOR EXPENSE**  
D&O No. 31288 - Docket No. 2011-0092  
('000)

Line No.	(a) DESCRIPTION	(b) BU LABOR (Note 1)	(c) Non-BU LABOR (Note 2)	(d) TOTAL LABOR	(e) NON-LABOR (Note 3)	(f) TOTAL (Note 4)
1	Operation and Maintenance	14,330	8,366	22,696	38,682	61,378
2	Percentage of Total O&M Labor	63.14%	36.86%	100%		

\* amounts may not add due to rounding

Footnotes:

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

(2) 8,496 Transmittal No. 13-01 (Decoupling), Schedule C1 (With Settlement)  
Exhibit 1C, Page 16, Item 45, of *MECO Revised Results of Operations, Tariff Sheets and Refund Plan*, filed on June 17, 2013, in Docket No. 2011-0092. Adjustment is non-BU labor.  
(130)  
8,366

(3) 41,954 Transmittal No. 13-01 (Decoupling), Schedule C1 (With Settlement)  
Exhibit 1C, Page 21, Items 41-45, of *MECO Revised Results of Operations, Tariff Sheets and Refund Plan*, filed on June 17, 2013, in Docket No. 2011-0092. Adjustment is non-BU labor.  
(3,272)  
38,682

(4) sum of columns (d) and (e)

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

Line No.	Description (a)	Amount (b)	Reference (c)
1	Pension Expense	7,123	Exhibit 3, Attachment 2, Page 2, Column B, Line 3, MECO T-12, Response to Final D&O, of MECO Revised Results of Operations, Tariff Sheets and Refund Plan, filed on June 17, 2013, in Docket No. 2011-0092.
2			
3			
4			
5	OPEB Expense	544	Exhibit 3, Attachment 2, Page 2, Column B, Line 8, MECO T-12, Response to Final D&O, of MECO Revised Results of Operations, Tariff Sheets and Refund Plan, filed on June 17, 2013, in Docket No. 2011-0092.
6			
7			
8	Total before amounts transferred	7,667	
9			
10	O&M %	69.70%	See Interim Decision & Order No. 30396 page 24, Docket No. 2011-0092, dated May 21, 2012
11	(1- transfer rate of 30.3%)		
12			
13			
14	Adjustment to Non-Labor O&M Expense		
15	for O&M RAM base	5,344	
16			
17			
18	Non-Labor O&M Expense per Decision & Order No. 31288	38,682	Schedule C1
19			
20			
21	Non-Labor O&M Expense Base for		
22	O&M RAM base	<u>33,338</u>	



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

Line No.	Description (a)	AMOUNTS (IN THOUSANDS) (b)	PERCENT OF TOTAL (c)	COST RATE (d)	POST TAX WEIGHTED EARNINGS REQMTS (e)	INCOME TAX FACTOR Note (1) (f)	PRETAX WEIGHTED EARNINGS REQMTS (g)
1	<b>PUC APPROVED CAPITAL STRUCTURE &amp; COSTS</b> (Decision & Order No. 31288, Docket No. 2011-0092, page 113, dated May 31, 2013) Att. 1A, page 2):						
2	Short-Term Debt	\$ 5,003	1.23%	1.25%	0.02%	1.000000	0.02%
3	Long-Term Debt	156,370	38.44%	5.06%	1.95%	1.000000	1.95%
4	Hybrid Securities	9,373	2.30%	7.32%	0.17%	1.000000	0.17%
5	Preferred Stock	4,744	1.17%	8.25%	0.10%	1.636929	0.16%
6	Common Equity	231,310	56.86%	9.00%	5.12%	1.636929	8.38%
7	Total Capitalization	<u>\$ 406,800</u>	<u>100.00%</u>		<u>7.34%</u>		<u>10.66%</u>
8	RAM CHANGE IN RATE BASE \$000 (From Schedule D1)						\$ 61,569.6
9	PRETAX RATE OF RETURN (Line 7, Col g)						10.66%
10	PRETAX RETURN REQUIREMENT						\$ 6,563.3
11	REVENUE TAX FACTOR (1/(1-8.885%))						1.0975
12	RATE BASE RAM - RETURN ON INVESTMENT \$000						<u>\$ 7,203.3</u>

\* Amounts may not add due to rounding.

Footnote:

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

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

Line No.	Description (a)	MECO 2012 Test Year Rate Base		MECO 2015 RAM Rate Base		
		Beg. Balance 12/31/2011 (b)	Budgeted Balance 12/31/2012 (c)	Adjusted Recorded at 12/31/2014 (d) Note (1)	RAM Projected Amounts (e) See Detail Below	Estimated at 12/31/2015 (f)
1	Net Cost of Plant in Service	\$ 465,783	\$ 493,298	\$ 574,208	\$ 17,824	\$ 582,032
2	Property Held for Future Use	1,303	1,303			
3	Fuel Inventory	18,577	18,577			
4	Materials & Supplies Inventories	13,387	13,387			
5	Unamort Net SFAS 109 Reg Asset	8,405	8,842			
6	Pension Asset	3,453	4,377			
7	Unamort OPEB Reg Asset	344	261			
8	Unamort Sys Dev Costs	1,240	1,487			
9	Contrib in Excess of NPPC	3,101	8,400			
10	CIS Deferred Cost			2,428	(233)	2,195
11	not used					
12	Total Additions	\$ 515,593	\$ 549,732	\$ 629,758	\$ 17,591	\$ 647,348
13	Unamortized CIAC	\$ (74,766)	\$ (83,821)	\$ (85,047)	\$ (3,268)	\$ (88,315)
14	Customer Advances	(4,649)	(4,599)			
15	Customer Deposits	(4,346)	(4,812)			
16	Accumulated Def Income Taxes	(42,143)	(55,668)	(85,570)	(534)	(86,104)
17	Unamortized State ITC (Gross)	(12,150)	(12,752)			
18	Unearned Interest Income	-	-			
19	Unamortized Gain on Sale	-	-			
20	Total Deductions	\$ (138,054)	\$ (161,650)	\$ (192,271)	\$ (3,802)	\$ (196,073)
21	Working Cash (Note 3)	10,590	10,590	10,590		10,590
22	Rate Base at Proposed Rates	\$ 388,129	\$ 398,672	\$ 448,076		\$ 461,865
23	Average Rate Base		\$ 393,401			\$ 454,971
24	<b>Change in Rate Base</b>					<b>\$ 61,570</b>

These Elements  
of Rate Base are  
Not Updated for  
RAM Purposes

MECO-WP-D1-001

Column (e) Projected Changes to Rate Base:	Reference	Amount
25 Plant - Baseline Capital Project Additions	Schedule D2	42,461
27 Major CIP Project Additions	Schedule D3	-
28 Accumulated Depreciation/Amortization Change	Schedule E	(24,637)
29 Net Plant	Sum Lines 26-28	17,824
30 Accum. Deferred Income Taxes - Baseline and Major Capital Projects	Schedule F	(534)
31 Projected CIAC Additions - Baseline	Schedule G1	(5,175)
32 Projected CIAC Additions - Major CIP	Schedule D3	-
33 Less: Amortization of CIAC	Schedule G	1,908
34 Total Change in CIAC in Rate Base	Sum: Lines 31-33	(3,268)

\* Amounts may not add due to rounding

**Notes:**

(1) Amounts are recorded, except for the following adjustments:	Plant in Service	Acc. Depr.	CIAC Net	Schedule D4 ADIT
(A) Unadjusted Balance - recorded	\$ 1,049,725	\$ (450,273)	\$ (85,047)	\$ (85,570)
(A) Add: Asset Retirement Obligation		\$ (256)		
(A) Reg Liab-Cost of Removal (net salvage)		\$ (27,951)		
<u>Adjustment:</u>				
Lanai CHP*	MECO-WP-D1-002, p 1	3,500	(536)	-
Total Adjustment	\$ 3,500	\$ (536)	\$ -	\$ -
Adjusted Balance	\$ 1,053,225	\$ (479,017)	\$ (85,047)	\$ (85,570)

\* Lanai CHP: As discussed in the Stipulated Settlement Letter in Docket No. 2009-0183, filed on 06/21/2010, MECO accepted the Consumer Advocate's recommendation that the ratemaking treatment for the Lanai CHP Agreement follow traditional utility plant asset accounting rather than direct financing lease treatment as required for public financial reporting. MECO agreed to permanently adjust the original cost of the CHP system to \$3.5 million.

(A) Source: Maui Electric Company, Limited Monthly Financial Report - December 2014, filed February 26, 2015.

(2) Column (b) & (c) from Docket No. 2011-0092, D&O No. 31288, Exhibit B, filed May 31, 2013.

(3) Decision & Order No. 31288, p.94 (\$10,590k = \$10,672k less \$82k)

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

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

Line No.	Description (a)	3/31/2011		3/30/2012		3/22/2013		3/28/2014		3/27/2015	
		2010 (b)	2011 (c)	2012 (d)	2013 (e)	2014 (f)	2015 (g)	2016 (h)	2017 (i)	2018 (j)	
1	Total Plant Additions (Sum of Exhs. 1, 2, and 3 of Reports)	30,311,101	38,439,290	48,276,242	57,973,110	49,832,312					
2											
3	Less Major Projects: (+\$2.5 Million)										
4											
5	2006 In-service:										
6	Maalese Dual-Train Combined Cycle No. 2-Unit No. 1†		7744	PN-314 M3141001	20,513 <sup>(1)</sup>						
7											
8	2009 In-service: NOTE (3)										
9	CHP Manele Bay Hotel		2006-0188	M0000540	(101,942) <sup>(1)</sup>	564 <sup>(1)</sup>					
10											
11											
12	2010 In-Service:										
13	8th Increment Distribution Rebuild		01-0148	M0000286	(804,737)	(2,867,104)					
14											
15											
16	2011 In-Service:										
17	M14 Capital Overhaul		NOTE (2)	M0001275		(3,688,795)					
18											
19											
20	2012 In-service:										
21	None										
22											
23											
24	2013 In-service:										
25	Major Overhaul of M16 - NOTE (4)		2012-0038	M0001571			(2,865,973)			80,406	
26											
27	Total Net Plant Additions (excluding major projects)	29,324,935	29,883,955	48,276,242	55,107,138	49,712,718					
28											
29	Last Five-Year Average									\$	42,460,988
30											

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

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

NOTE (3):  
Maui Lani & Kuikahi Underground Distribution System Extension (M0000917) and Maui Lani VMX (M0001126) are listed as completed projects with total costs of \$2.5M or greater on the G.O.7 plant addition annual reports for 2009 and 2010, respectively. However, separate applications were not filed with the Hawaii Public Utilities Commission for these projects as the amount of CIAC received for each project reduced its project costs to below the \$2.5M threshold. As such, these capital projects are not considered Major Capital Projects for the purpose of decoupling.

NOTE (4):  
Exemption From and Modification of General Order No. 7, Paragraph 2.3(g), Relating to Capital Improvements, Capital Projects Completed in 2013, Docket No. 03-0257, dated March 28, 2014, and Exemption From and Modification of General Order No. 7, Paragraph 2.3(g), Relating to Capital Improvements, Capital Projects Completed in 2014, Docket No. 03-0257, dated March 27, 2015.

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

Line No.	Description (a)	PUC Docket Reference (b)	Estimated In Service Date (c)	Amount (d)
1	2015 Major Capital Project Plant Additions by Project:			
2	none			
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	<b>Total Major Capital Projects Qualifying for 2015 RAV</b>			<b>\$ -</b>

See Schedule G2 for related CIAC (if applicable)

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

Line No.	NARUC Account (a)	Reference (b)	Federal ADIT (c)	State ADIT (d)	Total ADIT (e)
1	Recorded Deferred Income Tax Balances at December 31, 2014				
2	Depreciation Related Account 282	MECO-WP-D4-001	(48,896,114)	(3,250,223)	(52,146,337)
3	Other Deferred Income Taxes	MECO-WP-D4-001	(28,801,095)	(4,622,575)	(33,423,670)
4	Total Recorded Deferred Income Taxes - Utility		(77,697,209)	(7,872,798)	\$ (85,570,007)

*To Schedule D1*

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

Line No.	NARUC Account (a)	Recorded Depreciable/Amort. Balance (b) Footnote (1)	Adjustments (c) Footnote (2)	Adjusted Depreciable/Amort. Balance (d)	PUC Approved Accrual Rate Dkt. 2009-0286 (e)	Annual Accrual (f)
1	<b>Plant Accounts</b>					
2	310.00	-		-	0.0000	-
3	311.00	8,847,880		8,847,880	0.0289	197,904
4	312.00	51,254,841		51,254,841	0.0375	1,922,057
5	314.00	48,276,735		48,276,735	0.0589	2,843,500
6	315.00	8,948,513		8,948,513	0.0419	374,943
7	<b>MAUI STEAM PRODUCTION</b>	<b>115,327,969</b>	<b>-</b>	<b>115,327,969</b>	<b>0.0463</b>	<b>5,338,404</b>
8						
9	340.00	-		-	0.0000	-
10	341.00	34,661,215		34,661,215	0.0117	405,536
11	342.00	4,200,155		4,200,155	0.0097	40,741
12	343.00	42,457,757		42,457,757	0.0080	339,662
13	344.00	107,913,209		107,913,209	0.0164	1,789,777
14	345.00	28,718,881		28,718,881	0.0157	450,883
15	<b>MAUI OTHER PRODUCTION</b>	<b>217,951,017</b>	<b>-</b>	<b>217,951,017</b>	<b>0.0138</b>	<b>3,006,599</b>
16						
17	<b>MAUI TOTAL PRODUCTION</b>	<b>333,278,986</b>	<b>-</b>	<b>333,278,986</b>	<b>0.0250</b>	<b>8,345,003</b>
18						
19	350.20	-		-	0.0000	-
20	350.00	2,448,576		2,448,576	0.0158	38,658
21	352.00	7,256,636		7,256,636	0.0202	146,584
22	353.00	50,576,426		50,576,426	0.0158	799,108
23	355.00	31,588,828		31,588,828	0.0187	527,500
24	356.00	27,011,478		27,011,478	0.0175	472,701
25	357.00	714,085		714,085	0.0159	11,354
26	358.00	1,193,803		1,193,803	0.0198	23,637
27	<b>MAUI TRANSMISSION</b>	<b>120,785,831</b>	<b>-</b>	<b>120,785,831</b>	<b>0.0187</b>	<b>2,019,540</b>
28						
29	360.20	-		-	0.0000	-
30	360.00	1,376,243		1,376,243	0.0203	27,938
31	361.00	1,463,312		1,463,312	0.0120	17,560
32	362.00	46,458,254		46,458,254	0.0134	622,541
33	363.00	2,140,265		2,140,265	0.0192	41,093
34	364.00	34,871,043		34,871,043	0.0170	582,808
35	365.00	58,109,739		58,109,739	0.0185	958,811
36	366.00	59,609,422		59,609,422	0.0203	1,210,071
37	367.00	70,808,457		70,808,457	0.0117	828,459
38	368.00	60,163,914		60,163,914	0.0222	1,335,639
39	368.10	24,325,574		24,325,574	0.0378	919,507
40	369.20	55,096,587		55,096,587	0.0232	1,279,241
41	370.00	9,798,882	2,270,495	12,069,357	0.0192	231,732
42	373.00	12,038,525		12,038,525	0.0187	225,120
43	<b>MAUI DISTRIBUTION</b>	<b>438,260,187</b>	<b>2,270,495</b>	<b>438,530,692</b>	<b>0.0190</b>	<b>8,269,518</b>
44						
45	389.20	-		-	0.0000	-
46	390.00	11,299,582		11,299,582	0.0106	119,776
47	<b>MAUI GENERAL</b>	<b>11,299,582</b>	<b>-</b>	<b>11,299,582</b>	<b>0.0106</b>	<b>119,776</b>
48						
49	392.10	6,247,827		6,247,827	0.0536	334,884
50	392.20	4,269,530		4,269,530	0.0305	130,221
51	<b>MAUI TRANSPORTATION</b>	<b>10,517,357</b>	<b>-</b>	<b>10,517,357</b>	<b>0.0442</b>	<b>465,104</b>
52						
53	<b>TOTAL MAUI DIVISION</b>	<b>912,141,953</b>	<b>2,270,495</b>	<b>914,412,448</b>	<b>0.0211</b>	<b>18,238,941</b>
54						

Line No.	NARUC Account	Recorded Depreciable/Amort. Balance	Adjustments	Adjusted Depreciable/Amort. Balance	PUC Approved Accrual Rate Dkt 2009-0288	Annual Accrual
	(a)	(b)	(c)	(d)	(e)	(f)
		Footnote (1)	Footnote (2)			
55	<b>LANAI</b>					
56	340.0L	-		-	0.0000	-
57	341.0L	4,080,334		4,080,334	0.0454	185,247
58	342.0L	1,914,270		1,914,270	0.0304	58,194
59	343.0L	1,819,547		1,819,547	0.0380	58,304
60	344.0L	8,247,508		8,247,508	0.0234	192,992
61	345.0L	3,245,625		3,245,625	0.0253	82,114
62	<b>LANAI OTHER PRODUCTION</b>	<b>19,107,282</b>	<b>-</b>	<b>19,107,282</b>	<b>0.0302</b>	<b>578,851</b>
63						
64	380.1L	152,209		152,209	0.0203	3,090
65	382.0L	2,185,915		2,185,915	0.0185	36,068
66	384.0L	2,069,001		2,069,001	0.0185	38,277
67	385.0L	2,870,843		2,870,843	0.0185	47,388
68	386.0L	1,280,128		1,280,128	0.0211	27,011
69	387.0L	2,323,200		2,323,200	0.0122	28,343
70	388.0L	804,319		804,319	0.0208	16,730
71	389.1L	1,040,771		1,040,771	0.0380	39,549
72	389.2L	1,068,921		1,068,921	0.0258	27,384
73	370.0L	490,508		490,508	0.0195	9,565
74	373.0L	265,072		265,072	0.0188	4,400
75	<b>LANAI DISTRIBUTION</b>	<b>14,550,884</b>	<b>-</b>	<b>14,550,884</b>	<b>0.0181</b>	<b>277,782</b>
76						
77	389.2L	-		-	0.0000	-
78	390.0L	801,698		801,698	0.0138	11,083
79	<b>LANAI GENERAL</b>	<b>801,698</b>	<b>-</b>	<b>801,698</b>	<b>0.0138</b>	<b>11,083</b>
80						
81	392.1L	958,898		958,898	0.0088	8,247
82	392.2L	347,822		347,822	0.0875	30,434
83	<b>LANAI TRANSPORTATION</b>	<b>1,306,818</b>	<b>-</b>	<b>1,306,818</b>	<b>0.0296</b>	<b>38,882</b>
84						
85	Lanai CHP - Production	-	3,010,000	3,010,000	0.0319	96,019
86	Lanai CHP - Distribution	-	490,000	490,000	0.0230	11,270
87	<b>LANAI RATEMAKING ADJUSTMENT</b>	<b>-</b>	<b>3,500,000</b>	<b>3,500,000</b>	<b>0.0307</b>	<b>107,289</b>
88						
89	<b>TOTAL LANAI DIVISION</b>	<b>35,786,482</b>	<b>3,500,000</b>	<b>39,286,482</b>	<b>0.0258</b>	<b>1,011,647</b>
90						
91	<b>MOLOKAI</b>					
92	302.0M	-		-	0.0000	-
93	<b>INTANGIBLE PLANT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0000</b>	<b>-</b>
94						
95	340.0M	-		-	0.0000	-
96	341.0M	2,650,558		2,650,558	0.0447	118,480
97	342.0M	1,927,423		1,927,423	0.0452	87,120
98	343.0M	2,009,008		2,009,008	0.0258	51,431
99	344.0M	11,228,090		11,228,090	0.0354	397,474
100	345.0M	4,823,549		4,823,549	0.0286	122,886
101	<b>MOLOKAI OTHER PRODUCTION</b>	<b>22,438,628</b>	<b>-</b>	<b>22,438,628</b>	<b>0.0346</b>	<b>777,491</b>
102						
103	350.1M	-		-	0.0000	-
104	353.0M	605,475		605,475	0.0232	14,047
105	354.0M	38,669		38,669	0.0233	901
106	355.0M	117,065		117,065	0.0077	901
107	356.0M	260,344		260,344	0.0097	2,525
108	<b>MOLOKAI TRANSMISSION</b>	<b>1,021,553</b>	<b>-</b>	<b>1,021,553</b>	<b>0.0180</b>	<b>18,375</b>
109						
110	380.1M	29,138		29,138	0.0202	589
111	381.1M	59,259		59,259	0.0088	391
112	382.0M	1,285,089		1,285,089	0.0183	20,947
113	384.0M	3,938,416		3,938,416	0.0224	88,178
114	385.0M	3,078,822		3,078,822	0.0177	54,485
115	386.0M	138,084		138,084	0.0227	3,089
116	387.0M	3,788,878		3,788,878	0.0174	65,892
117	388.0M	1,655,493		1,655,493	0.0225	37,249
118	389.1M	1,521,282		1,521,282	0.0406	61,784
119	389.2M	1,083,204		1,083,204	0.0281	28,272
120	370.0M	512,572		512,572	0.0121	8,202
121	373.0M	330,608		330,608	0.0152	5,025
122	<b>MOLOKAI DISTRIBUTION</b>	<b>17,414,824</b>	<b>-</b>	<b>17,414,824</b>	<b>0.0214</b>	<b>372,089</b>
123						
124	389.2M	58,383		58,383	0.0003	17
125	390.0M	894,144		894,144	0.0085	5,900
126	<b>MOLOKAI TOTAL GENERAL</b>	<b>750,528</b>	<b>-</b>	<b>750,528</b>	<b>0.0079</b>	<b>5,917</b>
127						
128	392.1M	738,282		738,282	0.0000	-
129	392.2M	349,181		349,181	0.0000	-
130	<b>MOLOKAI TRANSPORTATION</b>	<b>1,087,444</b>	<b>-</b>	<b>1,087,444</b>	<b>0.0000</b>	<b>-</b>
131						
132	<b>TOTAL MOLOKAI DIVISION</b>	<b>42,712,975</b>	<b>-</b>	<b>42,712,975</b>	<b>0.0275</b>	<b>1,173,872</b>
133						
134						
135	<b>UTILITY TOTAL DEPRECIATION</b>	<b>990,621,410</b>	<b>5,770,495</b>	<b>996,391,905</b>	<b>0.0216</b>	<b>21,424,480</b>
136						

Line No.	NARUC Account	Recorded Depreciable/Amort. Balance	Adjustments	Adjusted Depreciable/Amort. Balance	PUC Approved Accrual Rate Dkt. 2009-0288	Annual Accrual
	(a)	(b)	(c)	(d)	(e)	(f)
137	<b>Amortization Amounts</b>					
138						
139	<b>MAUI</b>					
140	318.00	3,204,022		3,204,022	0.0500	\$ 160,201
141	348.00	14,996,500		14,996,500	0.0500	749,825
142	<b>MAUI PRODUCTION</b>	<b>18,200,523</b>	<b>-</b>	<b>18,200,523</b>	<b>0.0500</b>	<b>910,028</b>
143						
144	391.10	2,357,088		2,357,088	0.2000	471,418
145	391.20	448,412		448,412	0.1000	44,841
146	391.30	1,271,728		1,271,728	0.0687	84,824
147	393.00	588,540		588,540	0.0400	22,742
148	394.00	6,288,873		6,288,873	0.0400	251,547
149	395.00	470,747		470,747	0.0687	31,399
150	396.00	140,554		140,554	0.0556	7,815
151	397.00	21,242,842		21,242,842	0.0687	1,416,884
152	398.00	1,155,200		1,155,200	0.0687	77,052
153	<b>MAUI GENERAL</b>	<b>33,943,584</b>	<b>-</b>	<b>33,943,584</b>	<b>0.0710</b>	<b>2,408,521</b>
154						
155	<b>TOTAL MAUI DIVISION</b>	<b>52,144,107</b>	<b>-</b>	<b>52,144,107</b>	<b>0.0636</b>	<b>3,318,547</b>
156						
157	<b>LANAI</b>					
158	348.0L	1,192,731		1,192,731	0.0500	59,837
159	<b>LANAI OTHER PRODUCTION</b>	<b>1,192,731</b>	<b>-</b>	<b>1,192,731</b>	<b>0.0500</b>	<b>59,837</b>
160						
161	391.1L	25,521		25,521	0.2000	5,104
162	391.2L	2,331		2,331	0.1000	233
163	391.3L	2,959		2,959	0.0687	197
164	394.0L	36,529		36,529	0.0400	1,461
165	397.0L	821,693		821,693	0.0687	54,807
166	398.0L	34,054		34,054	0.0687	2,271
167	<b>LANAI GENERAL</b>	<b>923,087</b>	<b>-</b>	<b>923,087</b>	<b>0.0694</b>	<b>64,074</b>
168						
169	<b>TOTAL LANAI DIVISION</b>	<b>2,115,818</b>	<b>-</b>	<b>2,115,818</b>	<b>0.0585</b>	<b>123,711</b>
170						
171						
172	<b>MOLOKAI</b>					
173	348.0M	1,940,988		1,940,988	0.0500	97,049
174	<b>MOLOKAI OTHER PRODUCTION</b>	<b>1,940,988</b>	<b>-</b>	<b>1,940,988</b>	<b>0.0500</b>	<b>97,049</b>
175						
176	391.1M	10,308		10,308	0.2000	2,062
177	391.2M	-		-	0.1000	-
178	391.3M	10,387		10,387	0.0687	693
179	394.0M	104,317		104,317	0.0400	4,173
180	397.0M	1,030,344		1,030,344	0.0687	68,724
181	398.0M	32,143		32,143	0.0687	2,144
182	<b>MOLOKAI GENERAL</b>	<b>1,187,498</b>	<b>-</b>	<b>1,187,498</b>	<b>0.0655</b>	<b>77,795</b>
183						
184	<b>TOTAL MOLOKAI DIVISION</b>	<b>3,128,486</b>	<b>-</b>	<b>3,128,486</b>	<b>0.0559</b>	<b>174,844</b>
185						
186	<b>Net Unrecovered Amortization - Footnote (3)</b>					<b>(404,262)</b>
187						
188	<b>UTILITY TOTAL AMORTIZATION</b>	<b>57,388,411</b>	<b>-</b>	<b>57,388,411</b>	<b>0.0560</b>	<b>3,212,640</b>
189						
190	TOTAL RAM DEPRECIATION / AMORTIZATION					\$ 24,637,300
191	LESS: Vehicle Depreciation (A/C 392 above)					\$ (503,786)
192	LESS: Depreciation & Amortization in Current Revenues				Footnote (4)	\$ (20,933,000)
193						
194	RAM Adjustment for Depreciation & Amortization					\$ 3,200,514
195	RAM Adjustment for CIAC Amortization				Sch. G	\$ (340,533)
196	RAM Adjustment for CIS Amortization				MECO-WP-D1-001, page 2	\$ 233,099
197	Total RAM Adjustment for Depreciation & Amortization					\$ 3,093,079
198	Times: Factor for Revenue Taxes					1.0975
199						
200	<b>RAM DEPRECIATION &amp; AMORTIZATION</b>					<b>\$ 3,394,898</b>

Footnotes:

(1) Depreciable Balance	\$	990,621,410	Line 135
Amortizable Balance		57,388,411	Line 188
Total Utility Plant per Schedule	\$	1,048,009,821	

Add: Land, Land Rights, Franchises & Consents as of 12/31/14 not included in Schedule

		1,714,890	
Total Utility Plant per G/L	\$	1,049,724,711	

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

Adjust meter balances to actual <sup>1</sup>		2,270,495	
Lanai CHP		3,500,000	MECO-WP-1303, Dkt. No. 2014-0318
Total Adjustment	\$	5,770,495	Column (c)

<sup>1</sup> Meters were erroneously retired in 2014 and reinstated in early 2015. This adjustment corrects the depreciable balance to properly state the 2015 depreciation expense.



(3) Net Unrecovered Amortization:

Account	Net Unrecovered Amortization (c) <sup>2</sup>	Annual Recovery (c) / 5 years <sup>3</sup>
318 00	297,187	34,872
346 00	(1,793,299)	(209,218)
391.10	243,180	28,389
391.20	281,487	32,840
391.30	183,845	19,115
393 00	(100,913)	(11,773)
394 20	331,090	38,627
394.30	90,755	10,588
395.10	201,528	23,512
395 20	-	-
395 40	(2,858)	(333)
396 00	(8,091)	(711)
397 00	(3,100,803)	(361,760)
398 00	(70,196)	(8,190)
Over-recovered Amortization	(3,465,105)	
Annual Recovery (increases amortization expense annually for five years)		(404,262)

<sup>2</sup> Source: MECO 2012 Test Year Rate Case, Docket No. 2011-0092, CA-IR-181, Attachment 1, column (E)

<sup>3</sup> Note: 2015 is the last year of recovery. Amortization began in August 2010, therefore only 7 months of amortization will be recognized in 2015.

(4) Depreciation & Amortization in Current Revenues<sup>4</sup>:

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

<sup>4</sup> Amounts are per MECO Revised Workpaper MECO-RWP-1401, page 1 dated March 28, 2012 in MECO's 2012 test year rate case (Docket No. 2011-0092).

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

Line No.	NARUC Account (a)	Reference (b)	Projected ADIT Change (c)
1	State Tax Depreciation	Schedule F1	1,372,798
2	Effective Federal Tax Rate	MECO-WP-F-001	32.8947%
3	Federal Deferred Tax on State Tax Depreciation		<u>451,578</u>
4	Add back State Tax Depreciation		(1,372,798)
5	Federal Tax Depreciation	Schedule F1	<u>1,372,798</u>
6	Federal/State Difference		-
7	Tax Rate on Federal Only Adjustment	MECO-WP-F-001	35%
8	Federal Deferred Tax Adjustment		<u>-</u>
9	Total Federal Deferred Taxes		<u><u>451,578</u></u>
	<b>STATE DEFERRED TAXES</b>		
10	State Tax Depreciation	Schedule F1	1,372,798
11	Effective State Tax Rate	MECO-WP-F-001	6.0150%
12	Total State Deferred Taxes		<u>82,574</u>
13	TOTAL FED AND STATE DEFERRED TAXES		<u><u>534,153</u></u>

*To Schedule D1*

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

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

Line No.	LIFE	MECO-WP-F1-2012		TOTAL	PROJECTS	PROGRAMS	TOTAL	FED YR 1 TAX RATE	FED YR 1 TAX DEPR	STATE YR 1 TAX RATE	STATE YR 1 TAX DEPR
		PROJECTS	PROGRAMS								
1	Computer Data	397,106	107,730	504,836	0.94%	0.25%	1.19%				
2	Compro/Fum/Tools	19,960	139,862	159,822	0.05%	0.33%	0.36%				
3	Street Lights	90,196	132,818	223,014	0.21%	0.31%	0.53%				
4	Non-Steam Production	5,908,477	6,074,946	11,983,423	13.91%	0.40%	14.31%				
5	Communication	1,717,580	21,867	1,739,447	4.05%	0.05%	4.10%				
6	Steam Production	448,441	494,842	943,283	1.00%	0.11%	1.17%				
7	General	1,442,361	441,803	1,884,164	3.40%	1.04%	4.44%				
8	Transmission	2,208,383	864,708	3,073,091	5.20%	2.04%	7.24%				
9	Distribution	9,581,394	16,152,662	25,734,056	22.57%	38.04%	60.61%				
10	Structural	1,139,255	138,594	1,277,849	2.68%	0.33%	3.01%				
11	ROW	85,585	71,103	156,688	0.01%	0.15%	0.17%				
12	Land	-	(6,180)	(6,180)	0.00%	-0.02%	-0.02%				
13	Vehicles	202,038	1,027,920	1,229,958	0.48%	2.42%	2.90%				
14	TOTAL	23,153,709	19,302,289	42,456,000	54.54%	45.46%	100.00%				

Project end Program % Totals by Depreciable Life.

Project end Program %	Totals by Depreciable Life
5 yr	0.84%
7 yr	0.26%
15 yr	13.91%
20 yr	39.26%
39 yr	2.68%
50 yr	0.01%
Land	0.00%
Vehicles	0.48%
Total	54.54%

Vintage 2014 - 50% Bonus Depreciation

Basis	Tax Rate	Tax Depr	Fed Yr 1 Tax Rate	Fed Yr 1 Tax Depr	State Yr 1 Tax Rate	State Yr 1 Tax Depr
405,351	20.00%	81,070	20.00%	81,070	20.00%	81,070
307,187	14.29%	43,894	14.29%	43,894	14.29%	43,894
4,877,509	5.00%	243,875	5.00%	243,875	5.00%	243,875
26,435,089	3.75%	991,316	3.75%	991,316	3.75%	991,316
1,023,821	1.177%	12,074	1.177%	12,074	1.177%	12,074
56,933	1.000%	569	1.000%	569	1.000%	569
<b>Total</b>		<b>1,372,798</b>		<b>1,372,798</b>		<b>1,372,798</b>

Vintage 2014 - Regular Depreciation

Basis	Tax Rate	Tax Depr	Fed Yr 1 Tax Rate	Fed Yr 1 Tax Depr	State Yr 1 Tax Rate	State Yr 1 Tax Depr
405,351	20.00%	81,070	20.00%	81,070	20.00%	81,070
307,187	14.29%	43,894	14.29%	43,894	14.29%	43,894
4,877,509	5.00%	243,875	5.00%	243,875	5.00%	243,875
26,435,089	3.75%	991,316	3.75%	991,316	3.75%	991,316
1,023,821	1.177%	12,074	1.177%	12,074	1.177%	12,074
56,933	1.000%	569	1.000%	569	1.000%	569
<b>Total</b>		<b>1,372,798</b>		<b>1,372,798</b>		<b>1,372,798</b>

NET (1) Basis subject to 50% bonus depreciation

Year	Tax Rate	Tax Depr
5 yr	0.00%	0.00%
7 yr	0.00%	0.00%
15 yr	0.00%	0.00%
20 yr	0.00%	0.00%
39 yr	n/a	n/a
50 yr	n/a	n/a
Land	n/a	n/a
Vehicles	n/a	n/a
Total	0.00%	0.00%

NET (1) Basis subject to regular depreciation

Year	Tax Rate	Tax Depr
5 yr	0.94%	0.25%
7 yr	0.26%	0.64%
15 yr	13.91%	0.84%
20 yr	39.26%	0.40%
39 yr	2.68%	0.40%
50 yr	0.01%	0.11%
Land	0.00%	0.04%
Vehicles	0.48%	1.19%
Total	54.05%	43.05%

TOTAL ASSETS

Category	Value
Net Depreciable Baseline Plant Adds	33,107,880
Major Capital Projects from Schedule F2	33,107,880
Total Depreciable Plant Adds	66,215,760

Reconciliation from Baseline Plant Adds to Net Depreciable Plant Adds:

Baseline Capital Projects Plant Adds	42,460,968
Less: Repairs deduction	(8,389,229)
Net plant add basis	34,081,789
Less: Land and Vehicles (2.88% x 34,081,789)	(983,989)
<b>Total</b>	<b>33,107,880</b>

NOTE (1) The Tax Increase Prevention Act of 2014 allows 50% bonus depreciation for assets placed in service before January 1, 2015. Consequently, the entire basis of vintage 2015 is subject to regular depreciation.

NOTE (1) The Tax Increase Prevention Act of 2014 allows 50% bonus depreciation for assets placed in service before January 1, 2015. Consequently, the entire basis of vintage 2015 is subject to regular depreciation.

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

Line No.	Description (a)	PUC Docket (b)	Estimated In Service Date (c)	Amount (d)	Amount (e)
	MECO Note: There were no Major Capital Projects in 2015.				
1	Assumed Value of 2015 Major Capital Projects Plant Items				\$ -
2	Assumed Value of 2015 Major Capital Projects - CIAC nontaxable				\$ -
3	Assumed Value of 2015 Major Capital Projects - Total				<u>\$ -</u>
			FED YR 1	FED YR 1	STATE YR 1
4	Tax Classification of Major Capital Project Additions	Tax Basis Distribution	TAX RATE	TAX DEPR	TAX DEPR
5	7 yr	-	57.145%	-	14.29%
6	15 yr	-	52.500%	-	5.00%
7	20 yr	-	51.875%	-	3.75%
8	39 yr	n/a			
9	Land	n/a			
10	Vehicles	n/a			
11	Total	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>
			<i>To Schedule F1</i>	<i>To Schedule F1</i>	<i>To Schedule F1</i>

**MAUI ELECTRIC COMPANY, LIMITED**  
**DECOUPLING CALCULATION WORKBOOK**  
**CIAC SUMMARY**

Line No.	Description (a)	Reference (b)	Unamortized CIAC (c)	CIAC Amortization (d)
1	12/31/14 Beginning Balance	Sch. G1	\$ (88,217,709)	
2				
3	<u>2015 CIAC Additions:</u>			
4	Baseline 5-Yr Average	Sch. G1	(5,175,200)	
5	Major Projects	Sch. G2	-	
6	Net Additions		<u>(5,175,200)</u>	
7				
8	<u>2015 CIAC Amortization:</u>			
9	Estimated Amortization	Sch. G3	<u>1,907,533</u>	<u>\$ (1,907,533)</u>
10				
11	<b>12/31/15 Ending Balance</b>		<b><u>\$ (91,485,376)</u></b>	<b>(1,907,533)</b>
12				
13	LESS: CIAC Amortization in Current Revenues - NOTE (1)			<u>(1,567,000)</u>
14				
15	<b>RAM Adjustment for CIAC Amortization</b>			<b><u>\$ (340,533)</u></b>

Note (1):

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

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

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

Line No.	Description (a)	2/22/2011	2/21/2012	2/19/2013	2/21/2014	2/26/2015
		2010 (d)	2011 (e)	2012 (f)	2013 (g)	2014 (h)
1	CIAC Balance, January 1 (Dec Rpt. pg. 10)	(72,393,407)	(73,989,015)	(74,765,860)	(82,211,127)	(85,047,271)
2	Less: CIAC Amortization (Dec Rpt. pg. 2)	2,743,432	2,018,844	1,738,802	1,733,786	1,818,855
3	Less: CIAC Balance, December 31 (Dec Rpt. pg. 10)	73,989,015	74,765,860	82,211,127	85,047,271	88,217,709
4						
5	<b>Total CIAC Additions</b>	<b>4,319,040</b>	<b>2,815,689</b>	<b>9,184,069</b>	<b>4,669,910</b>	<b>4,987,293</b>
6						
7	<u>Less Major Projects:</u>					
8						
9	<u>2008 In-service:</u>					
10	Maalaea Dual-Train Combined Cycle No. 2-Unit No. 18	7744	PN-314			
11						
12	<u>2009 In-service:</u>					
13	CHP Manele Bay Hotel	2008-0188	M0000540			
14						
15	<u>2010 In-service:</u>					
16	8th Increment Distribution Rebuild	01-0148	M0000286			
17						
18	<u>2011 In-Service:</u>					
19	M14 Capital Overhaul	Note (B)	M0001275			
20						
21	<u>2012 In-Service:</u>					
22	None					
23						
24	<u>2013 In-Service:</u>					
25	Major Overhaul of M16	2012-0038	M0001571			
26						
27	<b>Total Net CIAC Additions</b>	<b>4,319,040</b>	<b>2,815,689</b>	<b>9,184,069</b>	<b>4,669,910</b>	<b>4,987,293</b>
28						
29	<b>Last Five-Year Average</b>					<b>5,175,200</b>

**NOTE (A):**

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

**NOTE (B):**

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

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

Line No.	Description (a)	PUC Docket Reference (b)	Estimated In Service Date (c)	Amount (d)
1	<u>2015 Major Capital Project CIAC Additions by Project:</u>			
2	None			\$ -
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	<b>Total Major Project CIAC Additions for 2015 RAM</b>			<b>\$ -</b>

**MAUI ELECTRIC COMPANY, LIMITED**  
**DECOUPLING CALCULATION WORKBOOK**  
**CJAC AMORTIZATION**

Line No.	Description (a)	2013		2014		2015
		Balance (b)		Amortization (c)	Balance (d)	Amortization (e)
1	<u>CJAC by Vintage:</u>					
2	1980	\$ 2,847	\$	(138)	\$ 2,709	(138)
3	1981	\$ 29,321	\$	(1,304)	\$ 28,018	(1,304)
4	1981 L	\$ 79	\$	(3)	\$ 75	(3)
5	1982	\$ 44,058	\$	(1,865)	\$ 42,193	(1,865)
6	1982	\$ 103,543	\$	(4,382)	\$ 99,160	(4,382)
7	1982 L	\$ 23	\$	(1)	\$ 22	(1)
8	1983	\$ 16,458	\$	(667)	\$ 15,791	(667)
9	1983 L	\$ 8	\$	(0)	\$ 8	(0)
10	1984	\$ 51,085	\$	(1,986)	\$ 49,109	(1,986)
11	1984 L	\$ 8	\$	(0)	\$ 5	(0)
12	1985	\$ 123,223	\$	(4,606)	\$ 118,617	(4,606)
13	1986	\$ 165,279	\$	(5,951)	\$ 159,328	(5,951)
14	1986 L	\$ 93	\$	(3)	\$ 90	(3)
15	1987	\$ 160,161	\$	(5,563)	\$ 154,597	(5,563)
16	1987 L	\$ 2,324	\$	(81)	\$ 2,244	(81)
17	1988	\$ 219,157	\$	(7,354)	\$ 211,804	(7,354)
18	1988 L	\$ 32,637	\$	(1,095)	\$ 31,542	(1,095)
19	1989	\$ 394,915	\$	(12,816)	\$ 382,098	(12,816)
20	1989 L	\$ 62,112	\$	(2,016)	\$ 60,096	(2,016)
21	1989 MO	\$ 82,955	\$	(2,698)	\$ 80,258	(2,698)
22	1990	\$ 503,873	\$	(15,833)	\$ 488,040	(15,833)
23	1990 L	\$ 28,852	\$	(907)	\$ 27,945	(907)
24	1990 MO	\$ 5,232	\$	(164)	\$ 5,067	(164)
25	1991	\$ 675,818	\$	(20,583)	\$ 655,234	(20,583)
26	1991 L	\$ 27,419	\$	(835)	\$ 26,584	(835)
27	1991 MO	\$ 9,431	\$	(287)	\$ 9,144	(287)
28	1992	\$ 519,827	\$	(15,361)	\$ 504,466	(15,361)
29	1992 L	\$ 61,441	\$	(1,816)	\$ 59,625	(1,816)
30	1992 MO	\$ 27,225	\$	(805)	\$ 26,421	(805)
31	1993 IK	\$ 2,291,159	\$	(65,758)	\$ 2,225,401	(65,758)
32	1993	\$ 447,793	\$	(12,850)	\$ 434,943	(12,850)
33	1993 L	\$ 65,446	\$	(1,878)	\$ 63,568	(1,878)
34	1993 MO	\$ 18,659	\$	(535)	\$ 18,124	(535)
35	1994	\$ 447,059	\$	(12,469)	\$ 434,591	(12,469)
36	1994 L	\$ (11,502)	\$	321	\$ (11,181)	321
37	1994 MO	\$ 8,123	\$	(227)	\$ 7,896	(227)
38	1993 IK	\$ 278,620	\$	(7,995)	\$ 270,624	(7,995)
39	1995	\$ 466,150	\$	(12,646)	\$ 453,504	(12,646)
40	1995 L	\$ 3,568	\$	(97)	\$ 3,471	(97)
41	1995 MO	\$ 67,888	\$	(1,842)	\$ 66,046	(1,842)
42	1996	\$ 535,016	\$	(14,129)	\$ 520,887	(14,129)
43	1996 L	\$ 10,829	\$	(286)	\$ 10,543	(286)
44	1996 MO	\$ 74,688	\$	(1,972)	\$ 72,716	(1,972)
45	1996 IK	\$ 98,702	\$	(2,607)	\$ 96,096	(2,607)
46	1997	\$ 423,902	\$	(10,905)	\$ 412,997	(10,905)
47	1997 L	\$ 64,059	\$	(1,648)	\$ 62,411	(1,648)
48	1997 MO	\$ 55,349	\$	(1,424)	\$ 53,925	(1,424)
49	1998	\$ 755,850	\$	(18,955)	\$ 738,894	(18,955)
50	1998 L	\$ 23,505	\$	(589)	\$ 22,916	(589)
51	1998 MO	\$ 17,096	\$	(429)	\$ 16,667	(429)
52	1999	\$ 988,626	\$	(24,184)	\$ 964,443	(24,184)
53	1999 L	\$ 5,792	\$	(142)	\$ 5,650	(142)
54	1999 MO	\$ (785)	\$	19	\$ (766)	19
55	2000	\$ 891,400	\$	(21,283)	\$ 870,117	(21,283)
56	2000 L	\$ 4,066	\$	(97)	\$ 3,969	(97)
57	2000 MO	\$ 22,302	\$	(532)	\$ 21,769	(532)
58	2001	\$ 1,391,233	\$	(32,439)	\$ 1,358,794	(32,439)
59	2001 L	\$ 97,180	\$	(2,265)	\$ 94,895	(2,265)
60	2001 MO	\$ 36,752	\$	(857)	\$ 35,895	(857)



Line No.	Description (a)	2013		2014		2015	
		Balance (b)		Amortization (c)	Balance (d)	Amortization (e)	
61	2002	\$ 994,682	\$	(22,663)	\$ 972,019		(22,663)
62	2002 L	\$ 11,527	\$	(263)	\$ 11,264		(263)
63	2002 MO	\$ 8,958	\$	(204)	\$ 8,754		(204)
64	2003	\$ 6,431,709	\$	(143,264)	\$ 6,288,444		(143,264)
65	2003 L	\$ 511,031	\$	(11,383)	\$ 499,648		(11,383)
66	2003 MO	\$ 18,547	\$	(413)	\$ 18,134		(413)
67	2004	\$ 2,050,752	\$	(44,682)	\$ 2,006,070		(44,682)
68	2004 L	\$ 103,768	\$	(2,261)	\$ 101,507		(2,261)
69	2004 MO	\$ 33,573	\$	(731)	\$ 32,841		(731)
70	2005	\$ 6,041,523	\$	(128,817)	\$ 5,912,706		(128,817)
71	2005 L	\$ 351,232	\$	(7,489)	\$ 343,743		(7,489)
72	2005 MO	\$ 1,446,912	\$	(30,851)	\$ 1,416,061		(30,851)
73	2006	\$ 8,757,424	\$	(182,817)	\$ 8,574,607		(182,817)
74	2006 L	\$ 83,471	\$	(1,743)	\$ 81,728		(1,743)
75	2006 MO	\$ 401,128	\$	(8,374)	\$ 392,755		(8,374)
76	2007	\$ 8,160,237	\$	(166,858)	\$ 7,993,379		(166,858)
77	2007 L	\$ 34,994	\$	(716)	\$ 34,278		(716)
78	2007 MO	\$ 107,883	\$	(2,206)	\$ 105,677		(2,206)
79	2008	\$ 7,945,873	\$	(159,212)	\$ 7,786,661		(159,212)
80	2008 L	\$ 493,275	\$	(9,884)	\$ 483,392		(9,884)
81	2008 MO	\$ 37,417	\$	(750)	\$ 36,667		(750)
82	2009	\$ 7,314,674	\$	(143,679)	\$ 7,170,995		(143,679)
83	2009 L	\$ 361,534	\$	(7,101)	\$ 354,433		(7,101)
84	2009 MO	\$ 63,325	\$	(1,244)	\$ 62,081		(1,244)
85	2010	\$ 4,047,325	\$	(77,961)	\$ 3,969,364		(77,961)
86	2010 L	\$ (4,897)	\$	94	\$ (4,803)		94
87	2010 MO	\$ 15,456	\$	(298)	\$ 15,158		(298)
88	2011	\$ 2,651,918	\$	(50,115)	\$ 2,601,803		(50,115)
89	2011 L	\$ 10,291	\$	(194)	\$ 10,096		(194)
90	2011 MO	\$ 46,824	\$	(885)	\$ 45,939		(885)
91	2012	\$ 8,930,836	\$	(165,386)	\$ 8,765,450		(165,386)
92	2012 L	\$ 55,193	\$	(1,022)	\$ 54,171		(1,022)
93	2012 MO	\$ 31,057	\$	(575)	\$ 30,482		(575)
94	2013	\$ 4,448,923	\$	(80,890)	\$ 4,368,034		(80,890)
95	2013 L	\$ 51,424	\$	(935)	\$ 50,489		(935)
96	2013 MO	\$ 68,563	\$	(1,265)	\$ 68,298		(1,265)
97	2014	\$ 4,844,992	\$		\$ 4,844,992		(88,091)
98	2014 L	\$ 89,963	\$		\$ 89,963		(1,636)
99	2014 MO	\$ 52,338	\$		\$ 52,338		(952)
100	<b>Total CIAC Amortization for 2015 RAM</b>	<b>85,047,271</b>		<b>(1,816,855)</b>	<b>88,217,709</b>		<b>(1,907,533)</b>

Legend:  
L - Lanai  
MO - Molokai  
IK - In-kind

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

Line No.	Description (a)	Reference (b)	Ratemaking Basis Return on Equity		
			Operating Income (c)	Rate Base (d)	Rate of Return (e)
1	Reported Operating Income before ratemaking adj.	PUC Report, p. 2A and MECO-WP-H-001	\$ 31,940	\$ 439,038	
2	<b>Ratemaking Adjustments to Line 1:</b>				
2a	Incentive Compensation Expenses (net of tax)	MECO-WP-H-002	510		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)	MECO-WP-H-002	183		
2c	Amortization of investment income differential	MECO-WP-H-003	11		
2d	Income tax on items to be replaced by synchronized interest	MECO-WP-H-003	(3,699)		
2e	Remove Accrued Earnings Sharing Refund	MECO-WP-H-006	283		
3	Ratemaking Basis Amounts - Post Tax	Sum Lines 1 & 2	\$ 29,237	\$ 439,038	
4	<b>Ratemaking Capitalization</b>				
			Balances	Ratios	Cost Rate
5	Short-Term Debt (12 mo. Avg)		\$ 13,883	3.02%	0.54%
6	Long-Term Debt (Simple Avg)		\$ 172,494	38.08%	5.11%
7	Hybrid Securities (Simple Avg)		\$ 9,445	2.08%	7.27%
8	Preferred Stock (Simple Avg)		\$ 4,764	1.05%	8.21%
9	Common Equity (Simple Avg)		\$ 252,634	55.77%	9.00%
10	Total Capitalization	MECO-WP-H-004	\$ 453,019	100.00%	7.22%
11	Line 3 Rate Base Amount				\$ 439,038
12	Weighted Cost of Debt	Sum lines 5-7			2.1116%
13	Synchronized Interest Expense				\$ 9,271
	Income Tax Factor	Note 1			1.6369
13a	Synchronized Interest Expense, net of tax				\$ 5,663
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)				\$ 23,573
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)				\$ 379
18	Income Available for Common Stock				\$ 23,194
19	Ratemaking Equity Investment (Line 9 Ratio times Rate Base)				\$ 244,837
20	Return on Equity for Decoupling Earnings Sharing	Line 18/Line 19			9.47%
21	<b>Earnings Sharing Revenue Credits:</b>				
			Basis Points		
22	Achieved ROE (basis points)		947		
23	Authorized Return (basis points)	D&O 30505 in Dkt. No. 2010-0080, filed on June 29, 2012	900		
24	ROE for sharing (basis points)		47		
25	Sharing Grid per RAM Provision		First 100 bp	Next 200 bp	All over 300 bp
26	Distribution of Excess ROE (basis points)		47	0	0
27	Ratepayer Share of Excess Earnings		25%	50%	80%
28	Ratepayer Earnings Share - Basis Points		12	-	-
29	Revenue Credit per Basis Point (Note 2)				44
30	Earnings Sharing Revenue Credits (thousands)				\$ 520,522

Footnotes:

1	Composite Federal & State Income Tax Rate	38.91%
	Income Tax Factor (1 / 1-tax rate)	1.6369
2	Ratemaking Equity Investment (line 19)	\$ 244,837
	Basis Point = 1/100 of a percent	0.01%
	Earnings Required per Basis Point (thousands)	\$ 24.48
	Times: Income Tax Conversion Factor	1.636929121
	Pretax Income Required per Basis Point (thousands)	\$ 40
	Times: Revenue Tax Conversion Factor	1.0975
	Revenue Requirement per Basis Point (thousands)	\$ 44

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

Line No.	Description (a)	Reference (b)	(c)	(d)
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This Schedule has not been developed yet and will be developed only when/as needed.



**Maul Electric Company, Ltd.**  
**Adjustment for Prior Year RBA Accrual**  
**Recovery of December 31, 2012 RBA Balance**

Line		2014					
		January	February	March	April	May	
1	Billed RBA Revenues	Note 1	809,311	706,948	713,765	709,476	772,483
2	Net Unbilled Revenues	Note 1	(55,796)	(8,860)	28,515	15,938	(1,342)
3	Total billed + Unbilled		753,514	698,088	742,281	725,414	771,141
4	x % Share for RBA	Note 2	63.05%	63.05%	63.05%	63.05%	63.05%
5	RBA Revenues (Recovery of 12/31/12 RBA balance)		475,091	440,145	468,008	457,374	486,204
6			←----- Schedule BZ -----→				
7	Less: Revenue Taxes	0.08885	(42,212)	(39,107)	(41,583)	(40,638)	(43,199)
8	RBA Revenues (Recovery of 12/31/12 RBA balance),		432,879	401,038	426,425	416,736	443,005
9	net of Revenue Taxes		←----- 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, 2013 - May 31, 2014:

RBA Rate Adjustment effective June 1, 2013	a	0.8071 Transmittal No. 13-01 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2013)
		cents per kWh
Revenue for RBA Balance	b	5,832,704 Transmittal No. 13-01 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2013)
Revenue for RAM Revenue Adjustment	c	3,417,932 Transmittal No. 13-01 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2013)
Total RBA Revenue Adjustment	d	9,250,636
Percentage share for RBA Balance	e = b/d	63.05% Transmittal No. 13-01 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2013)
Percentage share for RAM Revenue Adjustment	f = c/d	36.95% Transmittal No. 13-01 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2013)
RBA Rate Adjustment for RBA Balance	f = a x e	0.50890826 cents per kWh
RBA Rate Adjustment for RAM Revenue Adjustment	g = a - f	0.29821737 cents per kWh

Maul Electric Company, Ltd.  
Adjustment for Prior Year RBA Accrual  
Recovery of December 31, 2013 RBA Balance

Line		2014						
		June	July	August	September	October	November	December
1	Billed RBA Revenues	1,150,003	1,611,655	1,602,414	1,610,739	1,637,242	1,522,265	1,500,482
2	Net Unbilled Revenues	357,375	25,883	40,578	(39,776)	31,771	(5,146)	(3,445)
3	Total billed + Unbilled	1,507,378	1,637,537	1,642,992	1,570,964	1,669,013	1,517,119	1,497,037
4	% Share for RBA	53.87%	53.87%	53.87%	53.87%	53.87%	53.87%	53.87%
5	RBA Revenues (Recovery of 12/31/13 RBA balance)	811,977	882,090	885,028	846,229	899,045	817,225	806,407
6		←----- Schedule B -----→						
7	Less: Revenue Taxes	(72,144)	(78,374)	(78,635)	(75,187)	(79,880)	(72,610)	(71,649)
8	RBA Revenues (Recovery of 12/31/13 RBA balance),	739,833	803,716	806,393	771,042	819,165	744,615	734,758
9	net of Revenue Taxes	←----- 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, 2014 - May 31, 2015:

RBA Rate Adjustment effective June 1, 2014	a	1.6239 Transmittal No. 14-05 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2014)
		cents per kWh
Revenue for RBA Balance	b	9,633,348 Transmittal No. 14-05 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2014)
Revenue for RAM Revenue Adjustment	c	8,616,991 Transmittal No. 14-05 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2014)
Earnings Sharing Revenue Credits	d	(366,713) Transmittal No. 14-05 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2014)
Total RBA Revenue Adjustment	e	17,883,626
Percentage share for RBA Balance	f = b/e	53.8669% Transmittal No. 14-05 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2014)
Percentage share for RAM Revenue Adjustment	g = c/e	48.1837% Transmittal No. 14-05 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2014)
Percentage share for Earnings Sharing Revenue Credits	h = d/e	-2.0506% Transmittal No. 14-05 (Decoupling) - RBA Rate Adjustment (Revised May 14, 2014)
RBA Rate Adjustment for RBA Balance	i = a x f	0.87477039 cents per kWh
RBA Rate Adjustment for RAM Revenue Adjustment	j = a x g	0.78247861 cents per kWh
RBA Rate Adjustment for Earnings Sharing Revenue Credits	k = a x h	(0.03329989) cents per kWh

MECO-WP-B-002  
**MAUI ELECTRIC COMPANY, LIMITED**  
**JAN 2014 ADJUSTMENT - CORRECTION TO DECEMBER 2013 CALCULATION**

MECO-WP-B-002  
PAGE 1 OF 1

**REVENUE BALANCING ACCOUNT - REVENUE TRACKER**

(a)	(b)	(c)
	<b>Dec-13</b>	<b>Total</b>
<b>AS PREVIOUSLY STATED</b>		
L1	Monthly Target Revenue	\$10,183,458
L2	Recorded Adjusted Revenue	10,095,600
L3 = L1 - L2	Target vs. Actual Revenue	87,858
L4	Reversal of Previous Year Accrual	(455,271)
L5 = L3 + L4	Net RBA Change	(367,413)
L6 = prior month L10	Beginning RBA Balance	9,181,370
L7 = L5 + L6	End Balance Before Interest	8,813,957
L8 = (L6 + L7) ÷ 2	Balance Subject to Interest	8,997,663
L9 = L8 x 6% ÷ 12	Interest income/(expense)	44,988
L10 = L7 + L9	Ending RBA Balance	8,858,945

Target vs. Actual Difference:		
L11	Recorded Adjusted Revenues - Unadjusted	10,095,600
L12	Adjustment 1	9,203
L13	Adjustment 2	2,892
L14 = L11 + L12 + L13	Revised Recorded Adjusted Revenues	10,107,695
L15 = L1	Target	10,183,458
L16 = L15 - L14	Revised RBA adjustment	75,763

**AS REVISED**

	<b>Dec-13</b>	
L17 = L1	Monthly Target Revenue	10,183,458
L18 = L14	Recorded Adjusted Revenue	10,107,695
L19 = L17 - L18	Target vs. Actual Revenue	75,763
L20	Reversal of Previous Year Accrual	(455,271)
L21 = L19 + L20	Net RBA Change	(379,508)
L22 = prior month L26	Beginning RBA Balance	9,181,370
L23 = L21 + L22	End Balance Before Interest	8,801,862
L24 = (L22 + L23) ÷ 2	Balance Subject to Interest	8,991,616
L25 = L24 x 6% ÷ 12	Interest income/(expense)	44,958
L26 = L23 + L25	Ending RBA Balance	8,846,820
L27 = L19	Revised Adjustment to Revenue	75,763
L28 = L3	RBA Adjustment Recorded to Revenue	87,858
L29 = L27 - L28	Adjustment to Revenue	(12,095) \$ (12,095)
L30 = L25	Revised Interest	44,958
L31 = L9	Interest Recorded	44,988
L32 = L30 - L31	Adjustment to Interest	(30) \$ (30)

Note (1):

Amounts may not add due to rounding.

Note (2):

After the December 2013 month close, Maui Electric identified two errors in the calculation of the month's Recorded Adjusted Revenues: (1) The net RBA impact to December for the out of period billing adjustments was a \$4,601 increase to the month's recorded adjusted revenue. However, it was input into the calculation as a decrease, thus resulting in the understatement of the recorded adjusted revenue and an overstatement of the RBA adjustment. The Company quantified the impact to be a \$9,226 (\$9,203 RBA and related interest of \$23) decrease to the RBA balance. (2) The amount of RAM revenue recognized in December related to the billing adjustments was understated by \$2,892, which resulted in an understatement of recorded adjusted revenue in the amount of \$2,899 (\$2,892 of RBA and related interest of \$7). As these amounts totaled \$12,125 and were not material to the financial statements, the adjustment was recorded as January 2014 activity.

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Total
<b>AS PREVIOUSLY STATED</b>						
L1	Monthly Target Revenue	\$10,258,613	\$10,183,458	\$10,383,870	\$9,206,447	\$10,371,345
L2	Recorded Adjusted Revenue	9,736,718	10,095,600	9,793,420	9,199,215	9,931,482
L3 = L1 - L2	Target vs. Actual Revenue	521,895	87,858	590,450	7,232	439,863
L4	Reversal of Previous Year Accrual	(399,926)	(455,271)	(432,879)	(401,038)	(426,425)
L5 = L3 + L4	Net RBA Change	121,969	(367,413)	157,571	(393,806)	13,438
L6 = prior month L10	Beginning RBA Balance	9,013,684	9,112,432	8,780,437	8,982,305	8,632,425
L7 = L5 + L6	End Balance Before Interest	9,135,653	8,745,019	8,938,008	8,588,498	8,645,863
L8 = (L6 + L7) + 2	Balance Subject to Interest	9,074,669	8,928,726	8,859,223	8,785,402	8,639,144
L9 = L8 x 6% + 12	Interest income/(expense)	45,373	44,644	44,296	43,927	8,999
L10 = L7 + L9	Ending RBA Balance	9,181,027	8,789,663	8,982,305	8,632,425	8,654,863
L11	Target vs. Actual Adjusted Difference:					
L12 = L2	Recorded Adjusted Revenues - Unadjusted	9,736,718	10,095,600	9,793,420	9,199,215	9,931,482
L13	Adjustment	(2,934)	(3,727)	(2,988)	(1,786)	792
L14 = L12 + L13	Revised Recorded Adjusted Revenues	9,733,784	10,091,873	9,790,432	9,197,429	9,932,273
L15 = L1	Target	10,258,613	10,183,458	10,383,870	9,206,447	10,371,345
L16 = L15 - L14	Revised RBA adjustment	524,829	91,585	593,438	9,018	439,071
<b>AS REVISED</b>						
L17 = L1	Monthly Target Revenue	\$10,258,613	\$10,183,458	\$10,383,870	\$9,206,447	\$10,371,345
L18 = L14	Recorded Adjusted Revenue	9,733,784	10,091,873	9,790,432	9,197,429	9,932,273
L19 = L17 - L18	Target vs. Actual Revenue	524,829	91,585	593,438	9,018	439,071
L20	Reversal of Previous Year Accrual	(399,926)	(455,271)	(432,879)	(401,038)	(426,425)
L21 = L19 + L20	Net RBA Change	124,903	(363,686)	160,559	(392,020)	12,646
L22 = prior month L26	Beginning RBA Balance	9,013,684	9,183,968	8,865,292	9,070,579	8,722,932
L23 = L21 + L22	End Balance Before Interest	9,138,587	8,820,282	9,025,851	8,678,559	8,735,578
L24 = (L22 + L23) ÷ 2	Balance Subject to Interest	9,076,135	9,002,125	8,945,572	8,874,569	8,729,255
L25 = L24 x 6% + 12	Interest income/(expense)	45,381	45,011	44,728	44,373	9,093
L26 = L23 + L25	Ending RBA Balance	9,183,968	8,865,292	9,070,579	8,722,932	8,744,671
L27 = L19	Revised Adjustment to Revenue	524,829	91,585	593,438	9,018	439,071
L28 = L3	RBA Adjustment Recorded to Revenue	521,895	87,858	590,450	7,232	439,863
L29 = L27 - L28	Adjustment to Revenue	2,934	3,727	2,988	1,786	(792) \$ 10,643

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

Note (2):  
 In March 2014, the Company recorded an adjustment to the RBA balance related to out of period billing adjustments that were processed in March for revenues related to the periods of October 2013 to March 2014. In March 2014, the Company identified one customer account which was underbilled and one account which was overbilled. The underbilled customer was due to not being able to bill in a timely manner. The overbilled customer was due to a change in rate schedule. The Company quantified the net impact to be an \$10,643 increase to the RBA balance.



MECO-WP-B-004  
MAUI ELECTRIC COMPANY, LIMITED  
MAY 2014 ADJUSTMENT - RBA INTEREST ADJUSTMENT

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

Line No	Month	Beginning Balance	Target Revenues	Recorded Adjusted Revenue	Variance to RBA	Adjustment for prior year RBA recovery	Adjustment	Tax-effected Balance Subject to Interest	Interest at 8% or 1.25%/year	Ending Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Monthly RBA Balance and Activity (Monthly PUC Rpt, Pg 9A)										
1	2013 December	\$ 9,181,027	\$ 10,183,458	\$ 10,095,600	\$ 87,858	\$ (455,271)	\$ (68,505)	n/a	\$ 44,644	\$ 8,789,063
2	January 2014 Adjustment									\$ (12,125)
3	REVISED 2013 December									\$ 8,777,538
4										
5	2014 January	\$ 8,789,863	\$ 10,389,870	\$ 9,793,420	\$ 596,450	\$ (432,878)	\$ (9,228)	\$ 5,412,098	\$ 27,060	\$ 8,965,068
6	February	\$ 8,965,068	\$ 9,208,447	\$ 9,199,215	\$ 7,232	\$ (401,038)	\$ -	\$ 5,356,472	\$ 26,782	\$ 6,598,044
7	March	\$ 6,598,044	\$ 10,371,345	\$ 9,931,482	\$ 439,863	\$ (426,425)	\$ 10,643	\$ 5,263,152	\$ 5,482	\$ 8,027,608
8	April	\$ 8,027,608	\$ 9,870,313	\$ 9,875,102	\$ 195,211	\$ (418,741)	\$ -	\$ 5,202,939	\$ 5,420	\$ 8,411,497
9	May	\$ -	\$ 10,496,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	June	\$ -	\$ 11,050,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	July	\$ -	\$ 11,518,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	August	\$ -	\$ 11,687,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	September	\$ -	\$ 10,830,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	October	\$ -	\$ 11,401,504	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	November	\$ -	\$ 10,635,343	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	December	\$ -	\$ 10,557,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								01/14 - 04/14 RBA Interest Revised	\$ 64,744	
								01/14 - 04/14 RBA Interest Recorded	\$ 108,145	MECO-WP-B-004 (Page 2 of 2)
								RBA Interest Adjustment	\$ (41,401)	
								Adj. to true up ending April RBA Balance	\$ (4)	
								RBA Interest Adjustment	\$ (41,405)	

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, in May 2014, the Company made an adjustment of \$41,405 to the RBA balance for the interest on a net-of-income tax RBA balance for the period January 1 - April 30, 2014. Starting with May 2014, Schedule B has been updated to calculate interest based on a net-of-income tax RBA balance. The amount of the interest adjustment was also filed with the Public Utilities Commission on May 19, 2014 as part of "Docket No. 2013-0141 - Decoupling Investigation - Hawaiian Electric Companies' Report on the Progress of Investigating the Tax Treatment of the Decoupling Revenue Included in the RBA Balance".

MECO-WP-B-0004  
 MAUI ELECTRIC COMPANY, LIMITED  
 MAY 2014 ADJUSTMENT - RBA INTEREST ADJUSTMENT

MECO-WP-B-004  
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MAUI ELECTRIC COMPANY, LIMITED  
DECOUPLING CALCULATION WORKBOOK  
SUMMARY OF ACCUMULATED REVENUE BALANCING ACCOUNT

Line No.	Month	Beginning Balance	Target Revenues	Recorded Adjusted Revenue	Variance to RBA	Interest at 6% or 1.25%/year	Adjustment for prior year RBA recovery	Adjustment	Ending Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Monthly RBA Balance and Activity ( Monthly PUC Rpt., Pg 9A)									
1	2013 December	\$ 9,181,027	\$ 10,183,458	\$ 10,095,600	\$ 87,858	\$ 44,644	\$ (455,271)	\$ (88,585)	\$ 8,789,663
2	January 2014 Adjustments								\$ (12,125)
3	REVISED 2013 December								\$ 8,777,538
4									
5	2014 January	\$ 8,789,663	\$ 10,383,870	\$ 9,793,420	\$ 590,450	\$ 44,296	\$ (432,879)	\$ (9,226)	\$ 8,982,304
6	February	\$ 8,982,304	\$ 9,208,447	\$ 9,199,215	\$ 7,232	\$ 43,927	\$ (401,038)	\$ -	\$ 8,832,425
7	March	\$ 8,832,425	\$ 10,371,345	\$ 9,931,482	\$ 439,863	\$ 9,010	\$ (428,425)	\$ 10,643	\$ 8,665,517
8	April	\$ 8,665,517	\$ 9,870,313	\$ 9,675,102	\$ 195,211	\$ 8,911	\$ (418,738)	\$ -	\$ 8,452,903
9	May	\$ -	\$ 10,498,602	\$ -	\$ 10,498,602	\$ 5,467	\$ -	\$ -	\$ 10,502,069
10	June	\$ -	\$ 11,050,888	\$ -	\$ 11,050,888	\$ 5,756	\$ -	\$ -	\$ 11,058,644
11	July	\$ -	\$ 11,518,376	\$ -	\$ 11,518,376	\$ 5,999	\$ -	\$ -	\$ 11,524,375
12	August	\$ -	\$ 11,687,191	\$ -	\$ 11,687,191	\$ 6,087	\$ -	\$ -	\$ 11,693,278
13	September	\$ -	\$ 10,830,130	\$ -	\$ 10,830,130	\$ 5,641	\$ -	\$ -	\$ 10,835,771
14	October	\$ -	\$ 11,401,504	\$ -	\$ 11,401,504	\$ 5,938	\$ -	\$ -	\$ 11,407,442
15	November	\$ -	\$ 10,635,343	\$ -	\$ 10,635,343	\$ 5,539	\$ -	\$ -	\$ 10,640,882
16	December	\$ -	\$ 10,557,429	\$ -	\$ 10,557,429	\$ 5,499	\$ -	\$ -	\$ 10,562,928

01/14-04/14 RBA Interest Recorded \$ 106,145 MECO-WP-B-004 (Page 1 of 2)

MECO-WP-B-005  
 MAUI ELECTRIC COMPANY, LIMITED  
 JULY 2014 ADJUSTMENT - RBA BALANCE CORRECTION

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 PAGE 1 OF 1

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

(a)	(b)	(c)	(d)	(f)	
	Nov-13	Dec-13	Jan-14	Total	
<b>AS PREVIOUSLY STATED</b>					
L1	Monthly Target Revenue	\$10,258,613	\$10,183,458	\$10,383,870	
L2	Recorded Adjusted Revenue	9,733,784	10,091,873	9,790,432	
L3 = L1 - L2	Target vs. Actual Revenue	524,829	91,585	593,438	
L4	Reversal of Previous Year Accrual	(399,926)	(455,271)	(432,879)	
L5 = L3 + L4	Net RBA Change	124,903	(363,686)	160,559	
L6 = prior month L10	Beginning RBA Balance	9,013,684	9,183,969	8,865,293	
L7 = L5 + L6	End Balance Before Interest	9,138,587	8,820,283	9,025,852	
L8 = (L6 + L7) ÷ 2	Balance Subject to Interest	9,076,135	9,002,126	8,945,573	
L9 = L8 x 6% ÷ 12	Interest income/(expense)	45,381	45,011	44,728	
L10 = L7 + L9	Ending RBA Balance	9,183,969	8,865,293	9,070,580	
L11	Target vs. Actual Adjusted Difference:				
L12 = L2	Recorded Adjusted Revenues - Unadjusted	9,733,784	10,091,873	9,790,432	
L13	Adjustment	-	1,332	616	1,948
L14 = L12 + L13	Revised Recorded Adjusted Revenues	9,733,784	10,093,205	9,791,048	
L15 = L1	Target	10,258,613	10,183,458	10,383,870	
L16 = L15 - L14	Revised RBA adjustment	524,829	90,253	592,822	
<b>AS REVISED</b>					
L17 = L1	Monthly Target Revenue	\$10,258,613	\$10,183,458	\$10,383,870	
L18 = L14	Recorded Adjusted Revenue	9,733,784	10,093,205	9,791,048	
L19 = L17 - L18	Target vs. Actual Revenue	524,829	90,253	592,822	
L20	Reversal of Previous Year Accrual	(399,926)	(455,271)	(432,879)	
L21 = L19 + L20	Net RBA Change	124,903	(365,018)	159,943	
L22 = prior month L26	Beginning RBA Balance	9,013,684	9,183,968	8,863,957	
L23 = L21 + L22	End Balance Before Interest	9,138,587	8,818,950	9,023,900	
L24 = (L22 + L23) ÷ 2	Balance Subject to Interest	9,076,135	9,001,459	8,943,929	
L25 = L24 x 6% ÷ 12	Interest income/(expense)	45,381	45,007	44,720	
L26 = L23 + L25	Ending RBA Balance	9,183,968	8,863,957	9,068,620	
L27 = L19	Revised Adjustment to Revenue	524,829	90,253	592,822	
L28 = L3	RBA Adjustment Recorded to Revenue	524,829	91,585	593,438	
L29 = L27 - L28	Adjustment to Revenue	-	(1,332)	(616)	\$ (1,948)

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

Note (2):  
 In July 2014, the Company recorded an adjustment to the RBA balance related to the two out of period billing adjustments recorded in March 2014. In determining the billing adjustment in March, the Company used an incorrect multiplier and incorrect energy usage in recalculating the customer's bill. This adjustment is to correct for this error.

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

	(a)	(b)	(l)
		Aug-14	Total
<b>AS PREVIOUSLY STATED</b>			
L1	Monthly Target Revenue	\$11,687,191	
L2	Recorded Adjusted Revenue	11,006,364	
L3 = L1 - L2	Target vs. Actual Revenue	680,827	
L4	Reversal of Previous Year Accrual	(806,393)	
L5 = L3 + L4	Net RBA Change	(125,566)	
L6 = prior month L10	Beginning RBA Balance	8,302,970	
L7 = L5 + L6	End Balance Before Interest	8,177,404	
L8 = (L6 + L7) ÷ 2	Balance Subject to Interest	5,033,930	
L9 = L8 x 6% ÷ 12	Interest income/(expense)	5,244	
L10 = L7 + L9	Ending RBA Balance	8,182,649	
L11	Target vs. Actual Adjusted Difference:		
L12 = L2	Recorded Adjusted Revenues - Unadjusted	11,006,364	
L13	Adjustment	(90)	(90)
L14 = L12 + L13	Revised Recorded Adjusted Revenues	11,006,274	
L15 = L1	Target	11,687,191	
L16 = L15 - L14	Revised RBA adjustment	680,917	
<b>AS REVISED</b>		<b>Aug-14</b>	
L17 = L1	Monthly Target Revenue	\$11,687,191	
L18 = L14	Recorded Adjusted Revenue	11,006,274	
L19 = L17 - L18	Target vs. Actual Revenue	680,917	
L20	Reversal of Previous Year Accrual	(806,393)	
L21 = L19 + L20	Net RBA Change	(125,476)	
L22 = prior month L26	Beginning RBA Balance	8,302,970	
L23 = L21 + L22	End Balance Before Interest	8,177,494	
L24 = (L22 + L23) ÷ 2	Balance Subject to Interest	5,033,958	
L25 = L24 x 6% ÷ 12	Interest income/(expense)	5,244	
L26 = L23 + L25	Ending RBA Balance	8,182,738	
L27 = L19	Revised Adjustment to Revenue	680,917	
L28 = L3	RBA Adjustment Recorded to Revenue	680,827	
L29 = L27 - L28	Adjustment to Revenue	90	\$ 90

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

Note (2):  
 In September 2014, the Company determined the RBA balance was overstated by \$90 due to a miscalculation of the the August 2014 ECAC surcharge RBA adjustment. This adjustment is to correct for this error.

Maui Electric Company, Ltd.  
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)		
<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%	

(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](http://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 and 1/1/2015, 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](http://www.hei.com), under SEC filings. See also MECO-WP-C-003.

# Blue Chip Economic Indicators<sup>®</sup>

**Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead**  
**Vol. 40, No.2, February 10, 2015**

2 ■ BLUE CHIP ECONOMIC INDICATORS ■ FEBRUARY 10, 2015

## 2015 Real GDP Forecast Unchanged At 3.2%

FEBRUARY 2015 Forecast For 2015 SOURCE:	Percent Change 2015 From 2014 (Full Year-Over-Prior Year)									Average For 2015			Total Units-2015		2015
	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	3.7 H	1.4	5.1	1.1	2.8 L	3.8	3.8 H	5.7	14.8 H	0.2	2.9 H	5.3	1.43 H	16.8	-473.3
Societe Generale	3.7 H	1.3	5.0	0.0	na	4.2	3.6	5.5	6.3	0.4	2.3	5.3	1.20	17.6	-470.7
Naroff Economic Advisors*	3.6	2.1 H	5.8 H	0.9	4.3	3.0	3.5	7.2	4.3	0.4	2.6	5.3	1.16	16.9	-495.0
BNP Paribas North America	3.5	na	na	0.1	4.9	4.2	3.4	6.4	5.7	na	2.7	5.3	1.20	na	-452.0
PNC Financial Services Group	3.5	1.0	4.5	1.0	3.9	3.1	3.0	5.3	na	0.5	2.3	5.3	1.09	17.1	-437.3
Economist Intelligence Unit	3.4	1.6	5.0	1.5 H	3.2	2.9	2.8	5.6	na	0.4	2.6	5.4	1.20	16.8	-472.0
ACT Research	3.3	1.2	4.5	0.1	4.1	2.5 L	3.2	5.8	na	0.6	2.5	5.5	1.15	17.0	-465.9
Bank of America Merrill Lynch	3.3	0.3	3.7	-0.3	4.4	na	3.7	5.2	na	0.2	2.3	5.3	1.17	17.3	-495.2
Credit Suisse	3.3	0.9	4.2	0.4	5.2 H	na	3.4	4.5	7.0	na	2.5	5.3	1.05	na	-462.5
DuPont***	3.3	1.0	4.3	0.0	4.1	3.4	3.6	4.5	-1.9 L	0.4	2.1	5.5	1.15	17.0	-469.5
Fannie Mae	3.3	1.3	4.6	0.6	4.1	3.1	3.3	4.7	9.6	0.4	2.0	5.4	1.16	16.4	-444.5
General Motors	3.3	1.3	4.6	0.5	3.8	3.5	3.5	5.8	7.0	0.2	2.5	5.3	1.18	na	-467.0
Goldman Sachs & Co.**	3.3	0.6	4.0	0.0	4.1	3.0	3.5	4.4	na	0.3	2.6	5.4	1.17	na	-465.4
High Frequency Economics	3.3	0.9	4.2	0.7	4.5	4.0	3.6	4.1	3.0	0.8 H	2.6	5.2	1.13	17.2	-484.9
Morgan Stanley*	3.3	0.8	4.1	-0.2	3.6	3.3	3.4	4.5	8.0	0.0 L	2.7	5.3	1.22	17.1	-460.2
MUFG Union Bank	3.3	1.8	5.1	1.1	4.1	na	3.4	7.7 H	7.0	0.3	2.6	5.2	1.20	16.9	-470.0
National Assn. of Home Builders	3.3	1.2	4.5	0.8	4.7	2.7	3.0	4.8	na	0.5	2.2	5.6	1.17	16.7	-445.0
Northern Trust Company*	3.3	0.8	4.1	0.6	3.2	3.1	3.6	5.4	na	0.3	2.5	5.5	1.20	16.9	-496.6
Standard & Poors Corp.*	3.3	1.7	5.0	1.0	4.3	4.0	3.3	5.5	9.4	0.3	2.5	5.5	1.20	17.0	na
Swiss Re	3.3	-0.2 L	3.1 L	-0.3	3.8	3.1	3.4	5.7	7.7	0.7	2.4	5.3	1.18	16.7	-477.5
Turning Points (Micrometrics)	3.3	1.3	4.6	0.4	3.3	3.0	3.0	4.7	11.4	0.1	2.7	5.6	1.16	16.7	-454.3
U.S. Chamber of Commerce	3.3	0.7	4.1	0.6	4.1	2.7	3.7	5.5	6.6	0.3	2.2	5.4	1.10	na	-500.6
UCLA Business Forecasting Proj.*	3.3	1.0	4.3	1.0	3.3	2.8	3.5	5.5	12.5	0.5	2.4	5.4	1.21	17.0	-447.8
Comerica	3.2	1.2	4.4	0.4	4.5	4.3 H	2.5 L	7.4	na	0.3	2.5	5.2	1.09	17.1	-434.0
Ford Motor Company*	3.2	1.4	4.6	0.6	3.8	3.6	3.6	5.2	na	0.6	2.7	5.4	1.19	na	-478.5
J P Morgan Chase	3.2	0.9	4.1	-0.5	3.8	4.0	3.7	5.5	0.8	na	2.2	5.4	1.10	16.8	-507.3
MacroFin Analytics	3.2	1.1	4.3	0.9	4.6	2.8	3.2	4.9	7.4	0.3	2.2	5.6	1.15	16.6	-462.5
National Assn. of Realtors	3.2	1.5	4.8	1.0	4.0	2.8	3.0	4.7	7.5	0.5	2.3	5.7 H	1.21	16.9	-472.5
Nonpara Securities	3.2	1.3	4.4	-0.3	4.1	3.2	3.6	4.0	na	0.5	2.3	5.3	1.12	16.7	-516.3
RDC Economics	3.2	0.6	3.9	0.0	4.2	3.1	3.4	5.7	9.2	0.6	2.6	5.2	1.10	17.0	-496.0
Wells Capital Management	3.2	1.5	4.8	0.4	4.1	3.5	3.6	3.9	5.3	0.5	2.0	5.6	1.13	16.7	-480.3
AIG	3.1	1.3	4.5	0.6	3.7	3.5	3.3	4.7	7.3	0.3	2.1	5.4	1.21	17.0	-405.6 H
BMO Capital Markets*	3.1	1.1	4.2	0.2	4.0	3.8	3.5	3.5 L	3.6	0.1	1.9 L	5.3	1.22	17.0	-512.0
FedEx Corporation	3.1	1.2	4.3	0.5	3.9	3.0	3.2	5.4	5.0	0.3	2.3	5.4	1.12	17.0	-482.9
Inforum - Univ. of Maryland	3.1	1.1	4.3	0.6	4.0	3.0	3.0	5.9	6.9	0.3	2.6	5.5	1.17	16.9	-452.4
Macroeconomic Advisers, LLC**	3.1	1.2	4.4	0.4	4.1	3.7	3.7	4.7	5.5	0.2	2.1	5.4	1.13	16.9	-499.0
Mesirow Financial	3.1	1.2	4.4	0.4	4.3	3.7	3.7	5.0	6.0	0.2	2.1	5.2	1.15	18.2	-490.3
Oxford Economics	3.1	1.2	4.3	0.3	3.7	3.2	3.3	4.8	8.0	0.1	2.0	5.5	1.20	16.9	-440.9
Action Economics	3.0	1.1	4.1	0.0	4.3	3.9	3.6	4.5	6.5	0.4	2.0	5.4	1.10	17.0	-501.6
Amherst Pierpont Securities	3.0	1.4	4.4	0.2	4.2	3.4	3.0	5.0	6.0	0.6	2.9 H	5.4	1.16	16.7	-463.0
Barclays*	3.0	0.9	4.0	-0.1	3.5	na	3.1	5.9	na	na	2.0	5.3	1.18	na	-497.3
Daiwa Capital Markets America	3.0	1.1	4.1	0.2	4.1	3.2	3.3	5.9	4.6	0.5	2.3	5.5	1.08	16.8	-524.0
Eaton Corporation	3.0	1.3	4.4	1.1	3.5	2.8	3.0	5.4	5.8	0.3	2.4	5.5	1.17	16.7	-451.7
Georgia State University*	3.0	1.2	4.2	0.5	3.3	3.1	3.3	4.3	7.5	0.3	2.1	5.5	1.12	16.5	-476.1
IHS Global Insight	3.0	1.5	4.3	-0.6 L	na	3.5	3.5	4.3	6.9	0.4	2.3	5.6	1.18	16.9	-542.8 L
Moody's Capital Markets	3.0	1.0	4.0	0.6	3.4	3.1	3.0	3.8	2.3	0.3	2.4	5.6	1.15	16.8	-453.0
SOM Economics, Inc.	3.0	1.2	4.3	0.1	3.9	3.4	2.6	5.9	4.0	0.3	2.1	5.3	1.12	17.2	-443.0
UBS	3.0	1.1	4.1	-0.1	3.4	3.1	3.2	5.2	na	0.6	2.0	5.6	1.25	na	-495.6
Conference Board*	2.9	0.8	3.7	0.0	3.5	3.1	3.2	4.7	2.1	0.4	2.2	5.4	1.16	16.9	-488.8
Econoclast	2.9	1.3	4.2	1.3	3.7	3.2	3.0	3.9	4.5	0.3	2.2	5.4	1.16	16.8	-502.0
RBS	2.9	1.2	4.1	0.2	3.6	3.5	3.2	4.4	8.0	0.2	2.5	5.5	1.12	16.8	-495.0
RBC Capital Markets	2.8 L	0.8	3.7	0.1	3.8	na	2.7	4.3	na	0.4	2.6	5.1 L	1.04 L	16.9	-448.0
Wells Fargo	2.8 L	1.1	3.9	0.4	4.3	3.0	3.3	5.4	4.0	0.6	2.2	5.5	1.17	17.1	-507.2
<b>2015 Consensus: Feb. Avg.</b>	<b>3.2</b>	<b>1.1</b>	<b>4.3</b>	<b>0.4</b>	<b>3.9</b>	<b>3.3</b>	<b>3.3</b>	<b>5.1</b>	<b>6.3</b>	<b>0.4</b>	<b>2.4</b>	<b>5.4</b>	<b>1.16</b>	<b>16.9</b>	<b>-475.5</b>
Top 10 Avg.	3.5	1.6	5.0	1.1	4.6	4.0	3.7	6.4	9.9	0.6	2.7	5.6	1.23	17.3	-439.8
Bottom 10 Avg.	2.9	0.6	3.8	-0.2	3.3	2.8	2.9	4.1	2.7	0.1	2.0	5.2	1.09	16.6	-511.3
January Avg.	3.2	1.5	4.7	0.8	3.8	3.1	3.0	5.9	7.0	0.4	2.7	5.5	1.17	16.9	-457.3
Historical data: 2011	1.6	2.1	3.7	3.2	3.3	2.5	2.3	7.7	4.0	0.1	2.8	9.0	0.61	12.7	-459.4
2012	2.3	1.8	4.2	2.1	3.8	3.0	1.8	7.2	11.3	0.1	1.8	8.1	0.78	14.4	-452.5
2013	2.2	1.5	3.7	1.5	2.9	-0.2	2.4	3.0	4.2	0.1	2.4	7.4	0.92	15.5	-420.4
2014	2.4	1.5	3.9	1.6	4.2	2.4	2.5	6.1	na	0.0	2.5	6.2	1.01	16.4	-452.6
Number Of Forecasts Changed From A Month Ago:															
Down	23	46	42	49	11	4	2	34	20	15	48	26	14	11	44
Same	14	4	4	3	11	7	5	10	11	28	4	23	26	22	3
Up	16	2	6	1	29	37	46	9	7	5	0	4	13	12	5
February Median	3.2	1.2	4.3	0.4	4.0	3.2	3.3	5.2	6.6	0.3	2.3	5.4	1.16	16.9	-472.9
February Diffusion Index	43%	8%	15%	5%	68%	84%	92%	26%	33%	40%	4%	29%	49%	51%	13%

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

**MAUI ELECTRIC COMPANY, LIMITED**  
**EXHIBIT A**

MECO-WP-C-003  
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3%

*3%* (2.91%)

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
CL6	METER READER												
	1st 3 mos.	20.83	$20.83 \times 1.03 = 21.45$	$21.45 \times 1.0291 = 22.07$				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	
CL9	ACCOUNTS CLERK												
	1st 3 mos.	22.42		23.09		23.76		24.49		25.16		25.83	
	Next 3 mos.	23.50		24.21		24.92		25.68		26.39		27.10	
	Next 3 mos.	24.65		25.39		26.13		26.93		27.67		28.41	
	Next 6 mos.	25.86		26.64		27.42		28.26		29.04		29.82	
	Next 6 mos.	27.17		27.99		28.81		29.69		30.51		31.33	
	Thereafter	28.51		29.37		30.23		31.16		32.02		32.88	
CL06	DISTRIBUTION DIVISION CLERK												
	1st 3 mos.	23.50		24.21		24.92		25.68		26.39		27.10	
	Next 3 mos.	24.65		25.39		26.13		26.93		27.67		28.41	
	Next 6 mos.	25.86		26.64		27.42		28.26		29.04		29.82	
	Next 6 mos.	27.17		27.99		28.81		29.69		30.51		31.33	
	Thereafter	28.51		29.37		30.23		31.16		32.02		32.88	
T6	STORES ATTENDANT												
T54	WAREHOUSE ATTENDANT												
	1st 12 mos.	23.44		24.14		24.84		25.60		26.30		27.00	
	Next 12 mos.	26.38		27.17		27.96		28.82		29.61		30.40	
	Next 12 mos.	28.64		29.50		30.36		31.29		32.15		33.01	
	Thereafter	30.80		31.72		32.64		33.64		34.56		35.48	
T26	(S) OPERATOR HELPER (KAHULUI)												
T47	(S) OPERATOR HELPER (MAALAEA)												
T104	(S) OPERATOR HELPER (LANAI)												
T129	(S) OPERATOR HELPER (MOLOKAI)												
	1st 12 mos.	23.44		24.14		24.84		25.60		26.30		27.00	
	Next 12 mos.	28.64		29.50		30.36		31.29		32.15		33.01	
	Thereafter	30.80		31.72		32.64		33.64		34.56		35.48	
C45	PLANT AIDE												
	1st 3 mos.	25.65		26.42		27.19		28.02		28.79		29.56	
	Next 3 mos.	26.93		27.74		28.55		29.43		30.24		31.05	
	Next 6 mos.	28.27		29.12		29.97		30.89		31.74		32.59	
	Next 6 mos.	29.71		30.60		31.49		32.46		33.35		34.24	
	Thereafter	31.19		32.13		33.07		34.08		35.02		35.98	
C202	METER READER/COLLECTOR (MOLOKAI)												
	1st 9 mos.	28.06		28.90		29.74		30.65		31.49		32.33	
	Next 9 mos.	29.61		30.50		31.39		32.35		33.24		34.13	
	Thereafter	31.19		32.13		33.07		34.08		35.02		35.96	
T27	(S) SR OPERATOR HELPER (KAHULUI)												
T48	(S) SR OPERATOR HELPER (MAALAEA)												
		31.19		32.13		33.07		34.08		35.02		35.96	
C209	ELECTRIC FACILITIES MANAGEMENT SYSTEM (EFMS) TECHNICIAN												
	1st 6 mos.	25.54		26.31		27.08		27.91		28.68		29.45	
	Next 6 mos.	27.13		27.94		28.75		29.63		30.44		31.25	
	Next 6 mos.	28.71		29.57		30.43		31.36		32.22		33.08	
	Next 6 mos.	30.30		31.21		32.12		33.10		34.01		34.92	
	Thereafter	31.92		32.88		33.84		34.88		35.84		36.80	
C27	JR CUSTOMER PLANNER												
	1st 9 mos.	28.71		29.57		30.43		31.36		32.22		33.08	
	Next 6 mos.	30.30		31.21		32.12		33.10		34.01		34.92	
	Thereafter	31.92		32.88		33.84		34.88		35.84		36.80	
C35	SR CUSTOMER CLERK												
C205	CUSTOMER FIELD REPRESENTATIVE												
	1st 3 mos.	24.60	$24.60 \times 1.03 = 25.34$		26.08			26.88		27.62		28.36	
	Next 3 mos.	26.22		27.01		27.80		28.65		29.44		30.23	
	Next 3 mos.	27.89		28.73		29.57		30.48		31.32		32.16	
	Next 6 mos.	29.50		30.39		31.28		32.24		33.13		34.02	
	Next 6 mos.	31.16		32.09		33.02		34.03		34.96		35.89	
	Thereafter	32.81		33.79		34.77		35.84		36.82		37.80	



**Maui Electric Company, Ltd.**  
**CIS in 2015 RAM Calculations**  
**Summary**  
(\$ in 000's)

Line	Description	Rate Base	2015	Rate Base
		CIS Deferred Costs Recoverable at 12/31/14	Amortization (12 months) (Note 3)	CIS Deferred Costs Recoverable at 12/31/15
1	CIS Deferred Cost (Note 1)	\$ 6,293	(606)	\$ 5,687
2	CIS Deferred O&M Reclass (Note 1)	493	(47)	445
3	Carrying charges (Note 2)	403	(38)	364
4	Write-Off (Note 2)	(4,761)	458	(4,302)
5 = sum 1 - 4	CIS deferred costs recoverable	2,428	(233)	2,195

(1) See Exhibit B, Attachment 2, page 3 of the CIS Project Final Cost Report that filed on April 1, 2013, in Docket No. 04-0268.

(2) See Exhibit 2, p.1, of the Hawaiian Electric 2009 Test Year Rate Case Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed January 28, 2013 in Docket No. 2008-0083.

(3) Amortized over 12 years, per Exhibit 1, page 2 of 3, footnote 1 of the Hawaiian Electric 2009 Test Year Rate Case Stipulated Settlement Agreement between the Hawaiian Electric Companies and the Division of Consumer Advocacy regarding Certain Regulatory Matters, filed January 28, 2013 in Docket No. 2008-0083. Refer to CIS Amortization schedule included.

**Maui Electric Company, Ltd.**  
**CIS in 2015 RAM Calculations**  
**CIS Amortization Schedule**

		CIS Final Cost - Amort (Rate Base Impact)	Rounded (\$ in 000's)	
<b>Amort. Period</b>		<b>144 months</b>		
<b>Reg Asset Balance</b>				
<b>Bal. 5/2013</b>		<u><u>2,797,191</u></u>		
1	Jun-13	(19,424.94)	2,777,766.06	
2	Jul-13	(19,424.94)	2,758,341.13	
3	Aug-13	(19,424.94)	2,738,916.19	
4	Sep-13	(19,424.94)	2,719,491.25	
5	Oct-13	(19,424.94)	2,700,066.31	
6	Nov-13	(19,424.94)	2,680,641.38	
7	Dec-13	(19,424.94)	2,661,216.44	2,661
8	Jan-14	(19,424.94)	2,641,791.50	
9	Feb-14	(19,424.94)	2,622,366.56	
10	Mar-14	(19,424.94)	2,602,941.63	
11	Apr-14	(19,424.94)	2,583,516.69	
12	May-14	(19,424.94)	2,564,091.75	
13	Jun-14	(19,424.94)	2,544,666.81	
14	Jul-14	(19,424.94)	2,525,241.88	
15	Aug-14	(19,424.94)	2,505,816.94	
16	Sep-14	(19,424.94)	2,486,392.00	
17	Oct-14	(19,424.94)	2,466,967.06	
18	Nov-14	(19,424.94)	2,447,542.13	
19	Dec-14	(19,424.94)	2,428,117.19	2,428
20	Jan-15	(19,424.94)	2,408,692.25	
21	Feb-15	(19,424.94)	2,389,267.31	
22	Mar-15	(19,424.94)	2,369,842.38	
23	Apr-15	(19,424.94)	2,350,417.44	
24	May-15	(19,424.94)	2,330,992.50	
25	Jun-15	(19,424.94)	2,311,567.56	
26	Jul-15	(19,424.94)	2,292,142.63	
27	Aug-15	(19,424.94)	2,272,717.69	
28	Sep-15	(19,424.94)	2,253,292.75	
29	Oct-15	(19,424.94)	2,233,867.81	
30	Nov-15	(19,424.94)	2,214,442.88	
31	Dec-15	(19,424.94)	2,195,017.94	2,195
32	Jan-16	(19,424.94)	2,175,593.00	
33	Feb-16	(19,424.94)	2,156,168.06	
34	Mar-16	(19,424.94)	2,136,743.13	
35	Apr-16	(19,424.94)	2,117,318.19	
36	May-16	(19,424.94)	2,097,893.25	

2015 Amortization  
(233,099)

**Maui Electric Company, Ltd.**  
**CIS in 2015 RAM Calculations**  
**CIS Amortization Schedule (continued)**

		CIS Final Cost - Amort	Rounded (\$ in 000's)
37	Jun-16	(19,424.94)	2,078,468.31
38	Jul-16	(19,424.94)	2,059,043.38
39	Aug-16	(19,424.94)	2,039,618.44
40	Sep-16	(19,424.94)	2,020,193.50
41	Oct-16	(19,424.94)	2,000,768.56
42	Nov-16	(19,424.94)	1,981,343.63
43	Dec-16	(19,424.94)	1,961,918.69
44	Jan-17	(19,424.94)	1,942,493.75
45	Feb-17	(19,424.94)	1,923,068.81
46	Mar-17	(19,424.94)	1,903,643.88
47	Apr-17	(19,424.94)	1,884,218.94
48	May-17	(19,424.94)	1,864,794.00
49	Jun-17	(19,424.94)	1,845,369.06
50	Jul-17	(19,424.94)	1,825,944.13
51	Aug-17	(19,424.94)	1,806,519.19
52	Sep-17	(19,424.94)	1,787,094.25
53	Oct-17	(19,424.94)	1,767,669.31
54	Nov-17	(19,424.94)	1,748,244.38
55	Dec-17	(19,424.94)	1,728,819.44
56	Jan-18	(19,424.94)	1,709,394.50
57	Feb-18	(19,424.94)	1,689,969.56
58	Mar-18	(19,424.94)	1,670,544.63
59	Apr-18	(19,424.94)	1,651,119.69
60	May-18	(19,424.94)	1,631,694.75
61	Jun-18	(19,424.94)	1,612,269.81
62	Jul-18	(19,424.94)	1,592,844.88
63	Aug-18	(19,424.94)	1,573,419.94
64	Sep-18	(19,424.94)	1,553,995.00
65	Oct-18	(19,424.94)	1,534,570.06
66	Nov-18	(19,424.94)	1,515,145.13
67	Dec-18	(19,424.94)	1,495,720.19
68	Jan-19	(19,424.94)	1,476,295.25
69	Feb-19	(19,424.94)	1,456,870.31
70	Mar-19	(19,424.94)	1,437,445.38
71	Apr-19	(19,424.94)	1,418,020.44
72	May-19	(19,424.94)	1,398,595.50
73	Jun-19	(19,424.94)	1,379,170.56
74	Jul-19	(19,424.94)	1,359,745.63
75	Aug-19	(19,424.94)	1,340,320.69
76	Sep-19	(19,424.94)	1,320,895.75
77	Oct-19	(19,424.94)	1,301,470.81
78	Nov-19	(19,424.94)	1,282,045.88
79	Dec-19	(19,424.94)	1,262,620.94
80	Jan-20	(19,424.94)	1,243,196.00
81	Feb-20	(19,424.94)	1,223,771.06
82	Mar-20	(19,424.94)	1,204,346.13
83	Apr-20	(19,424.94)	1,184,921.19

1,962

1,729

Maui Electric Company, Ltd.  
 CIS in 2015 RAM Calculations  
 CIS Amortization Schedule (continued)

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		CIS Final Cost - Amort	Rounded (\$ in 000's)
84	May-20	(19,424.94)	1,165,496.25
85	Jun-20	(19,424.94)	1,146,071.31
86	Jul-20	(19,424.94)	1,126,646.38
87	Aug-20	(19,424.94)	1,107,221.44
88	Sep-20	(19,424.94)	1,087,796.50
89	Oct-20	(19,424.94)	1,068,371.56
90	Nov-20	(19,424.94)	1,048,946.63
91	Dec-20	(19,424.94)	1,029,521.69
92	Jan-21	(19,424.94)	1,010,096.75
93	Feb-21	(19,424.94)	990,671.81
94	Mar-21	(19,424.94)	971,246.88
95	Apr-21	(19,424.94)	951,821.94
96	May-21	(19,424.94)	932,397.00
97	Jun-21	(19,424.94)	912,972.06
98	Jul-21	(19,424.94)	893,547.13
99	Aug-21	(19,424.94)	874,122.19
100	Sep-21	(19,424.94)	854,697.25
101	Oct-21	(19,424.94)	835,272.31
102	Nov-21	(19,424.94)	815,847.38
103	Dec-21	(19,424.94)	796,422.44
104	Jan-22	(19,424.94)	776,997.50
105	Feb-22	(19,424.94)	757,572.56
106	Mar-22	(19,424.94)	738,147.63
107	Apr-22	(19,424.94)	718,722.69
108	May-22	(19,424.94)	699,297.75
109	Jun-22	(19,424.94)	679,872.81
110	Jul-22	(19,424.94)	660,447.88
111	Aug-22	(19,424.94)	641,022.94
112	Sep-22	(19,424.94)	621,598.00
113	Oct-22	(19,424.94)	602,173.06
114	Nov-22	(19,424.94)	582,748.13
115	Dec-22	(19,424.94)	563,323.19
116	Jan-23	(19,424.94)	543,898.25
117	Feb-23	(19,424.94)	524,473.31
118	Mar-23	(19,424.94)	505,048.38
119	Apr-23	(19,424.94)	485,623.44
120	May-23	(19,424.94)	466,198.50
121	Jun-23	(19,424.94)	446,773.56
122	Jul-23	(19,424.94)	427,348.63
123	Aug-23	(19,424.94)	407,923.69
124	Sep-23	(19,424.94)	388,498.75
125	Oct-23	(19,424.94)	369,073.81
126	Nov-23	(19,424.94)	349,648.88
127	Dec-23	(19,424.94)	330,223.94
128	Jan-24	(19,424.94)	310,799.00
129	Feb-24	(19,424.94)	291,374.06
130	Mar-24	(19,424.94)	271,949.13

**Maui Electric Company, Ltd.**  
**CIS in 2015 RAM Calculations**  
**CIS Amortization Schedule (continued)**

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		CIS Final Cost - Amort	Rounded (\$ in 000's)
131	Apr-24	(19,424.94)	252,524.19
132	May-24	(19,424.94)	233,099.25
133	Jun-24	(19,424.94)	213,674.31
134	Jul-24	(19,424.94)	194,249.38
135	Aug-24	(19,424.94)	174,824.44
136	Sep-24	(19,424.94)	155,399.50
137	Oct-24	(19,424.94)	135,974.56
138	Nov-24	(19,424.94)	116,549.63
139	Dec-24	(19,424.94)	97,124.69
140	Jan-25	(19,424.94)	77,699.75
141	Feb-25	(19,424.94)	58,274.81
142	Mar-25	(19,424.94)	38,849.88
143	Apr-25	(19,424.94)	19,424.94
144	May-25	(19,424.94)	-

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

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

Maui Electric Company, Ltd.  
CHP Investment  
Estimated Book Depreciation  
Docket No. 2009-0288 Depreciation Rates

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

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

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



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

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

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

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

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

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

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

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

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

MAUI ELECTRIC COMPANY, LTD.  
DEFERRED INCOME TAXES

Line No.	DR(CR) LIAB	Description	DR(CR)	DR(CR)	Note 1
			FEDERAL DEF TAX 12/31/2014	STATE DEF TAX 12/31/2014	TOTAL DEF TAX 12/31/2014
1	28310	Rate Case Costs	(67,283)	(12,305)	(79,588)
2	28311	Rev Bond Diff	(668,361)	(137,720)	(806,081)
3	28312	Prepaid Expenses	(269,157)	(52,874)	(342,031)
4	28313	Uncoll Accts	70,780	12,943	83,723
5	28314	Computer Software Costs	4,433	(575)	3,858
6	28315	Cost of Removal	(16,009,823)	(2,926,134)	(18,935,757)
7	28316	Disc Wkra Cmp	247,549	45,266	292,815
8	28318	Pension Cst - Book Expense	13,220,038	2,417,371	15,637,409
9	28318	Pension Cst - Tax Deduction	(14,272,572)	(2,609,841)	(16,882,413)
10	28318	Pension Cst - Excess (non-qual)	(1,689)	(304)	(1,973)
11	28318	Pension Tracking	(3,036,695)	(555,282)	(3,591,977)
12	28319	Cap Items Chg	(15,080)	(2,757)	(17,837)
13	28323	Cap Int	1,974,783	484,253	2,439,036
14	28324	CIAC	12,280,577	3,227,795	15,508,372
15	28325	Cust Adv	739,346	135,193	874,539
18	28326	Int IRS Adj	75,501	(4,243)	71,258
17	28327	Exec Incan Comp	143,217	42,838	185,855
18	28327	Exec Incan Comp \$481(a) adj.	81,843	11,308	73,151
19	28328	Vacaton Accrual	(85,582)	(20,246)	(105,808)
20	28331	CWIP Debt Transition	(46,158)	(8,440)	(54,598)
21	28332	CWIP Equity Transition	(135,920)	(24,854)	(160,774)
22	28333	Plant Trans (AFUDC)	(252,086)	(46,066)	(298,182)
23	28334	FAS 109 Flow Through	(585)	(107)	(692)
24	28335	CWIP Equity Net	(4,195,029)	(767,091)	(4,962,120)
25	28336	CWIP Debt	(2,054,481)	(375,676)	(2,430,157)
26	28337	CWIP Equity Gross-Up	(2,672,071)	(488,608)	(3,160,679)
27	28338	Reg Liab Fed ITC	162,976	29,802	192,778
28	28339	OPEB - Book Expense	7,286,109	1,332,313	8,618,422
29	28339	OPEB - Tax Deduction	(7,244,085)	(1,324,632)	(8,568,717)
30	28339	OPEB - Exec. Life	534,594	97,755	632,349
31	28339	OPEB - Exec. Life Tax Deduction	(28,464)	(5,205)	(33,669)
32	28339	OPEB Tracking	429,683	78,570	508,253
33	28340	IRP/DSM Costs	(297,388)	(70,427)	(367,815)
34	28342	Deficit Def Tax	8,604	1,573	10,177
35	28343	Gen Liab Reserve	1,290,180	235,917	1,526,097
36	28344	GI(L) on ACRS Retirals	(1,852,351)	(342,193)	(2,194,544)
37	28400	Customer Information System	(460,010)	(85,341)	(545,351)
38	28404	Emission Fees Accrued	150,269	27,482	177,771
39	28405	Hawaii R&D Credit	748	137	885
40	28407	Oil Spill Clean-Up	-	-	-
41	28408	Legal Fees Deferred for Tax	109,020	19,936	128,956
42	28408	Percentage Repair Allowance	(525,190)	(208,145)	(733,335)
43	28409	BPI Costs	(5,241)	(961)	(6,202)
44	28410	QUIPS Amortization	(111,018)	(20,300)	(131,318)
45	28412	Sun Power for Schools	(3,078)	(582)	(3,638)
46	28413	Other	28,724	(3)	28,721
47	28414	Deferred Comp-Restricted Stock	9,118	1,669	10,787
48	28415	FIN 48 Interest	-	-	-
49	28416	FIN 48 Tax	(2)	3	1
50	28417	SFAS 158 - AOCI	-	-	-
51	28418	Maneie Bay CHP Lease	154,966	28,337	183,303
52	28419	HR Suite	(268,247)	(48,686)	(314,933)
53	28420	Solar Saver Program	72,891	13,330	86,221
54	28421	Reg Liab Fed Energy Credits	(29,866)	(5,459)	(35,325)
55	28477	State Energy Tax Credits	16,153	2,955	19,108
56	28478	Repairs Deduction	(16,091,825)	(3,243,131)	(19,334,956)
57	28479	CHP Direct Lease vs. Book Depr.	21,500	3,931	25,431
58	28480	Reg Asset/Liability - SFAS 109	178,856	32,705	211,561
59	28481	Charitable Contribution NOL	11,274	-	11,274
60	28482	Budget System	(88,703)	(15,890)	(104,593)
61	28483	ERP/EAM Replacement Costs	114,921	21,015	135,936
62	28484	IVR Project	116,532	28,227	144,759
63	28486	Power Plant Project Costs	-	-	-
64	28487	Franchise Tax Liability	318,689	58,275	376,964
65	28487	Capital Loss Limited	4,370	488	4,858
66	28488	2011 NOL Benefit not Utilized	8,909,098	-	8,909,098
67	28488	2012 NOL Benefit not Utilized	2,588,445	-	2,588,445
68	28489	Reserve for Reg. Liability Refund	42,337	8,145	50,482
69	28490	RBA Revenue	(2,233,401)	(408,393)	(2,641,794)
70	28491	R&D Tax Credit limited	26,466	-	26,466
71	ACCOUNT 283, excluding state ITC		(21,652,585)	(5,433,149)	(27,085,734)
72	28309	State ITC	4,643,666	849,164	5,493,030
73		TOTAL ACCOUNT 283000	(17,008,718)	(4,583,985)	(21,592,704)
74	28210000	Accelerated Depreciation	(48,896,116)	(3,250,222)	(52,146,338)
75	28210100	Accel. Depr. - Excess	-	-	-
76	28210200	Accel. Depr. - Deficit	2	(1)	1
77		TOTAL ACCOUNT 282	(48,896,114)	(3,250,223)	(52,146,337)
78		TOTAL DEF INCOME TAX - UTILITY	(65,904,833)	(7,834,208)	(73,739,041)

Line No.	DR(CR) LIAB	Description	DR(CR)	DR(CR)	Note 1
			FEDERAL DEF TAX 12/31/2014	STATE DEF TAX 12/31/2014	TOTAL DEF TAX 12/31/2014
79	<b>RATE BASE CALCULATION</b>				
80		Total 283 Deferred Tax	(17,008,718)	(4,583,985)	(21,592,704)
81		Less:			
82	28326	Int IRS Adj	75,501.00	(4,243.00)	71,258
83	28327	Exec Incen Comp	143,217.00	42,638.00	185,855
84	28327	Exec Incen Comp §481(a) adj	81,843.00	11,308.00	73,151
85	28328	Vacation Accrual	(85,562.00)	(20,248.00)	(105,808)
88	28313	Uncoll Accts Allow	70,780.00	12,943.00	83,723
87	28316	Disc Wkrs Cmp	247,549.00	45,266.00	292,815
88	28343	Gen Liab Reserve	1,290,180.00	235,917.00	1,526,097
89	28318	Pensn Cst (nonqual)	(1,868.00)	(304.00)	(1,973)
90	28310	Rate Case Costs Excluded as of TY2010	-	-	-
91	28339	OPEB Exec Life	506,130.00	92,550.00	598,680
92	28340	IRP/DSM Costs	(297,388.00)	(70,427.00)	(367,815)
93	28400	CIS Carrying Costs at Full Debt rate	(41,805)	(7,608)	(49,213)
94	28407	Fuel/Oil Spill Liab Reserve	-	-	-
95	28414	Deferred Comp-Restricted Stock	9,118.00	1,669.00	10,787
96	28415	FIN 48 Interest	-	-	-
97	28418	FIN 48 Tax	(2.00)	3.00	1
98	28416	SFAS 15B - AOCI	-	-	-
99	28463	ERP EAM Project	114,921.00	21,016.00	135,936
100	28464	IVR Project	116,532.00	28,227.00	144,759
101	28466	Unbilled Franchise Tax	318,889.00	58,275.00	376,964
102	28460	RBA Revenue	(2,233,401.00)	(408,393.00)	(2,641,794)
103	28468	NOL Carryforward (Note 1)	11,497,543.00	-	11,497,543
104			<u>11,792,376</u>	<u>38,590</u>	<u>11,830,966</u>
105		Total 283 Deferred Taxes for Rate Base	(28,801,095)	(4,622,575)	(33,423,670)
106		Total 282 Deferred Taxes for Rate Base	<u>(48,896,114)</u>	<u>(3,250,223)</u>	<u>(52,146,337)</u>
107		Total Deferred Tax for Rate Base	<u>(77,697,209)</u>	<u>(7,872,798)</u>	<u>(85,570,007)</u>

Footnotes:

- (1) Per the CA's 2013 Transmittal No. 13-01, page 12, the CA proposed removal of the DTA on the NOL carryforward. Maui Electric agreed to an adjustment to increase ADIT in consideration of the need for a quick resolution of the 2013 decoupling proceeding and the precedential nature of this ADIT item. For the current decoupling proceeding, Maui Electric has excluded this item in arriving at Other Deferred Income Taxes. Again, the adjustment is a general concession to the ADIT balance and Maui Electric does not concede to the CA's position.



**MAUI ELECTRIC COMPANY, LTD.**  
**ADIT Relating to CIS Adjustments for Carrying Costs**  
**2014**

+ = addback  
- = deduct

	Add'l Debt	32.8947% Def Fed	6.0150% Def State	Total Def Tax
2012 (1)	113,472	37,326	6,825	44,151
2013				
CIS interest (5/12 - 5/13) (1)	32,234	10,603	1,939	12,542
CIS amort beg 6/13	(7,083)	(2,330)	(426)	(2,756)
Total CIS	25,151	8,273	1,513	9,786
Balance as of 12/31/13	<u>138,623</u>	<u>45,599</u>	<u>8,338</u>	<u>53,937</u>
2014 Amortization	(12,142)	(3,994)	(730)	(4,724)
Balance as of 12/31/14	<u>126,481</u>	<u>41,605</u>	<u>7,608</u>	<u>49,213</u>

MECO-WP-D4-001

The GL balance includes the AFUDC debt and the AFUDC additional debt.

The Rate base balance includes just the AFUDC debt.

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

## NOTES:

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

	<u>2013</u>	<u>2012</u>
AFUDC Debt - full debt	56,885	214,458
Less: AFUDC Debt	24,651	100,986
Base on which ADIT is calculated	<u>32,234</u>	<u>113,472</u>

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

**Composite Federal and State Effective Income Tax Rate**

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

**Calculation of Effective Rates**

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

**Calculation of State Effective Income Tax Rate**

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

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

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

$$1.064(ST) = .064$$

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

**Calculation of Federal Effective Income Tax Rate**

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

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

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

$$FT = .35 - .0210526316$$

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

MAUI ELECTRIC COMPANY, Ltd.  
TAX REPAIRS ADJUSTMENT  
2015

		A	B	C = A x B	D = A - C
	MECO-WP-F1-002 5-Year AVERAGE	Plant Adds	MECO-WP-F1-001 pg.2 Repairs Allocation	Repairs Deduction	Depreciable Basis
	LIFE				
Structural	39	1,277,849			
Steam Production	20	494,842	494,842	21.76%	107,656
Non-Steam Production	15	6,074,946	6,074,946	21.76%	1,321,639
ROW	50	71,103			
Transmission	20	3,073,091	3,073,091	42.65%	1,310,762
Distribution	20	25,734,076	25,734,076	21.68%	5,578,704
Distribution - Street Lights	7	223,014	223,014	21.68%	48,346
Distribution - EV Fast Charger	7	9,789	9,789	21.68%	2,122
Computer Data	5	504,836			
Comp/Off/Furn/Tools	7	150,063			
Vehicles	-	1,229,958			
General	20	1,884,164			
Communication	20	1,739,447			
Land	-	(6,180)			
<b>TOTAL</b>		<b>42,460,998</b>	<b>35,609,758</b>	<b>8,369,229</b>	<b>27,240,529</b>
		<i>from Sch D2</i>		<i>to Sch F1</i>	

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

**MAUI ELECTRIC COMPANY, LTD.  
REPAIRS DEDUCTION  
2015**

Repairs %: Note 1			Distribution	Transmission	Note 2 Generation
<b>Book basis repairs</b>					
1	2010		3,395,009	1,074,383	1,500,000
2	2011		5,109,057	948,114	2,430,000
3	2012		5,320,976	1,284,956	1,500,000
4	2013		8,212,829	2,099,894	1,500,000
5	2014		6,947,634	1,137,714	1,625,006
6	<b>Total book basis repairs</b>		<b>28,985,505</b>	<b>6,545,061</b>	<b>8,555,006</b>
<b>Book basis adds</b>					
7	2010	MECO WP-F1-002	20,785,394	1,536,304	5,011,827
8	2011	MECO WP-F1-002	15,784,899	2,095,102	7,869,318
9	2012	MECO WP-F1-002	29,582,294	5,615,857	8,236,091
10	2013	MECO WP-F1-002	33,883,264	3,523,926	10,736,684
11	2014	MECO WP-F1-002	33,671,758	2,573,753	7,469,383
12	<b>Total book basis adds</b>		<b>133,707,609</b>	<b>15,344,942</b>	<b>39,323,303</b>
<b>Repairs % (Line 6 / Line 12)</b>			<b>21.678276%</b>	<b>42.652888%</b>	<b>21.755564%</b>

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

Note 2> In 2014, MECO is including an estimate of generation repairs based on an initial analysis of prior year repairs prepared by PWC.

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

**Programs:**

Description	Life	2014	2013	2012	2011	2010	Less: Major Projects	Total	Average	% Average
Structural	39	-	166,307	165,830	173,243	187,592	-	692,972	138,594	0.72%
Steam Production	20	24,566	44,332	52,160	25,739	85,209	-	232,006	46,401	0.24%
Other Production	15	438,231	125,953	94,925	119,553	63,683	-	842,345	168,469	0.87%
Right of Way	50	92,351	88,340	59,067	32,048	56,117	-	327,923	65,585	0.34%
Transmission	20	482,017	744,297	1,000,184	944,560	1,152,483	-	4,323,541	864,708	4.48%
Distribution	20	23,908,822	18,655,863	16,924,355	10,663,035	10,611,334	-	80,763,409	18,152,682	83.68%
Distribution - Street Lights	7	297,151	158,125	84,551	54,011	70,254	-	664,092	132,818	0.69%
Computers	5	114,774	157,187	-	99,442	167,248	-	538,651	107,730	0.56%
Office Furniture & Eq	7	690,592	1,867	4,126	1,734	1,143	-	699,462	139,892	0.73%
Transportation		1,109,813	1,143,903	812,971	839,518	1,233,406	-	5,139,611	1,027,920	5.33%
General	20	125,820	674,966	226,832	806,977	374,418	-	2,209,013	441,803	2.29%
Communications	20	56,599	(18,541)	9,400	56,426	5,449	-	109,333	21,867	0.11%
Land		(30,898)						(30,898)	(6,180)	-0.03%
<b>Total - Programs</b>		<b>27,309,838</b>	<b>21,942,599</b>	<b>19,434,401</b>	<b>13,816,286</b>	<b>14,008,336</b>	<b>-</b>	<b>96,511,460</b>	<b>19,302,289</b>	<b>100.00%</b>

**Projects:**

Description	Life	2014	2013	2012	2011	2010	Less: Major Projects	Total	Average	% Average
Structural	39	252,940	2,076,141	1,563,770	1,595,581	207,842	-	5,696,274	1,139,255	4.92%
Steam Production	20	451,191	219,839	140,627	294,534	1,136,016	-	2,242,207	448,441	1.94%
Other Production	15	6,555,395	10,346,560	7,948,379	7,429,492	3,726,919	(6,474,362) (1)	29,532,383	5,906,477	25.50%
Right of Way	50	5,696	2,494	15,617	381	3,395	-	27,583	5,618	0.02%
Transmission	20	2,091,736	2,779,629	4,815,673	1,150,542	383,821	20,513 (2)	11,041,914	2,208,383	9.54%
Distribution	20	9,280,483	14,957,425	12,531,660	5,067,853	9,942,767	(3,873,219) (3)	47,906,969	9,581,394	41.37%
Distribution - Street Lights	7	185,304	62,907	41,728	-	161,039	-	450,978	90,196	0.39%
Distribution - EV Fast Charger	7	-	48,944	-	-	-	-	48,944	9,789	0.04%
Computers	5	446,767	664,400	206,134	533,637	134,594	-	1,985,532	397,108	1.72%
Office Furniture & Eq	7	-	-	-	50,852	-	-	50,852	10,171	0.04%
Transportation		-	643,277	230,213	84,595	52,103	-	1,010,188	202,038	0.87%
General	20	1,742,078	90,748	375,841	4,939,059	64,079	-	7,211,805	1,442,361	6.23%
Communication	20	1,310,885	4,138,147	1,172,199	1,476,477	490,190	-	8,587,898	1,717,580	7.42%
<b>Total - Projects</b>		<b>22,322,474</b>	<b>36,030,511</b>	<b>28,841,841</b>	<b>22,623,003</b>	<b>16,302,765</b>	<b>(10,327,068)</b>	<b>115,793,526</b>	<b>23,158,709</b>	<b>100.00%</b>
<b>Total</b>		<b>49,632,312</b>	<b>57,973,110</b>	<b>48,276,242</b>	<b>36,439,289</b>	<b>30,311,101</b>	<b>(10,327,068)</b>	<b>212,304,986</b>	<b>42,460,998</b>	

Summary	Life	2014	2013	2012	2011	2010	Total Average	Allocation %	
Structural	39	252,940	2,242,448	1,729,600	1,768,824	395,434	Structural - 39 yrs	1,277,849	3.01%
Steam Production	20	475,757	264,171	192,787	320,273	1,221,225	Steam Production - 20 yrs	494,842	1.17%
Other Production	15	6,993,626	10,472,513	8,043,304	7,549,045	3,790,602	Other Production - 15 yrs	6,074,946	14.31%
Right of Way	50	98,048	90,834	74,684	32,429	59,512	Right of Way - 50 yrs	71,103	0.17%
Transmission	20	2,573,753	3,523,926	5,615,857	2,095,102	1,536,304	WP-F1-001 p. 2 Transmission - 20 yrs	3,073,091	7.24%
Distribution	20	33,189,304	33,613,288	29,456,015	15,730,888	20,554,101	Distribution - 20 yrs	25,734,076	60.61%
Distribution - Street Lights	7	482,454	221,032	126,279	54,011	231,293	WP-F1-001 p. 2 Street Lights - 7 yrs	223,014	0.53%
Distribution - EV Fast Charger	7	-	48,944	-	-	-	EV Fast Charger - 7 yrs	9,789	0.02%
Computers	5	561,542	821,587	206,134	633,079	301,842	Computer Data - 5yrs	504,836	1.19%
Office Furniture & Eq	7	690,592	1,867	4,126	52,586	1,143	Furniture, Fixtures & Equip - 7 yrs	150,063	0.35%
Transportation		1,109,813	1,787,180	1,043,184	924,113	1,285,509	Transportation	1,229,958	2.90%
General	20	1,867,898	765,714	602,673	5,746,036	438,497	General - 20 yrs	1,884,164	4.44%
Communication	20	1,367,483	4,119,606	1,181,599	1,532,903	495,639	Communications - 20 yrs	1,739,447	4.10%
Land		(30,898)	-	-	-	-	Land	(6,180)	-0.01%
<b>Total - Programs &amp; Projects</b>		<b>49,632,312</b>	<b>57,973,110</b>	<b>48,276,242</b>	<b>36,439,289</b>	<b>30,311,101</b>	<b>Total (net of Major Projects)</b>	<b>42,460,998</b>	<b>100.00%</b>

**Notes:**

Major Projects	Plant Additions
(1) M14 Capital Overhaul	3,688,795 Schedule D2 (2011)
M16 Capital Overhaul	2,865,973 Schedule D2 (2013)
M16 Capital Overhaul adjustment	(80,406) Schedule D2 (2014)
<b>Total</b>	<b>6,474,362</b>
(2) Maalaea Dual Train Combined Cycle -2010	(20,513) Schedule D2 (2010)
<b>Total</b>	<b>(20,513)</b>
(3) CHP Manale Bay Hotel - 2010	101,942 Schedule D2 (2010)
CHP Manale Bay Hotel - 2011	(564) Schedule D2 (2011)
6th Increment Distribution Rebuild - 2010	904,737 Schedule D2 (2010)
6th Increment Distribution Rebuild - 2011	2,867,104 Schedule D2 (2011)
<b>Total</b>	<b>3,873,219</b>

WP-F1-001 p. 1

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

<u>Line</u>	<u>Description</u>	<u>12/31/14</u>	<u>12/31/13</u>
1	<u>Investments in Assets Serving Customers</u>		
2	Net Plant in Service	599,451.7	570,018.2
3	Materials & Supplies (Excl stores)	17,392.7	14,857.1
4	Fuel Oil inventory	17,709.9	20,275.0
5	Property Held for Future Use	1,302.5	1,302.5
6	Lease receivable - CHP	5,949.9	6,387.8
7	Unamortized system development costs	3,568.9	3,726.7
8	Regulatory Assets	20,712.9	20,740.8
9	Total Investment in Assets	666,088.5	637,308.1
10			
11	<u>Funds from Non-Investors</u>		
12	Unamortized Contributions	(88,217.7)	(85,047.3)
13	Customer Advances	(5,285.7)	(5,244.5)
14	Customer Deposits	(3,906.4)	(3,994.9)
15	Deferred Income taxes	(85,570.0)	(70,300.0)
16	Unamortized ITC	(14,172.0)	(13,743.6)
17	Unearned interest - CHP	(2,921.0)	(3,255.4)
18	Regulatory Liabilities	(29,799.0)	(32,507.5)
19	Total Deductions	(229,871.8)	(214,093.2)
20			
21	Working Cash	8,889.7	9,753.5
22			
23	Rate Base	445,106.5	432,968.4
24			
25	Simple Average Rate Base	439,037.5	

MAUI ELECTRIC COMPANY, LTD.  
AVERAGE RATE BASE AND RATE OF RETURN  
(\$ Thousands)

	RATE BASE	Reference	Month End	
			Dec-14	Dec-13
1	TOTAL UTILITY PLANT	Note (2), p. 8	615,135	585,050
2	Adjustments:			
3	Construction Work in Progress	Note (2), p. 8	(11,819)	(11,030)
4	Retirement Work in Progress	Note (2), p. 8	(2,562)	(2,699)
5	Asset Retirement Obligation	Note (2), p. 10	(256)	(258)
6	Regulatory Liability for Cost of Removal	Note (2), p. 10	(27,951)	(31,904)
7	DEPRECIATED COST OF UTILITY PLANT IN SERVICE *	Note 1	572,547	539,161
8				
9	REGULATORY ASSETS - SFAS 108	Note (2), p. 9	8,188	8,372
10	REG ASSET- CONTRIB vs. NPPC	GL #18676030	3,100	3,100
11	REGULATORY ASSET - PENSION NPPC vs. Rates	GL #18676040	9,232	9,332
12	REGULATORY ASSET - OPEB NPBC vs. Rates	GL #18677040	194	(287)
13				
14	MATERIALS & SUPPLIES INVENTORIES	Note (2), p. 8	17,393	14,857
15				
16	FUEL STOCK	Note (2), p. 8	17,710	20,275
17				
18	UNAMORTIZED DEFERRED HR SUITE-PHASE 1	GL #186060	859	988
19	UNAMORTIZED DEFERRED BUDGET SYSTEM PROJECT	GL#186077	282	313
20	UNAMORTIZED DEFERRED CIS COSTS	MECO-WP-D1-001	2,428	2,661
21				
22	CHP LEASE RECEIVABLE, NET	Note (3)	3,029	3,132
23				
24	WORKING CASH:	MECO-WP-H-007	8,890	9,754
25				
26	DEDUCTIONS:			
27	Unamortized Contributions in Aid of Construction	Note (2), p. 10	88,218	85,047
28	Customer Advances for Construction	Note (2), p. 10	5,286	5,245
29	Deferred Income Taxes	Sch. D1	85,570	70,300
30	Unamortized Investment Tax Cr - 1982 Revenue Act & STC	GL #255200	14,172	13,744
31	Customer Deposits	GL #23501000	3,906	3,995
32	Regulatory Liability other	GL #25400007/25400010	92	82
33	Regulatory Liability Tracker True-up	GL#25400004	0	191
34	Regulatory Liability OPEB True-up	GL #25400002	1,500	74
35	TOTAL DEDUCTIONS		198,743	178,678
36				
37	MONTH ENDED RATE BASE		445,107	432,968

## Notes:

(1) Includes Property Held for Future Use balance of \$1,302,500 at December 31, 2014 and 2013.

(2) See Maui Electric Company, Ltd. Monthly Financial Report - December 2014, page 8, 9 or 10, filed February 26, 2015.

(3) CHP Lease Receivable, net is computed as follows:

CHP Lease Receivable			
Current	17401800	434	438
Non-current	18601800	5,516	5,950
CHP Unearned Interest			
Current	24201800	(323)	(334)
Non-current	25301800	(2,588)	(2,921)
		3,029	3,132

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

Line	Description	Account/Activity No.	2014	Net of Tax @ 38.91%	Rounded 000s
1	<u>Incentive Compensation</u>				
2	LTIP and EICP expense	M8M723MAUNENMAZZZZ900	850,355	519,484	519 → Line 2a
3					
4	<u>Discretionary and Other Expenses Not Recoverable</u>				
5	Executive Life expense	HR000120	(47,804)		
6	Executive Life in OPEB	Provided by HEI	65,251		
7	HEIRS	HR000067, HR000089, HR000143	42,646		
8	EEI Dues (allowed portion)	Invoiced amount allocated to MECO	22,063		
9	HEI charges for incentive compensation	Provided by HEI	215,642		
10	Service awards	AD000249	1,635		
11	Subtotal		299,433	182,924	183 → Line 2b
12					
13	Total adjustment to operating income		<u>1,149,788</u>	702,408	



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

Line	Description	Source	2014	Rounded 000s
1	Total Interest Charges	Dec. 2014 PUC report	\$ 9,888,484	
2				
3	Less:			
4	Interest on Customer Deposits	Account 43105000	(302,706)	
5	AFUDC-Debt	NARUC 420030	(91,047)	
6				
7	Add:			
8	Amort of Inv Inc Differential	NARUC 403030	<u>10,662</u>	11 → Line 2c
9				
10	Total		9,505,393	
11		Tax rate	<u>38.91%</u>	
12				
13			3,698,548	(3,699) → Line 2d

MAUI ELECTRIC COMPANY, LTD  
Ratemaking Capitalization - Cost Rate  
Dec-14

	Simple Average Balance*	Ratios	Cost Rate	Weighted Cost of Debt
MECO-WP-H-005				
Short-Term Debt	13,683,333	3.02%	0.54%	0.02%
Long-Term Debt	172,493,513	38.08%	5.11%	1.94%
Hybrid Securities	9,444,841	2.08%	7.27%	0.15%
Preferred Stock	4,763,734	1.05%	8.21%	0.09%
Common Equity	252,633,817	55.77%	9.00%	5.02%
	453,019,237	100.00%		7.22%

	NARUC/ GL Code	YTD Dec 2014	Rounded (000s)	Cost Rate
Short-Term Debt:				
430	430	723,557		
Less: Interest on QUIDS		(650,000)		
Int Exp-Commercial Paper	43100000	0		
Int Exp-SCF Loans	43108000	0		
Int Inc-Assoc Cos.	419300	0		
		73,557	74	0.54% Sch. H
Long-Term Debt:				
Amort of Debt Disc & Exp	428	490,787		
Less: Hybrid Sec Amort of Iss Exp		(36,168)		
Interest on Long-Term Debt	427	8,340,938		
Amort Inv Inc Differential	403030	10,662		
		8,806,220	8,806	5.11% Sch. H
Hybrid Securities:				
Interest on QUIDS	43006000	650,000		
Amort Exp-QUID1 Iss Exp	428QUID1	13,548		
Amort Exp-QUID2 Iss Exp	428QUID2	12,252		
Amort Exp-QUID3 Iss Exp	428QUID3	10,368		
Equity in Net Inc of Trust	421070	0		
		686,168	686	7.27% Sch. H
Preferred Stock:				
Amort of Pfd Stk Iss Exp	42501000	10,060		
Preferred Stock dividends	437	381,252		
		391,312	391	8.21% Sch. H

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

	(a)	(b)	(c)	(d)
Description		Reference	12/31/2014	12/31/2013
1 <u>Long-Term Debt</u>		PUC Monthly Fin'l Report	\$ 176,000,000	\$ 176,000,000
2				
3 Unamortized Costs:				
4 Unamortized Debt Exp		1811	(1,045,801)	(1,162,588)
5 Unamortized Debt Discount		1812	-	-
6 Reg Asset-Debt Exp		186710	(2,181,626)	(2,444,240)
7				
8				
9 Investment Income Differential		2531	(3,474)	(3,631)
10 Reg Asset-Inv Inc Differential		186750	(80,452)	(91,164)
11				
12 NET LONG-TERM DEBT			<u>172,688,648</u>	<u>172,298,377</u>
13				
14 Simple Average Long-term Debt			<u>\$ 172,493,513</u>	MECO-WP-H-004
15				
16				
17 <u>Hybrid Securities</u>		PUC Monthly Fin'l Report	\$ 10,000,000	\$ 10,000,000
18				
19 Unamortized Costs:				
20 QUIDS 1		186715	(165,963)	(179,511)
21 QUIDS 2		186716	(171,528)	(183,780)
22 QUIDS 3		181442	(199,584)	(209,952)
23				
24				
25 NET Hybrid Securities			<u>\$ 9,462,925</u>	<u>\$ 9,426,757</u>
26				
27 Simple Average Hybrid Securities			<u>\$ 9,444,841</u>	MECO-WP-H-004
28				
29				
30				
31				
32 <u>Preferred Stock</u>		PUC Monthly Fin'l Report	\$ 5,000,000	\$ 5,000,000
33				
34 Unamortized Costs:				
35 Preferred Stock Expense		2143	(90,389)	(90,389)
36 Reg Asset-Preferred Stock Expense		186740	(140,847)	(150,908)
37				
38 NET Preferred Stock			<u>4,768,764</u>	<u>4,758,703</u>
39				
40 Simple Average Preferred Stock			<u>\$ 4,763,734</u>	MECO-WP-H-004
41				
42				
43 <u>Common Equity</u>		PUC Monthly Fin'l Report	\$ 256,692,339	\$ 248,648,287
44				
45 Unamortized Costs:				
46 Preferred Stock Expense		2143	90,389	90,389
47 AOCI		211	(186,292)	(67,479)
48				
49 NET Common Equity			<u>\$ 256,596,436</u>	<u>\$ 248,671,197</u>
50				
51 Simple Average Common Equity			<u>\$ 252,633,817</u>	MECO-WP-H-004

	(a)	(b)	(c)
	Description	Reference	12/31/2014
1	<u>Short-Term Debt*</u>		
2	Balance at		
3	1/31/2014	PUC Monthly Fin'l Report	\$ 16,500,000
4	2/28/2014		18,800,000
5	3/31/2014		19,500,000
6	4/30/2014		13,300,000
7	5/31/2014		16,800,000
8	6/30/2014		20,200,000
9	7/31/2014		12,000,000
10	8/31/2014		12,800,000
11	9/30/2014		10,800,000
12	10/31/2014		10,300,000
13	11/30/2014		7,600,000
14	12/31/2014		5,600,000
15	Average		\$ 13,683,333

MECO-WP-H-004

\*Short-term debt is based on a 12 month average (i.e. average of balance at January 31, 2014 through December 31, 2014).

**MAUI ELECTRIC COMPANY**  
**Earning Sharing Credits Recorded (net of tax)**  
**2014**

	<u>2013 ESM</u>	<u>2014 ESM</u>	
Earnings Sharing Credits Recorded		503,584	
True-up (June 2014)	4,403		
Revenue Taxes @ 8.885%	(391)	(44,743)	
	<hr/>	<hr/>	
	4,012	458,841	
Income Taxes @38.9097744%	(1,561)	(178,534)	
Reduction to operating income	<hr/>	<hr/>	
	2,451	280,307	282,758

MAUI ELECTRIC COMPANY, LTD.  
WORKING CASH  
2014

Line No.	Description (a)	Reference (b)	2014 (c)	Net Collection Lag (Days) (d) Note (1)	Amount (e)=(c)/365x(d)
1	Fuel Oil				
2	Maui	GL #501 and 547	178,181,282	22.6	11,032,594
3	Lanai	GL #547L	7,165,805	17.7	347,482
4	Molokai	GL #547M	7,865,951	18.7	402,995
5					
6	Purchased Power				
7	Maui	GL #555 and 55508M	60,466,913	-5.9	(977,410)
8	Lanai	GL #555L	494,038	-11.2	(15,160)
9					
10	Current Income Taxes				
11	Income Tax	PUC pg 2	13,983,524		
12	Reversal of Tax Related to Int Synch Replacement	Sch H-Line 2d	3,698,548		
13	Tax Related to Int Synch	Sch H-line 13 - 13a	(3,607,232)		
14	Total	Sum of Line 4-8	14,074,840	-3.2	(123,396)
15					
16	Revenue Taxes				
17	Franchise				
18	Maui	GL #40801000	9,858,499		
19	Lanai	GL #40801L00	303,734		
20	Molokai	GL #40801M00	334,774		
21	PSC				
22	Maui	GL #40802000	23,667,028		
23	Lanai	GL #40802L00	735,457		
24	Molokai	GL #40802M00	812,421		
25	PUC Fee				
26	Maui	GL #40803000	2,010,793		
27	Lanai	GL #40803L00	62,486		
28	Molokai	GL #40803M00	69,025		
29	Total	Sum of Line 21-32	37,854,216	-50.5	(5,237,364)
30					
31	Total Operations	Trial Balance p. 21	44,290,295		
32	Total Maintenance	Trial Balance p. 21	17,218,335		
33	Total O&M		61,508,630		
34	O&M Labor	Labor in O&M report	23,843,545	23.9	1,561,262
35	O&M Non-Labor		37,665,085	18.4	1,898,733
36					
37	Working Cash				<u>8,889,746</u>


Footnotes:

1 Docket No. 2011-0092, Exhibit 1A, p. 13, 26 & 39 of MECO Revised Results of Operations, Tariff Sheets and Refund Plan, filed on June 17, 2013

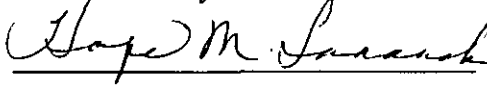
VERIFICATION

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

Joseph P. Viola, being first duly sworn, deposes and says: That he is Vice President of Maui Electric Company, Limited, Applicant in the above proceeding; that he makes this verification for and on behalf of Maui Electric Company, Limited, and is authorized so to do; that he has read the foregoing Application, and knows the contents thereof; and that the same are true of his own knowledge except as to matters stated on information or belief, and that as to those matters he believes them to be true.

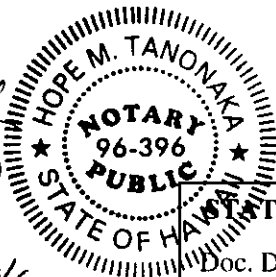
  
\_\_\_\_\_  
Joseph P. Viola

Subscribed and sworn to before me this 31<sup>st</sup> day of March, 2015.

  
\_\_\_\_\_  
Hope M. Tanonaka

Notary Public, State of Hawai'i

My Commission expires 7/18/2016



<b>STATE OF HAWAII NOTARY CERTIFICATION</b>	
Doc. Date: <u>3/31/15</u>	# of pages <u>96</u>
Notary Name: <u>Hope M. Tanonaka</u> First Circuit	
Doc. Description: <u>MECO Transmittal</u>	
<u># 15-05 (Decoupling)</u>	
<u>Hope M. Tanonaka</u>	<u>3/31/15</u>
Notary Signature	Date

CERTIFICATE OF SERVICE

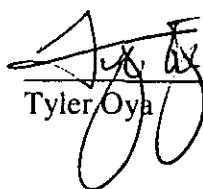
I hereby certify that the foregoing Transmittal No. 15-05 was served on the date of filing  
by hand delivery, as indicated below.

Jeffrey T. Ono  
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, 2015.

HAWAIIAN ELECTRIC COMPANY, INC.

  
Tyler Oya